



Empire Electric Association, Inc.

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

November 24, 2008

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, 2009. The increase will affect the residential, commercial, industrial, and lighting rate classes. 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 21, 2008 and detailing the specific changes to each rate class. Also enclosed is 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.

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.

Sincerely,

EMPIRE ELECTRIC ASSOCIATION, INC.

Neal E. Stephens
General Manager

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