



Empire Electric Association, Inc.

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www.eea.coop

November 25, 2008

Julie Orchard, Commission Secretary
Public Service Commission of Utah
Heber M. Wells Building
160 East 300 South, Fourth Floor
P. O. Box 45585
Salt Lake City, Utah 84145

Dear Ms. Orchard:

We are enclosing herewith an original and ten (10) copies of the following documents as a filing for an increase of certain rates, without formal Commission hearing, as authorized under Section 54-7-12, Utah Code. Please stamp the tenth copy "filed" and return to us for our files in the enclosed envelope. A copy is being sent to the Division of Public Utilities. Should you require these files electronically, contact our Denise Rosenbaugh (Denise.Rosenbaugh@eea.coop) and she will provide this information in the form you desire.

- Resolution of the Board of Directors of Empire Electric Association, Inc. approving the proposed rate increase, dated November 21, 2008.
- Copy of a public notice that is to be published in the San Juan Record next week
- Copy of the Notice to the Rural Utilities Service of the proposed rate changes.
- Copy of the letter included in each consumer's bill.
- Copies of the following proposed rate schedules

11 th	Revised Utah PSC No. 3 Sheet 2	Index
23 rd	Revised Utah PSC No. 3 Sheet 3	Residential Service (combined 3 & 4)
Deleted	22 nd Revised Colorado No. 3 Sheet 4A	Farm & Home Residential Service
23 rd	Revised Utah PSC No. 3 Sheet 5A	Commercial and Small Power
22 nd	Revised Utah PSC No. 3 Sheet 6A	Large Power Service
22 nd	Revised Utah PSC No. 3 Sheet 7A	Security Lighting
21 st	Revised Utah PSC No. 3 Sheet 8	Security Lighting
7 th	Revised Utah PSC No. 3 Sheet 9A	Large Power Coincident Demand
7 th	Revised Utah PSC No. 3 Sheet 11A	Residential Service (Time of Use)
2 nd	Revised Utah PSC No. 3 Sheet 11B	Residential Service (Time of Use)
Original	Revised Utah PSC No. 3 Sheet 11C & D	Commercial Service (Time of Use)
2 nd	Revised Colorado No. 3 Sheet 16A	Schedule Net Metering
1 st	Revised Colorado No. 3 Sheet 16 B & C	Schedule Net Metering

Empire's wholesale power supplier, Tri-State Generation and Transmission, Inc., is increasing their wholesale rates to Empire by 4.1 percent effective January 1, 2009. Empire is increasing its rates 2.9 percent to recover the increase in wholesale rates from Tri-State, plus a 2.1 percent general rate increase

to recover increasing costs of doing business. This total rate increase in rates will be 5.0 percent. Other than pass through rate increases from Tri-State, Empire’s last general rate increase was on January 1, 2008.

Note that the basic charge for all rate classes is going up by a minimum of \$1.00/month. This change is meant to reflect that the basic charge needs adjusted to reflect Empire’s cost to serve each rate class. For example, our last cost of service study indicates that the residential single-phase rate class should be assessed a monthly basic charge of over \$28 per month instead of the \$17.50 that is being proposed.

The following table provides you with a comparison for average users:

COMPARISON OF AVERAGE KWH MONTHLY CHARGES				
<u>Rate Class (average kWh monthly usage)</u>	<u>Current Charge</u>	<u>Proposed Charge (1-1-09)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Residential (677 kWh)	\$85.78	\$90.17	\$4.39	5.12%
Residential Time-of-Use single phase (1,607 kWh)	\$130.03	\$136.53	\$6.502	5.00%
Commercial - single phase (1,228 kWh)	\$142.17	\$149.31	\$7.14	5.02%
Commercial - three phase (4,360 kWh)	\$477.70	\$501.50	\$23.80	4.98%
Large Power 108 kW @ 51% L.F., (43,429 kWh)	\$4,386.55	\$4,606.77	\$220.22	5.02%
<u>Security Lights</u>				
175 Watt MV	\$15.69	\$16.27	\$0.41	3.70%
100 Watt HPS	\$11.35	\$11.77	\$0.20	3.70%
250 Watt HPS	\$22.40	\$23.23	\$0.49	3.71%
<u>Street Lights</u>				
175 Watt MV	\$14.02	\$14.02	\$0.34	3.71%
400 Watt MV	\$28.56	\$28.56	\$0.70	3.68%
100 W HPS	\$10.68	\$10.68	\$0.26	3.75%
250 W HPS	\$21.23	\$21.23	\$0.52	3.67%
<u>Renewable Energy (Voluntary)</u>	\$ Market per 100 kWh block	No change		

To answer questions about the rate increase, a public meeting is scheduled at 6:00 p.m., Monday, December 1 at the San Juan County Commission Chamber, 117 S. Main in Monticello, Utah.

Empire Electric Association, Inc. is a rural electric cooperative distributing electric energy to its members and the public in certificated service areas in southwestern Colorado and parts of San Juan County, Utah. Empire’s Utah consumers currently pay the same rates as Empire’s Colorado consumers. If you have any questions, feel free to contact me.

Respectfully,

EMPIRE ELECTRIC ASSOCIATION, INC.

Neal E. Stephens
General Manager

cc: Division of Public Utilities