



# Empire Electric Association, Inc.

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

November 23, 2015

Gary Widerburg, 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 Mr. Widerburg:

Empire Electric Association, Inc. (Empire) is enclosing herewith an original and five (5) copies of the following documents as a filing pertaining to rate changes in Empire's Large Power Service tariff, updates to the Power Cost Adjustment Clause tariff, and a new Transmission Service tariff. These tariffs will become effective January 1, 2016.

- Copy of a public notice to be published in the San Juan Record the first week in December 2015.
- Copy of the Notice to the Rural Utilities Service and National Rural Utilities Cooperative Finance Corporation of the proposed rate change.
- A copy of the following proposed rate schedules:
  - 27<sup>th</sup> Revised CO-UT No.3 Sheet 6A - Large Power Service
  - 3<sup>rd</sup> Revised CO-UT No.3 Sheet 9 - Power Cost Adjustment Clause
  - Original CO-UT No.3 Sheet 14A, 14B and 14C - Transmission Service

These changes are being sent to you without formal Commission hearing as authorized under Utah Code Section 54-7-12. Please stamp one copy "filed" and return to us for our files in the enclosed envelope. A copy is being sent to the Division of Public Utilities as well. We have also sent a copy of the tariffs electronically to [psc@utah.gov](mailto:psc@utah.gov). Should you need any additional information, contact our Executive Secretary, Denise Rosenbaugh, at [denise.rosenbaugh@eea.coop](mailto:denise.rosenbaugh@eea.coop).

The changes in the Large Power Service tariff reflect changes in our power supplier's rates. In this tariff, the Grid Access charge and the Distribution Demand charge are used to recover costs specific to Empire. No changes are proposed for these rates. The Generation Demand, Transmission Demand, and Energy charges are all pass-through charges from our power supplier. The changes in these rates reflect changes that have been made by our power supplier.

The changes in the Power Cost Adjustment (PCA) Clause tariff also reflect changes in our power supplier's rates. Our power supplier has restructured its rates from essentially an all-energy structure back to a more traditional demand-energy structure. This restructuring has required changes to Empire's PCA calculations.

Public Utilities Commission

Page Two

November 23, 2015

The Transmission Service tariff is a new tariff for customers served at transmission voltages. The rates for this tariff were developed using a recent Cost of Service Study.

To answer questions about the rate change, a public meeting is scheduled for 2:00 p.m., Wednesday, December 9, 2015 at the City of Monticello's office located at 17 North 100 East, Monticello, Utah, 84535.

Copies of all rate tariffs are on file at Empire's headquarters at 801 North Broadway, Cortez, Colorado, and are available for inspection during regular business hours. Any customer who desires to complain about the proposed changes may file a written complaint at 801 North Broadway, P.O. Box K, Cortez, Colorado, 81321, at least 10 days before the proposed effective date.

Empire may hold a hearing to determine what final changes will be authorized. The changes ultimately authorized may or may not be the same as those proposed. Any customer who desires to receive notice of the hearing is required to make a written request at the above address, at least 10 days before the proposed effective date of the rate increase.

Empire's board of directors passed the 2016 budget at the November 13, 2015 board meeting and authorized the changes to the above mentioned tariffs.

If you have any questions, feel free to contact me.

Respectfully,  
EMPIRE ELECTRIC ASSOCIATION, INC.



Josh Dellinger  
General Manager

cc: Division of Public Utilities

INDEX

(General Service Classification)

(Rate Title or Number)		COMPANY RATE CODE
<u>DESCRIPTION</u>	<u>SHEET NO.</u>	RATE
Residential Single Phase	3	
General Service Single Phase	4A	
General Service Three Phase	4B	
Irrigation Single Phase	5A	
Irrigation Three Phase	5B	
Large Power Service	6A - 6C	C
Security Lights	7A, 7B	
Overhead Street Lighting Service	8	C
Power Cost Adjustment Clause	9	
Special Contract Service (Colorado Only)	SCS-1 10 - 10II	
Lighting Adjustment Clause	11	
Franchise Tax Surcharge	12	
Special Contract Service (Colorado Only)	SCS-2 13A-13D	N
Transmission Service	14A - 14C	
Renewable Energy	15	
Renewable Energy	16A-16C	
<u>DESCRIPTION OF TERRITORY</u>		
All Areas In Montezuma, Dolores and San Miguel Counties, Colorado, Provided In P.U.C. Decision No. 47068 Dated January 7, 1957		
All areas in the City of Monticello, Utah and adjacent territory in San Juan County, Utah		
<u>INDEX TO MARGINAL SYMBOLS</u>		
R	To Signify Reduction	
I	To Signify Increase	
C	To Signify Changed Regulation	
T	To Signify A Change In Text But No Change In Rate Or Regulation	
N	To Signify New Rate Or Regulation	
D	To Signify Discontinued Rate or Regulation	

Advice Letter No. 135

  
Signature of Issuing Officer

Issue Date 12/01/2015

Decision or Board Action  
Authority No. 11/13/2015

General Manager  
Title

Effective Date 01/01/2016

LARGE POWER SERVICE

(Rate Title Or Number)

AVAILABILITY:

Available to all large power Customers located on or near the Cooperative's three phase lines, for general purpose three phase loads requiring not less than 37.5 kVA of average monthly demand, for all types of usage, subject to the established Rules and Regulations.

RATE

TYPE OF SERVICE:

Three-phase, 60 cycles, at existing voltages.

RATE:

The monthly rates for electric service provided shall be composed of the following rate components:

Grid Access Charge per month	\$231.15	
Distribution Demand Charge per kW per month of Distribution Billing Demand @	\$10.25	
Generation Demand Charge per kW per month of TPP/MCP Billing Demand @	\$9.95	C
Transmission Demand Charge per kW per month of TPP/MCP Billing Demand @	\$8.81	C N
Energy Charge per kWh per month @	\$0.04034	C

T C

DETERMINATION OF BILLING DEMANDS:

The Distribution Billing Demand shall be the maximum kilowatt load used by the Customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated by a demand meter.

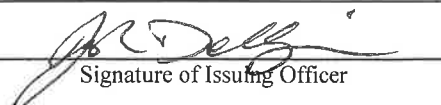
TPP/MCP Demand is the measured demand at Empire's highest thirty (30) minute integrated total demand measured in each monthly billing period during the Tri-State Generation and Transmission Association, Inc.'s Peak Period.

Tri-State Generation and Transmission Association, Inc.'s Peak Period is from 12:00 PM (noon) through 10:00 PM (the billing 1/2 hour period ending 12:30 PM through the billing 1/2 hour period ending at 10:00 PM) daily, Monday through Saturday, with the exception of the following six (6) holidays if occurring on Monday through Saturday: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

C N

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EMPIRE ELECTRIC ASSOCIATION, INC

CO & UT 3

Name of utility

27th Revised

Sheet No. 6A

Cancels

26th Revised

Sheet No. 6A

LARGE POWER SERVICE

(Rate Title Or Number)

**AVAILABILITY:**

Available to all large power Customers located on or near the Cooperative's three phase lines, for general purpose three phase loads requiring not less than 37.5 kVA of average monthly demand, for all types of usage, subject to the established Rules and Regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at existing voltages.

**RATE:**

The monthly rates for electric service provided shall be composed of the following rate components:

Grid Access Charge per month

-Distribution Demand Charge per kW per month of Distribution Billing Demand @

\$231.15

Generation Demand Charge per kW per month of TPP/MCP Billing Demand @

\$10.25

Transmission Demand Charge per kW per month of TPP/MCP Billing Demand @

\$9.95

Energy Charge per kWh per month @ Coincident Demand

**DETERMINATION OF BILLING DEMANDS:**

The Distribution Billing Demand shall be the maximum kilowatt load used by the Customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated by a demand meter.

\$8.81

TPP/MCP Demand is the measured demand at Empire's highest thirty (30) minute integrated total demand measured in each monthly billing period during the Tri-State Generation and Transmission Association, Inc.'s Peak Period.

\$0.04034

Tri-State Generation and Transmission Association, Inc.'s Peak Period is from 12:00 PM (noon) through 10:00 PM (the billing ½ hour period ending 12:30 PM through the billing ½ hour period ending at 10:00 PM) daily, Monday through Saturday, with the exception of the following six (6) holidays if occurring on Monday through Saturday: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

RATE

Comment [MT3]: No change?

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Comment [MT1]: I think one of these demand charges is new and one is a change to the average demand

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Comment [MT2]: Changed and new text

Advice Letter 135

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Decision or Authority No. Board Action 11/13/2015

General Manager  
Title

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POWER COST ADJUSTMENT CLAUSE

(Rate Title or Number)

APPLICATION:

This Power Cost Adjustment Clause is applicable to and becomes a part of all retail rate schedules and is applicable to all sales thereunder.

BILLING:

- 1. The Power Cost Adjustment (PCA) in dollars per kilowatt-hour shall be calculated annually. The PCA shall be determined annually as follows:

PCA = A/B - Base Rate + R

Where:

A = Total dollars of purchased power costs for the preceding 12 billing months calculated at the current wholesale rate

B = Retail sales for the preceding 12 billing months. If Tri-State Generation and Transmission changes the wholesale rate for purchased power mid-year then B will be calculated as follows: Total dollars of purchased power costs billed at the prior rate during the preceding 12 billing months + (the usage based on prior year actual usage for any months not billed under the prior rate multiplied by the Base Rate)

R = (Over)/Under Recovery (See below)

The Base Rate for this calculation is:

- Residential Single Phase - \$0.07257
General Service Single Phase - \$0.07666
Irrigation Single Phase - \$0.07867
General Service Three Phase - \$0.07668
Irrigation Three Phase - \$0.07687
Large Power - \$0.04034
Transmission Service - \$.04034

Over/(Under) Recovery Calculation

After each 12 month period ended in December 31 of each year, a charge/(credit) per kilowatt hour shall be determined to be added to the customer's monthly rate to account for the difference in Cooperative's actual purchased power cost for the 12 month period and the amount it billed customers for purchased power through base rates plus the PCA. The charge shall be implemented with the PCA taking effect on February 1 of each year. The charge/(credit) shall remain in effect for the following 12 months. The (over)/under recovery amount per kilowatt-hour shall be determined in the following manner:

R = (PPB + BAL - PPR) / S

Where:

- R = (Over)/Under Recovery Factor per kilowatt-hour
PPB = Purchased Power Cost billed to Cooperative from its power supplier for the 12 month period
BAL = (PPB - PPR + BAL) - (R \* S) from the previous 12 month period
PPR = Purchased Power Cost recovered from customers through the application of base rates and the PCA
S = Estimated kWh Sales for 12 month billing period

- 2. For rates with an applicable Generation Demand charge, a Generation Demand Cost Adjustment (GDCA) in dollars per kilowatt shall be calculated each month. The GDCA shall be determined each month as follows:

GDCA = R - Base Rate

Where:

R = Current Generation Demand rate charged by our wholesale supplier

The Base Rate for this calculation is:

- Large Power - \$9.95
Transmission - \$10.10

- 3. For rates with an applicable Transmission Demand charge, a Transmission Demand Cost Adjustment (TDCA) in dollars per kilowatt shall be calculated each month. The TDCA shall be determined each month as follows:

TDCA = R - Base Rate

Where:

R = Current Transmission Demand rate charged by our wholesale supplier

The Base Rate for this calculation is:

- Large Power - \$8.81
Transmission - \$8.96

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Decision or Board Action Authority No. 11/13/2015

General Manager Title

Effective Date 01/01/2016

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TRANSMISSION SERVICE

(Rate Title Or Number)

RATE

AVAILABILITY:

Available to all Customers who take service at voltages of 44 kV or above, for all types of usage, subject to the established Rules and Regulations.

TYPE OF SERVICE:

Three-phase, 60 cycles, at existing voltages.

RATE:

The monthly rates for electric service provided shall be composed of the following rate components:

Grid Access Charge per month	\$1,483.15
Distribution Demand Charge per kW per month of Distribution Billing Demand @	\$.79
Generation Demand Charge per kW per month of TPP/MCP Billing Demand @	\$10.10
Transmission Demand Charge per kW per month of TPP/MCP Billing Demand @	\$8.96
Energy Charge per kWh per month @ Coincident Demand	\$.04034

DETERMINATION OF BILLING DEMANDS:

The Distribution Billing Demand shall be the maximum kilowatt load used by the Customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated by a demand meter.

TPP/MCP Demand is the measured demand at the Cooperative's highest thirty (30) minute integrated total demand measured in each monthly billing period during the Tri-State Generation and Transmission Association, Inc.'s Peak Period.

Tri-State Generation and Transmission Association, Inc.'s Peak Period is from 12:00 PM (noon) through 10:00 PM (the billing 1/2 hour period ending 12:30 PM through the billing 1/2 hour period ending at 10:00 PM) daily, Monday through Saturday, with the exception of the following six (6) holidays if occurring on Monday through Saturday: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

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11/13/2015

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01/01/2016

TRANSMISSION SERVICE

(Rate Title Or Number)

RATE

MINIMUM BILL:

The minimum monthly charge under the above rate shall be the highest of the following charges as determined for the consumer in question:

- 1. The minimum monthly charge as specified in the contract for service.
- 2. The Grid Access Charge


POWER FACTOR:

The Customer agrees to maintain unity power factor as nearly as practicable. The Cooperative reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor at the time of their maximum Distribution Billing Demand is less than 95%, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 95% and divided by the percent power factor.

CONDITIONS OF SERVICE:

- 1. Motors having a rated capacity in excess of ten horsepower (10 hp) must be three phase.
- 2. All wiring, pole lines, and other electrical equipment beyond the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer unless otherwise specified in the contract for service.
- 3. If service is furnished solely through transmission equipment not owned by Cooperative, a discount of fifteen cents (\$0.15)per kW of Generation Billing Demand and Transmission Billing Demand shall apply to the respective demand charges.
- 4. The Cooperative shall have the option of metering at secondary voltage and adding the established transformer losses to the metered kilowatt hours and kilowatt demands.

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EMPIRE ELECTRIC ASSOCIATION, INC  
name of utility

Original  
Cancels

CO & UT 3  
Sheet No. 14C  
Sheet No.

LARGE POWER SERVICE

(Rate Title Or Number)

TERMS OF PAYMENT:

The monthly bill will be rendered at the above rate. A late payment charge of one and one-half percent (1.5%) of the total balance due will be assessed if the bill is not paid within thirty (30) days from the date bill is mailed.

POWER COST ADJUSTMENT CLAUSE:

The power cost adjustment applies to all billings under this rate schedule. The clause is described in Tariff No. 9 – Power Cost Adjustment Clause

ELECTRIC SERVICE REGULATIONS:

Service under this schedule will be in accordance with the terms of the Rules and Regulations of the Cooperative as approved by the Cooperative's Board of Directors and any regulatory authorities having jurisdiction.

RATE

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Authority No. 11/13/2015

General Manager  
Title

Effective Date 01/01/2016

**Notice of Public Meeting &  
Large Power Service Tariff Change, Power Cost Adjustment Clause Change and new Transmission Service  
Tariff  
Effective January 1, 2016**

This notice is to inform the City of Monticello and Empire Electric Association's Utah customers of a public meeting to be held at 2:00 p.m., Wednesday, December 9, 2015 at: City of Monticello, 17 North 100 East, Monticello, Utah 84535. All customers of Empire are invited to attend the meeting.

The majority of Empire Electric Association's members will see no changes to their rates in 2016. Residential, General Service, Irrigation, and Lighting rates will remain unchanged. Empire is proposing changes to the Large Power tariff and the Power Cost Adjustment clause. The proposed changes stem from changes being made by our power supplier, Tri-State Generation and Transmission Association. Empire is also proposing a new Transmission Service tariff. The proposed changes are scheduled to go into effect January 1, 2016.

Empire's Large Power tariff is for loads greater than 75 kVA. This tariff contains several rate components. The grid access charge and distribution demand charge are designed to recover costs specific to Empire. No changes are proposed for those components. The remaining components in the Large Power tariff are pass-through rates from Tri-State. In 2016, Tri-State will move from essentially an all-energy rate structure back to a more traditional demand-energy structure. In order to continue passing through Tri-State rates in our Large Power tariff, we are proposing updating the tariff to reflect Tri-State's changes. The existing seasonally differentiated average demand component will be removed and replaced with generation and transmission demand components and the energy charge will be updated.

Empire's Power Cost Adjustment (PCA) tariff allows us to reflect changes in our costs to purchase power. PCA rates can increase or decrease annually depending on whether or not we have over- or under-recovered our purchased power costs. The PCA calculations use Tri-State rates. Since the Tri-State rates are changing, the values in our PCA calculations need to be updated to reflect those changes.

Finally, Empire is proposing a new Transmission Service tariff. This tariff will be for customers who take service at transmission level voltages. The rates for this tariff were developed using a recent Cost of Service Study.

For any questions about this notice and/or the changes in the tariffs, please contact Josh Dellinger, General Manager or Mary Thiesing, Corporate Operations Manager at (970)565-4444 or toll free at 1-(800)709-3726.

Copies of all tariffs are on file at Empire's office at 801 North Broadway, Cortez, Colorado. These are available for inspection during regular business hours.

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

The cooperative may hold a hearing to determine what final changes will be authorized. The changes ultimately authorized may or may not be the same as those proposed. Anyone who desires to receive notice of the hearing is required to make a written request at the above address at least 10 days before the proposed effective date.



## Empire Electric Association, Inc.

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

November 23, 2015

Mr. Victor T. Vu, Deputy Assistant Administrator  
Rural Development Electric Program  
U. S. Department of Agriculture  
Room 0270 South Agriculture Bldg, Stop 1568  
14th & Independence Avenue, S.W.  
Washington, D.C. 20250-1568

Dear Mr. Vu:

This letter is to inform RUS of a proposed change in Empire Electric Association's Large Power tariff and the Power Cost Adjustment Clause, as well as a proposed new Transmission Service tariff to reflect Tri-State Generation and Transmission's proposed changes. The change will be effective January 1, 2016. This change is applicable to Empire's customers in both Colorado and Utah. This rate change was approved during the budget process at Empire Electric's board meeting November 13, 2015.

We are also enclosing for your information:

- A copy of a Public Notice that has been published in local newspapers of general circulation.
- Empire's notice to both the Colorado Public Utilities Commission and the Utah Public Service Commission

Copies of all rate tariffs are on file at Empire's headquarters at 801 North Broadway, Cortez, Colorado, and are available for inspection during regular business hours. Any customer who desires to complain about the proposed change may file a written complaint at 801 North Broadway, P.O. Box K, Cortez, Colorado, 81321, at least 10 days before the proposed effective date.

Empire may hold a hearing to determine what final 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. Any customer who desires to receive notice of the hearing, if any, is required to make a written request at the above address, at least 10 days before the proposed effective date of the rate increase.

If you have any questions please contact me anytime.

Sincerely,  
EMPIRE ELECTRIC ASSOCIATION, INC.

Josh Dellinger  
General Manager

cc. John Rabaglia, RUS GFR w/ attachments



## Empire Electric Association, Inc.

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

November 23, 2015

Ms. Eileen Iciek  
Associate Vice President  
National Rural Utilities Cooperative Finance Corp  
20701 Cooperative Way  
Dulles, VA 20166

Dear Ms. Iciek:

This letter is to inform RUS of a proposed change in Empire Electric Association's Large Power tariff and the Power Cost Adjustment Clause, as well as a proposed new Transmission Service tariff to reflect Tri-State Generation and Transmission's proposed changes. The change will be effective January 1, 2016. This change is applicable to Empire's customers in both Colorado and Utah. This rate change was approved during the budget process at Empire Electric's board meeting November 13, 2015.

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If you have any questions please contact me anytime.

Sincerely,  
EMPIRE ELECTRIC ASSOCIATION, INC.

Josh Dellinger  
General Manager