IDACORP INC
Form DEF 14A
April 07, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant þ
Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement
o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to §240.14a-12

IDACORP, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

þ	No fee required.
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2) Form, Schedule or Registration Statement No.:

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

May 15, 2008, AT BOISE, IDAHO

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on May 15, 2008.

The proxy statement and annual report to shareholders are available at www.idacorpinc.com/financials/annlreps.cfm.

April 7, 2008

TO THE SHAREHOLDERS OF IDACORP, INC.:

Notice is hereby given that the Annual Meeting of Shareholders of IDACORP, Inc. will be held on May 15, 2008 at 10:00 a.m. local time at the Idaho Power Company corporate headquarters building, 1221 West Idaho Street, Boise, Idaho, for the following purposes:

1. to elect three directors of IDACORP for three-year terms;

2. to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2008;

3. to act upon a shareholder proposal requesting that IDACORP amend its equal employment opportunity policy to explicitly prohibit discrimination based upon sexual orientation and gender identity and expression; and

4. to transact such other business that may properly come before the meeting and any adjournment or adjournments thereof.

Common shareholders of record of IDACORP at the close of business on March 27, 2008, are entitled to notice of and to vote at the meeting.

You are cordially invited to attend the meeting in person. Shareholders interested in attending in person must make a reservation and may obtain directions to the meeting by calling (800) 635-5406. Whether or not you plan to attend, please vote your proxy promptly. It is important that your shares be represented at the meeting. Please vote your proxy, regardless of the size of your holdings, as promptly as possible. Any shareholder voting a proxy who attends the meeting may vote in person by revoking that proxy before or at the meeting.

By Order of the Board of Directors

Patrick A. Harrington
Corporate Secretary

To shareholders who receive multiple proxies
If you own IDACORP common stock other than the shares shown on the enclosed proxy,
you will receive a proxy in a separate envelope for each such holding. Please vote each proxy received.

TABLE OF CONTENTS

	Page
Notice of Annual Meeting of Shareholders	
Proxy Statement	1
General Information	1
Cost and Method of Solicitation	1
Matters to be Voted Upon	1
Record Date	1
Outstanding Voting Securities	2
Voting	2
Proposal No. 1: Election of Directors	3
Nominees for Election – Terms Expire 2011	4
Continuing Directors – Terms Expire 2010	5
Continuing Directors – Terms Expire 2009	6
Corporate Governance	7
Report of the Audit Committee of the Board of Directors	9
Related Person Transaction Disclosure	14
Proposal No. 2: Ratification of Appointment of Independent Registered Public Accounting Firm	15
Independent Accountant Billings	16
Proposal No. 3: Shareholder Proposal	17
Other Business	19
Security Ownership of Directors, Executive Officers and Five Percent Shareholders	20
Section 16(a) Beneficial Ownership Reporting Compliance	22
Executive Compensation	22
Compensation Discussion and Analysis	22
Compensation Committee Report	53
Summary Compensation Table for 2007	54
Grants of Plan-Based Awards in 2007	56
Narrative Discussion for Summary Compensation Table and Grants of Plan-Based Awards Table	57
Outstanding Equity Awards at Fiscal Year-End 2007	60
Option Exercises and Stock Vested During 2007	63
Pension Benefits for 2007	64
Nonqualified Deferred Compensation for 2007	69
Potential Payments Upon Termination or Change in Control	72
Director Compensation for 2007	88
Annual Report	90
Shared Address Shareholders	91
2009 Annual Meeting of Shareholders	91
Exhibit A Independence Standards - Excerpt from Corporate Governance Guidelines	A-1
Exhibit B Audit Committee Policy For Pre-Approval of Independent Auditor Services	B-1

PROXY STATEMENT
IDACORP, Inc.
1221 West Idaho Street
P. O. Box 70
Boise, Idaho 83707

GENERAL INFORMATION

We are mailing you this proxy statement and the accompanying form of proxy beginning April 7, 2008 to solicit your proxy on behalf of our board of directors for use at our annual meeting of shareholders. The meeting will be held on May 15, 2008 at 10:00 a.m., local time, at the Idaho Power Company corporate headquarters building, 1221 West Idaho Street, Boise, Idaho.

The Securities and Exchange Commission recently adopted new e-proxy rules that require companies to post their proxy materials on the internet and permit them to provide only a Notice of Internet Availability of Proxy Materials to shareholders. For 2008, we have decided to follow the Securities and Exchange Commission's full set delivery option, which means that while we are posting our proxy materials online, we are also mailing a full set of our proxy materials to our shareholders. We believe that mailing a full set of proxy materials will help ensure that a majority of our outstanding common stock is present in person or represented by proxy at our meeting. We also hope to help maximize shareholder participation.

COST AND METHOD OF SOLICITATION

We will pay the cost of soliciting your proxy. Our officers and employees may solicit proxies, personally or by telephone, telegraph, fax, mail or other electronic means, without extra compensation. In addition, Laurel Hill Advisory Group will solicit proxies from brokers, banks, nominees and institutional investors at a cost of approximately $5,000 plus out-of-pocket expenses. We will reimburse banks, brokerage firms and other custodians, nominees and fiduciaries for their expenses in sending our proxy materials to beneficial owners.

MATTERS TO BE VOTED UPON

As of April 7, 2008, the only business we expect to be presented at the annual meeting is:

- the election of three directors

- the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008 and

- a shareholder proposal requesting that IDACORP amend its equal employment opportunity policy.

RECORD DATE

You are entitled to notice of, and to vote at, the annual meeting if you owned shares of our common stock at the close of business on March 27, 2008.

OUTSTANDING VOTING SECURITIES

As of March 27, 2008, we had 45,234,424 outstanding shares of common stock entitled to one vote per share.

VOTING

How to Vote

You may vote your proxy by telephone, through the internet or by marking, signing, dating and returning the proxy card in the enclosed postage-prepaid envelope.

If a bank or broker holds your shares, you may be able to vote by telephone or through the internet. Follow the instructions you receive from your bank or broker.

In addition, if you hold shares through an account with a bank or broker, your shares may be voted even if you do not provide voting instructions. Brokerage firms have the authority under the New York Stock Exchange rules to vote shares for which their customers do not provide voting instructions on routine matters. The election of directors and the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for 2008 are considered routine matters. The shareholder proposal is not considered routine. When a proposal is not routine and the brokerage firm has not received voting instructions from its customers, the brokerage firm cannot vote the shares on that proposal. Those shares are considered "broker non-votes."

Quorum

Under the Idaho Business Corporation Act, a majority of our outstanding common stock must be present in person or represented by proxy in order to hold the annual meeting.

Votes Needed to Approve Proposals

The following votes are required for approval of each proposal at the annual meeting:

Proposal No. 1 –	our directors are elected by a plurality of the votes cast by the shares entitled to vote in the election of directors. Votes may be cast in favor or withheld; withheld votes have no effect on the results.
Proposal No. 2 –	the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008 is approved if the votes cast in favor exceed the votes cast against ratification.
Proposal No. 3 –	the shareholder proposal requesting that IDACORP amend its equal employment opportunity policy to explicitly prohibit discrimination based upon sexual orientation and gender identity and expression is approved if the votes cast in favor exceed the votes cast against the proposal. Abstentions and broker non-votes have no effect on the results.

If we do not receive any direction from you, properly executed proxies that we receive will be voted FOR Proposal No. 1, election of our nominees for director, FOR Proposal No. 2, ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008, and AGAINST Proposal No. 3, to amend IDACORP, Inc.'s equal employment opportunity policy.

How to Revoke Your Proxy

You may revoke your proxy at any time before it is voted at the meeting. If you attend the meeting and wish to vote in person, you may revoke your proxy by oral notice at that time. Otherwise, you must send in a later dated proxy or you must mail your written revocation to the corporate secretary of IDACORP at 1221 West Idaho Street, Boise, Idaho 83702-5610, and we must receive it before the meeting.

Secret Ballot

It is our policy that all proxies for the annual meeting that identify shareholders, including employees, are to be kept secret. Proxies will be forwarded to the independent tabulator who receives, inspects and tabulates the proxies. No proxies are available for examination and the identity and vote of any shareholder are not disclosed to our representatives or to any third party except:

- as required by law
- to allow the independent election inspectors to certify the results of the shareholder vote
- in the event of a matter of significance where there is a proxy solicitation in opposition to the board of directors, based upon an opposition proxy statement filed with the Securities and Exchange Commission or
- to respond to shareholders who have written comments on their proxies.

PROPOSAL NO. 1: ELECTION OF DIRECTORS

Our board of directors consists of 11 members. Our articles of incorporation, as amended, provide that directors are elected for three-year terms, with approximately one-third of the board of directors elected at each annual meeting of shareholders.

The three directors standing for election to our board of directors are nominees for election with terms to expire in the year 2011. All nominees are incumbent directors of IDACORP and nominated for reelection.

Unless you otherwise indicate, proxies that we receive will be voted in favor of the election of the director nominees. While we expect that all of the nominees will be able to qualify for and accept office, if for any reason one or more should be unable to do so, the proxies will be voted for nominees selected by the board of directors.

Our directors are elected by a plurality of the votes cast by the shares entitled to vote in the election of directors. Votes may be cast in favor or withheld; withheld votes have no effect on the results.

The board of directors unanimously recommends a vote “FOR” the nominees listed below.

NOMINEES FOR ELECTION - TERMS EXPIRE 2011

RICHARD G. REITEN	Chairman of the Board of Northwest Natural Gas Company, provider of natural gas in Oregon and southwest Washington, since 2006 and from 2000-2005, President and Chief Executive Officer, 1997-2003, President and Chief Operating Officer, 1995-1997; former President and Chief Operating Officer of Portland General Electric, electric public utility, 1992-1995; former President of Portland General Corp., 1989-1992; director of U.S. Bancorp, banking services, since 1998; Building Materials Holding Corporation, provider of construction services, manufactured building components and materials to professional residential builders and contractors, since 2001; and National Fuel Gas Company, diversified energy company providing interstate natural gas transmission and storage, since 2004; director of the following IDACORP subsidiary: Idaho Power Company since 2004; director of IDACORP since 2004. Age 68
JOAN H. SMITH	Self-employed consultant, consulting on regulatory strategy and telecommunications, since 2003; former Oregon Public Utility Commissioner, 1990-2003; affiliate director with Wilk & Associates/ LECG LLP, public consulting organization, since 2003; director of the following IDACORP subsidiary: Idaho Power Company since 2004; director of IDACORP since 2004. Age 65
THOMAS J. WILFORD	President and Director of Alscott, Inc., real estate development and other investments, since 1993; Chief Executive Officer of J.A. and Kathryn Albertson Foundation, Inc., family foundation committed and striving to be a catalyst for positive educational change, since 2003, former President, 1995-2003; director of K12, Inc., an organization that provides individualized, one-to-one learning solutions for students from kindergarten through high school, since 2002; director of the following IDACORP subsidiary: Idaho Power Company since 2004; director of IDACORP since 2004. Age 65

CONTINUING DIRECTORS – TERMS EXPIRE 2010

JUDITH A. JOHANSEN	Former President and Chief Executive Officer, 2001-2006, and Executive Vice President, 2000-2001, of PacifiCorp, electrical utility serving six western states; former CEO and Administrator, 1998-2000, Director and Vice President, 1992-1996, Bonneville Power Administration, a federal power marketing agency in the Pacific Northwest; former Vice President, 1996-1998, Avista Energy, electric and natural gas utility; director of Cascade BanCorp, a financial holding company, since 2006; Schnitzer Steel, a metals recycling company, since 2006; director of the following IDACORP subsidiary: Idaho Power Company since 2007; director of IDACORP since 2007. Age 49
J. LaMONT KEEN	President and Chief Executive Officer of IDACORP since July 1, 2006 and President and Chief Executive Officer of Idaho Power Company since 2005; Executive Vice President of IDACORP, 2002-2006; President and Chief Operating Officer, Idaho Power Company, 2002-2005; Senior Vice President-Administration and Chief Financial Officer, IDACORP and Idaho Power Company, 1999-2002; Senior Vice President-Administration, Chief Financial Officer and Treasurer, IDACORP and Idaho Power, 1999; Vice President, Chief Financial Officer and Treasurer, Idaho Power Company 1996-1999; Vice President and Chief Financial Officer, Idaho Power Company 1991-1996; and Controller, Idaho Power Company, 1988-1991; director of the following IDACORP subsidiaries: Idaho Power Company since 2004 and Idaho Energy Resources Company since 1991; director of IDACORP since 2004. J. LaMont Keen and Steven R. Keen, Vice President and Treasurer of IDACORP, Inc. and Idaho Power Company, are brothers. Age 55
JON H. MILLER	Chairman of the Board of IDACORP since 1999; Private Investor; formerly President and Chief Operating Officer, 1978-1990, and a director, 1977-1990, of Boise Cascade Corporation, distributor of office products and building materials and an integrated manufacturer and distributor of paper, packaging and wood products; director of the following IDACORP subsidiary: Idaho Power Company since 1988; director of IDACORP since 1998. Age 70

ROBERT A. TINSTMAN	Former Executive Chairman of James Construction Group, a construction services company, 2002-2007; former President and Chief Executive Officer, 1995-1999, and director, 1995-1999, of Morrison Knudsen Corporation, a general contractor providing global mining, engineering and construction services; former Chairman of Contractorhub.com, an e-marketplace for contractors, subcontractors and suppliers, 2000-2001; director of the Home Federal Bancorp, Inc., banking services, since 1999; CNA Surety Corporation, surety company offering contract and commercial surety bonds, since 2004; director of the following IDACORP subsidiary: Idaho Power Company since 1999; director of IDACORP since 1999. Age 61

CONTINUING DIRECTORS - TERMS EXPIRE 2009

CHRISTINE KING	Chief Executive Officer and Director of AMI Semiconductor, designer and manufacturer of semiconductor products from 2001 to March 2008; Director of ON Semiconductor Corp., designer and manufacturer of semiconductor products, since 2008; director of the following IDACORP subsidiary: Idaho Power Company since 2006; director of IDACORP since 2006. Age 58
GARY G. MICHAEL	Former Chairman of the Board and Chief Executive Officer, 1991-2001, of Albertson’s, Inc., food-drug retailer; director of The Clorox Company, manufacturer and marketer of household products, since 2001; Office Max, distributor of business and retail office products, including office supplies, paper, technology products and services, and furniture, since 2004; Questar Corporation, integrated natural gas company, since 1994; Questar Gas, provider of retail natural gas-distribution services, since 1994; Questar Pipeline, interstate gas transportation and storage, since 1994; Graham Packaging Company, designer and manufacturer of customized plastic containers, Advisory Board, since 2002; director of the following IDACORP subsidiary: Idaho Power Company since 2001; director of IDACORP since 2001. Age 67
PETER S. O’NEILL	Former Chairman of O’Neill Enterprises L.L.C., developer of planned communities, 1990-2004; director of Building Materials Holding Corporation, provider of construction services, manufactured building components and materials to professional residential builders and contractors, since 1993; director of the following IDACORP subsidiaries: Idaho Power Company since 1995 and IDACORP Financial Services, Inc. since 1999; director of IDACORP since 1998. Age 71

JAN B. PACKWOOD	Former President and Chief Executive Officer of IDACORP, from 1999 to July 1, 2006; Chief Executive Officer of Idaho Power Company, 2002-2005; President and Chief Executive Officer, Idaho Power Company, 1999-2002; President and Chief Operating Officer, Idaho Power Company, 1997-1999; Executive Vice President, 1996-1997, and Vice President - Bulk Power, 1989-1996; director of the following IDACORP subsidiaries: Idaho Power Company since 1997, IDACORP Financial Services, Inc. since 1997 and Ida-West Energy Company since 1999; director of IDACORP since 1998. Age 65

CORPORATE GOVERNANCE

Director Independence

Our board of directors has adopted a policy on director independence that includes categorical standards for director independence. This policy is contained in our corporate governance guidelines, which we have posted on our website at www.idacorpinc.com/corpgov/default.cfm and attached to this proxy statement as exhibit "A."

All of our board members are non-employees, except for J. LaMont Keen, our president and chief executive officer. The board of directors has determined that the following members are or were during the term of their service as directors in 2007 "independent" based on all relevant facts and circumstances and under the New York Stock Exchange listing standards and our corporate governance guidelines: Rotchford L. Barker, who retired from the board of directors effective May 17, 2007, Judith A. Johansen, Christine King, Gary G. Michael, Jon H. Miller, Peter S. O'Neill, Joan H. Smith, Robert A. Tinstman and Thomas J. Wilford. J. LaMont Keen, Jan B. Packwood and Richard G. Reiten are not independent. Mr. Keen is our president and chief executive officer. Jan B. Packwood retired as president and chief executive officer of IDACORP on July 1, 2006 and remained on the board of directors as a non-employee director. Mr. Packwood does not meet the director independence criteria set forth in the New York Stock Exchange listing standards and our corporate governance guidelines due to his prior service as our president and chief executive officer. In September 2006, the board of directors, acting upon a recommendation of the corporate governance committee, determined that director Richard G. Reiten had a material relationship with Idaho Power Company and no longer met the director independence criteria set forth in the New York Stock Exchange listing standards and our corporate governance guidelines. Mr. Reiten's son was selected as president of Pacific Power which, with Idaho Power Company, owns the Jim Bridger power plant and coal mine located near Rock Springs, Wyoming. See also Related Person Transaction Disclosure.

The office of the chairman of the board and the chief executive officer have been separated since June 1999. The non-employee directors have held meetings separate from management since 1998. Mr. Miller, the independent chairman of the board, presides at board meetings and regularly-scheduled executive sessions of non-employee directors.

Code of Ethics

For many years, our principal subsidiary, Idaho Power Company, had a code of business conduct and ethics, which applied to all of its directors, officers and employees. We adopted a new code of business conduct and ethics in July 2003, which applied to all of our directors, officers and employees. In September 2005, we revised the code of business conduct and ethics and adopted a separate code of business conduct and ethics for directors. These codes of business conduct and ethics are posted at www.idacorpinc.com/corpgov/conduct_ethics.cfm. You may obtain printed copies without charge by writing to the corporate secretary of IDACORP at 1221 West Idaho Street, Boise, Idaho 83702-5610.

7

We will also post on our website any amendments to or waivers of our codes of business conduct and ethics, as required by Regulation S-K, Item 406 or the New York Stock Exchange listing standards at www.idacorpinc.com/corpgov/conduct_ethics.cfm

Board Meetings and Committees; Attendance at Annual Meeting

The board of directors held six meetings in 2007. Each director attended at least 75% of his or her board and committee meetings except for Ms. King who attended 73% of the meetings.

Our corporate governance guidelines provide that all directors are expected to attend our annual meeting of shareholders and be available, when requested by the chairman of the board, to answer any questions shareholders may have. All members of the board of directors attended our 2007 annual meeting, except for Ms. King.

Our standing committees are the executive committee, the audit committee, the compensation committee and the corporate governance committee. We describe our committees, their membership during 2007 and their principal responsibilities below.

We have

- written charters for the audit committee, corporate governance committee and compensation committee and
- corporate governance guidelines, which address issues including the responsibilities, qualifications and compensation of the board of directors, as well as board leadership, board committees and self-evaluation.

Our written committee charters and the corporate governance guidelines are available on our website and may be accessed at www.idacorpinc.com/corpgov/default.cfm. You may obtain printed copies without charge by writing to the corporate secretary of IDACORP at 1221 West Idaho Street, Boise, Idaho 83702-5610.

Executive Committee

The executive committee acts on behalf of the board of directors when the board is not in session, except on those matters that require action of the full board. Members of the executive committee are J. LaMont Keen, chairman, Gary G. Michael, Jon H. Miller, Peter S. O'Neill and Robert A. Tinstman. During 2007, the executive committee met two times.

Audit Committee

The audit committee is a separately-designated standing committee established in accordance with section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended. All members are independent, as that term is defined in the listing standards of the New York Stock Exchange. Members of the audit committee are Gary G. Michael, chairman, Judith A. Johansen, Joan H. Smith and Thomas J. Wilford. Rotchford L. Barker served as a member of the audit committee until his retirement from the board on May 17, 2007. The board of directors has determined that Messrs. Michael and Wilford are "audit committee financial experts."

The audit committee

- assists the board of directors in the oversight of
  - the integrity of our financial statements
  - our compliance with legal and regulatory requirements
  - the qualifications, independence and performance of our independent registered public accounting firm and
  - the performance of our internal audit department
- monitors compliance under the code of business conduct and ethics for our officers and employees and the code of business conduct and ethics for our directors, considers and grants waivers for directors and executive officers from the codes and informs the general counsel immediately of any violation or waiver
- prepares the audit committee report required to be included in the proxy statement for our annual meeting of shareholders.

During 2007, the audit committee met ten times.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The audit committee has reviewed and discussed the audited consolidated financial statements of IDACORP, Inc. with management and the independent auditors. The audit committee has discussed with the independent auditors the matters required to be discussed by the Statement on Auditing Standards No. 61, as amended, AICPA, Professional Standards, Vol. 1. AU Section 380, as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

The audit committee has received the written disclosures and the letter from the independent auditors required by Independence Standards Board Standard No. 1 regarding independence discussions with audit committees as adopted by the Public Company Accounting Oversight Board in Rule 3600T. The audit committee has discussed with the independent auditors the independent auditors' independence.

Based on the audit committee's review and discussions referred to above, the audit committee recommended to the board of directors that the IDACORP audited consolidated financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2007 for filing with the Securities and Exchange Commission.

Gary G. Michael, Chairman
Judith A. Johansen
Joan H. Smith
Thomas J. Wilford

Compensation Committee

Members of the compensation committee are Robert A. Tinstman, chairman, Christine King, and Peter S. O'Neill. Each member is independent as that term is defined in the applicable New York Stock Exchange listing standards.

The compensation committee has direct responsibility to

- review and approve corporate goals and objectives relevant to our chief executive officer's compensation
- evaluate our chief executive officer's performance in light of those goals and objectives
- either as a committee or together with the other independent directors, as directed by the board, determine and approve our chief executive officer's compensation level based on this evaluation
- make recommendations to the board with respect to executive officer compensation, incentive compensation plans and equity-based plans that are subject to board approval
- review and discuss with management the compensation discussion and analysis and based upon such review and discussion determine whether to recommend to the board that the compensation discussion and analysis be included in our proxy statement for the annual meeting of shareholders
- produce the compensation committee report as required by the Securities and Exchange Commission to be included in our proxy statement for the annual meeting of shareholders and
- oversee our compensation and employee benefit plans and practices.

The compensation committee and the board of directors have sole responsibility to determine executive officer compensation, which may not be delegated. Total compensation for each executive officer is determined by the compensation committee, which then submits its recommendations to the other independent directors on the board for approval. Our chief executive officer, chief financial officer, vice president-human resources and corporate secretary attend compensation committee meetings. For additional information on the role of our executive officers in the compensation-setting process, please refer to the Compensation Discussion and Analysis. The compensation committee chair works with our management to establish an agenda for the compensation committee meetings. The committee meets in executive session, without management, as it deems necessary.

The compensation committee generally begins a review of compensation data at its September meeting, determines the performance goals and range of target awards of performance shares and restricted stock awards under the IDACORP Restricted Stock Plan, the 2000 Long-Term Incentive and Compensation Plan and the IDACORP Executive Incentive Plan at the November or January meeting and determines new awards and determines payouts with respect to completed performance periods at its February or March meeting. The February meeting occurs after the release of earnings for the prior year. The compensation committee may also hold special meetings as necessary and may determine additional performance awards at other times in its discretion, including for promotions or new hires. However, all awards under the plans are approved by the board of directors.

Please refer to the Compensation Discussion and Analysis for a discussion of our policies and procedures for determining and establishing executive compensation.

The compensation committee has sole authority to retain and terminate consulting firms to assist the committee in carrying out its responsibilities, including sole authority to approve the consulting firm's fees and other retention terms. In addition to services provided to the compensation committee, the consulting firm provides management with employee compensation and benefits survey data, which management and the compensation committee review in evaluating our employee compensation and benefit plans. Although management may request human resources-related services, the compensation committee must pre-approve the engagement of the consulting firm for any services which are outside the compensation committee's scope of responsibility. In November 2007, the compensation committee charter and executive compensation policy were amended to reflect this pre-approval requirement. These services may not interfere with the consulting firm's advice to the compensation committee. The chairperson may pre-approve services between regularly-scheduled meetings of the compensation committee.

In addition, the compensation committee has responsibility for reviewing and making recommendations with respect to director compensation to the board. In November 2006, the compensation committee reviewed the competitiveness of our non-employee director compensation program. The committee asked Towers Perrin, a nationally recognized consulting firm with extensive experience in the area of executive compensation, to conduct an analysis of competitive marketplace data on director compensation. Towers Perrin reviewed proxy statements from the same two peer groups utilized in our executive compensation analysis, which we discuss in the Compensation Discussion and Analysis. Towers Perrin evaluated each component of non-employee director compensation and summarized the marketplace data collected on the basis of total cash compensation and total direct compensation, which is total cash compensation plus the expected value of any stock-based compensation and annual stock-based awards. The compensation committee reviewed the competitive market data and the Towers Perrin analysis of this data and made a recommendation for increases to non-employee director compensation for 2007. Compensation for directors also increased for 2008. See Director Compensation for 2007 and 2008.

During 2007, the compensation committee met five times.

Corporate Governance Committee

The corporate governance committee is also our nominating committee. Members of the corporate governance committee are Peter S. O'Neill, chairman, Jon H. Miller and Joan H. Smith. Each member is independent as that term is defined in the applicable New York Stock Exchange listing standards.

The corporate governance committee's responsibilities include

- identifying individuals qualified to become directors, consistent with criteria approved by the board
- selecting, or recommending that the board select, the candidates for all directorships to be filled by the board or by the shareholders
- developing and recommending to the board our corporate governance guidelines
- overseeing the evaluation of the board and management and
- taking a leadership role in shaping our corporate governance.

During 2007, the corporate governance committee met four times.

Process for Shareholders to Recommend Nominees for Directors

We have processes in our bylaws and corporate governance guidelines for you to follow if you wish to recommend nominees for director to our corporate governance committee. You must submit your written recommendations to our corporate secretary no later than 120 days prior to the first anniversary of the mail date of last year's proxy statement. In the event of a special meeting of shareholders to elect one or more directors, you must submit a recommendation in writing no later than the close of business on the tenth day after the day we make a public announcement of the meeting and the nominees our board of directors is proposing. Your written recommendation must include all information with respect to the candidate required under the Securities Exchange Act of 1934, including the candidate's written consent. If you recommend a nominee for director, you must also provide the following information:

- your name and address as they appear on our books
- the class and number of shares of voting stock you own beneficially and of record and
- a statement as to how long you have held the stock.

Our corporate secretary will review all written recommendations and send those conforming to these requirements to the corporate governance committee.

Board Membership Criteria

Directors should possess the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of our shareholders. Directors must also have an inquisitive and objective perspective, practical wisdom and mature judgment. We endeavor to have a board of directors representing diverse experience at policy-making levels in business, finance and accounting and in areas that are relevant to our business activities. At least one director shall be an "audit committee financial expert." Directors are automatically retired immediately prior to the first annual meeting after reaching age 72.

Non-employee directors should be independent under the New York Stock Exchange listing standards.

Process for Determining Director Nominees

Our corporate governance committee is responsible for selecting and recommending to the board candidates for election as directors. Our corporate governance guidelines contain procedures for the committee to identify and evaluate new director nominees, including nominees our shareholders recommend in compliance with our bylaws and policies.

The chairman of the corporate governance committee begins the process of identifying and evaluating nominees for director and keeps the full board informed of the nominating process. The chairman reviews candidates recommended by shareholders and may hire a search firm to identify other candidates. The chairman then presents an initial group of candidates to the corporate governance committee.

The committee gathers additional information on the candidates to determine if they qualify to be members of our board. The committee examines whether the candidates are independent and whether their election would violate any federal or state laws, rules or regulations that apply to us. The committee also considers whether the nominees will have potential conflicts of interest and whether they will represent a single or special interest before finalizing a list of candidates for the full board to approve.

Since our 2007 annual meeting, we have elected no new board members. The chairman of the corporate governance committee did not retain a search firm to identify or evaluate any nominees, and no fees were paid.

Communications with the Board of Directors and Audit Committee

Shareholders and other interested parties may communicate with members of the board of directors by

- calling 1-866-384-4277 if you have a concern to bring to the attention of the board of directors, our independent chairman of the board or non-employee directors as a group or

- logging on to www.ethicspoint.com and following the instructions to file a report if your concern is of an ethical nature.

Our general counsel receives all reports and forwards them to the chairman of the board. If your report concerns questionable accounting practices, internal accounting controls or auditing matters, our general counsel will also forward your report to the chairman of the audit committee.

RELATED PERSON TRANSACTION DISCLOSURE

Related Person Transactions Policy

On March 15, 2007 our board adopted a written related person transactions policy.

The policy defines a related person transaction as one in which the amount exceeds $100,000 and excludes:

- transactions available to all employees
- the purchase or sale of electric energy at rates authorized by law or governmental authority or
- transactions between or among companies within the IDACORP family.

The policy defines a related person as any:

- officer, director or director nominee of IDACORP or any subsidiary
- person known to be a greater than 5% beneficial owner of IDACORP voting securities
- immediate family member of the foregoing persons or
- firm or corporation in which any of the foregoing persons is employed, a partner or greater than a 5% owner.

The corporate governance committee administers the policy, which includes procedures to review related person transactions, approve related person transactions and ratify unapproved transactions. The policy requires prior (i) corporate governance committee approval of charitable contributions in excess of $100,000 in any calendar year to charities identified as related persons, except those non-discretionary contributions made pursuant to our matching contribution program and (ii) board approval of the hiring of immediate family members of directors and officers. In the case of an immediate family member, the policy also requires approval of any material change in the terms of employment including compensation. The board of directors may approve a proposed related person transaction after reviewing the information considered by the corporate governance committee and any additional information it deems necessary or desirable:

- if it determines in good faith that the transaction is, or is not inconsistent with, the best interests of the company and our shareholders and
- if the transaction is on terms comparable to those that could be obtained in arm's length dealing with an unrelated third party.

Related Person Transactions in 2007

Steven R. Keen has been vice president and treasurer of IDACORP and Idaho Power Company since June 1, 2006. Previously, Steven R. Keen was president and chief executive officer of IDACORP Financial Services, an IDACORP subsidiary. Steven R. Keen is the brother of J. LaMont Keen, president and chief executive officer and a director of IDACORP and Idaho Power Company. For 2007, Steven R. Keen had a base salary of $210,000, received an incentive payment under our short-term incentive plan of $54,545, paid in 2008 for 2007, a bonus payment of $14,000 in connection with the successful closing of the IDACOMM sale in February 2007 and received an award of (i) 895 time vesting restricted shares with a three year restricted period through December 31, 2009 and (ii) 1,791 performance shares at target with a three year performance period through December 31, 2009. The board of directors approved all elements of Steven R. Keen's 2007 compensation.

In September 2006, the board of directors, acting upon a recommendation of the corporate governance committee, determined that director Richard G. Reiten had a material relationship with Idaho Power Company and no longer met the director independence criteria set forth in the New York Stock Exchange listing standards and our corporate governance guidelines. In September 2006, Mr. Reiten's son assumed the position of president of Pacific Power, a division of PacifiCorp, which, with Idaho Power Company, owns the Jim Bridger power plant and coal mine located near Rock Springs, Wyoming. Idaho Power Company owns one-third of the power plant and mine, and PacifiCorp owns the other two-thirds. Mr. Reiten's son was not affiliated with PacifiCorp prior to his selection as president of Pacific Power.

Idaho Power Company pays PacifiCorp its one-third share of the annual budgets for the plant and mine covering operating expenses and capital improvements. In addition, Idaho Power Company purchases its share of the coal for the plant and as needed purchases energy from PacifiCorp to meet load as well as transmission. In 2007, these payments totaled approximately $144 million. PacifiCorp also purchases energy and transmission from Idaho Power Company. In 2007, these payments totaled approximately $21.2 million. The coal company pays monthly cash distributions to Idaho Power Company, which totaled approximately $38.2 million in 2007.

PROPOSAL NO. 2: RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

At the annual meeting, we will ask you to ratify the audit committee's appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year 2008. This firm has conducted our consolidated annual audits since 1998 and is one of the world's largest firms of independent certified public accountants. We expect a representative of Deloitte & Touche LLP to be present at the meeting. He or she will have an opportunity to make a statement and to respond to appropriate questions.

In connection with the audit of our financial statements for 2008, we expect the engagement letter with Deloitte & Touche LLP to contain provisions similar to those in our 2007 engagement letter for alternative dispute resolution and for the exclusion of punitive damages. The 2007 letter provides that disputes arising out of our engagement of Deloitte & Touche LLP will be resolved through mediation or arbitration, commonly referred to as alternative dispute resolution procedures, and that Deloitte & Touche LLP's and our rights to punitive damages or other forms of relief not based upon actual damages are waived.

Your vote will not affect our appointment or retention of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2008. However, the audit committee will consider your vote as a factor in selecting our independent registered public accounting firm for 2009. The audit committee reserves the right, in its sole discretion, to change the appointment of the independent registered public accounting firm at any time during a fiscal year if it determines that such a change would be in the best interests of the company and our shareholders.

The ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008 is approved if the votes cast in favor exceed the votes cast against ratification.

The board of directors unanimously recommends a vote "FOR" ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008.

INDEPENDENT ACCOUNTANT BILLINGS

The aggregate fees our principal independent accountants, Deloitte & Touche LLP, billed or are expected to bill us for the fiscal years ended December 31, 2007 and 2006 are:

Fees Billed	2007	2006
Audit Fees	$ 1,148,354	$ 1,061,328
Audit-Related Fees (1)	62,520	47,500
Tax Fees (2)	114,486	426,365
All Other Fees	-0-	-0-
Total Fees	$ 1,325,360	$ 1,535,193

(1) Includes fees for audits of our benefit plans and agreed upon procedures at a subsidiary.

(2) Includes fees for tax compliance and tax consulting in connection with the application of Internal Revenue Code §263A simplified service cost method settlement guidelines and the development of a uniform capitalization method.

Policy on Audit Committee Pre-Approval. We and our audit committee are committed to ensuring the independence of the accountants, both in fact and in appearance. The audit committee has established a pre-approval policy, which is included as exhibit "B" to this proxy statement. The audit committee pre-approved all fees in 2007 and 2006.

PROPOSAL NO. 3: SHAREHOLDER PROPOSAL

A shareholder who owns 150 shares of IDACORP common stock has notified IDACORP in writing that it intends to present a resolution for action by the shareholders at the annual meeting. We will provide the name and address of the proponent to shareholders promptly after receiving an oral or written request. The text of the resolution and the supporting statement submitted by the proponent are as follows:

Shareholder Proposal

IDACORP SEXUAL ORIENTATION NONDISCRIMINATION POLICY

WHEREAS: IDACORP does not explicitly prohibit discrimination based on sexual orientation or gender identity/expression in its written employment policy;

The Human Rights Campaign Foundation (HRCF) defines sexual orientation as: An enduring emotional, romantic, sexual and relational attraction to another person; may be a same-sex orientation, opposite-sex orientation or bisexual orientation. Gender identity is described as: The gender role that a person claims for his or her self – which may or may not align with his or her physical gender. Gender expression is defined as: How a person behaves, appears or presents him- or herself with regard to societal expectations of gender.

National polls consistently find more than three-quarters of Americans support equal rights in the workplace for gay men, lesbians and bisexuals. In a Gallup poll conducted in May 2007, approximately 89 percent of respondents favored equal opportunity in employment for gays and lesbians;

According to a June, 2007, survey conducted by Harris Interactive, twenty-eight percent of gay and lesbian employees believe they have experienced discrimination or unfair treatment in the workplace, and forty percent of employees are uncomfortable being open about their sexual orientation with their colleagues;

A 2005 survey by Harris Interactive and Witeck-Combs, showed that 88 percent of gay and lesbian adults considered it extremely or very important that a company have a written non-discrimination policy that includes sexual orientation;

Nineteen states, and the District of Columbia, have laws prohibiting employment discrimination based on sexual orientation; By January 2008, 13 states will have laws in place prohibiting discrimination on the basis of gender identity/expression.

IDACORP is increasingly an outlier given its lack of an inclusive policy. As tracked by HRCF's Corporate Equality Index, many companies in the Fortune 500 Index have implemented best practices and policies to support discrimination free workplaces, including:

87% have Equal Employment Opportunity policies that include sexual orientation,
30% have Equal Employment Opportunity policies that include gender identity and/or expression,
53% provide domestic partner health insurance,
49% have diversity training programs,
28% have Employee Resource or Affinity groups for employees.

Utilities and energy companies, such as Consolidated Edison, Dominion Resources, Entergy, Exelon, Keyspan, National Grid, Nicor, PG&E, PNM Resources, Severn Trent Services, and Southern California Edison explicitly prohibit gender identity/expression and sexual orientation discrimination in their written policies;

RESOLVED: The Shareholders request that IDACORP amend its written equal employment opportunity policy to explicitly prohibit discrimination based on sexual orientation and gender identity and expression. Programs and policies developed to implement this policy should be based on identified best practices.

STATEMENT: Employment discrimination diminishes employee morale and productivity. Because state and local laws differ with respect to employment discrimination, our company would benefit from a consistent, corporate-wide policy to enhance efforts to prevent discrimination, resolve complaints internally to avoid costly litigation or damage to its reputation, access employees from the broadest possible talent pool, and ensure a respectful and supportive atmosphere for all employees.

The board has considered this proposal and recommends that shareholders vote “AGAINST” it for the following reasons:

In February 2008, continuing with our commitment to a discrimination-free workplace, we amended our equal employment opportunity policy and our Code of Business Conduct and Ethics to prohibit discrimination based on sexual orientation. These written policies require fair treatment of all employees under applicable federal, state and local law. Our equal employment opportunity policy, as stated in our Employment Handbook, prohibits discrimination in “recruitment, hiring, compensation, promotion, transfer, training, downgrading, termination, layoff, recall, or any other personnel action because of race, color, religion, sex, sexual orientation, national origin, age, marital status, veteran status, or the presence of non-job-related disabilities.” Our Code of Business Conduct and Ethics states that “we will not tolerate discrimination against any person on the basis of race, religion, color, gender, sexual orientation, age, marital status, national origin, veteran status or the presence of disabilities, or any other basis prohibited by law in recruiting, hiring, placement, promotion or any other personnel action.”

We also prohibit sexual and other forms of harassment. As stated in our Code, we believe that harassment has no place at IDACORP and we "will not tolerate verbal or physical conduct that degrades or shows hostility toward an individual because of race, color, national origin, religion, marital status, sexual orientation, age, mental or non-job-related disability, veteran status or any other characteristic protected by law." Violations of our policy will result in disciplinary action up to and including termination of employment.

We believe that our current policy as amended represents a fair response to this proposal. IDACORP is an equal opportunity employer and has a long-standing commitment to preventing unlawful discrimination.

Therefore, our board of directors unanimously recommends a vote "AGAINST" this shareholder proposal.

This shareholder proposal is approved if the votes cast in favor exceed the votes cast against the proposal. Abstentions and broker non-votes will have no effect on the results.

OTHER BUSINESS

Neither the board of directors nor management intends to bring before the meeting any business other than the matters referred to in the notice of annual meeting and this proxy statement. In addition, other than as described below, we have not been informed that any other matter will be presented to the meeting by others. Two shareholder proposals were submitted for inclusion in the proxy statement, which we have omitted pursuant to Rule 14a-8 of the Securities and Exchange Commission's proxy rules. If these shareholders comply with the advance notice bylaw provisions and properly present these proposals at the annual meeting, it is the intention of the persons named in the proxy to vote against these proposals. If any other business should properly come before the meeting, or any adjournment thereof, the persons named in the proxy will vote on such matters according to their best judgment.

SECURITY OWNERSHIP OF DIRECTORS, EXECUTIVE OFFICERS
AND FIVE PERCENT SHAREHOLDERS

The following table sets forth the number of shares of our common stock beneficially owned on February 29, 2008, by our directors and nominees, by our named executive officers and by our directors and executive officers as a group:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership(1)	Stock Options(2)	Percent of Class
Common Stock	Rotchford L. Barker (3)	23,462	6,600	*
Common Stock	Judith A. Johansen	923	0	*
Common Stock	J. LaMont Keen (4)	262,622	175,633	*
Common Stock	Christine King	1,082	0	*
Common Stock	Gary G. Michael	17,103	7,650	*
Common Stock	Jon H. Miller	15,012	7,650	*
Common Stock	Peter S. O'Neill	17,021	7,650	*
Common Stock	Jan B. Packwood	142,962	132,800	*
Common Stock	Richard G. Reiten	7,681	2,400	*
Common Stock	Joan H. Smith	5,631	1,800	*
Common Stock	Robert A. Tinstman	16,012	7,650	*
Common Stock	Thomas J. Wilford	7,381	2,400	*
Common Stock	Darrel T. Anderson	77,488	48,528	*
Common Stock	James C. Miller (5)	112,558	91,384	*
Common Stock	Daniel B. Minor	26,892	8,064	*
Common Stock	Thomas R. Saldin (6)	24,343	4,800	*
Common Stock	All directors and executive officers of IDACORP as a group (22 persons) (7)	867,455	547,091	1.9%

* Less than 1 percent.

(1) Includes shares of common stock subject to forfeiture and restrictions on transfer granted pursuant to the IDACORP Restricted Stock Plan or the 2000 Long-Term Incentive and Compensation Plan. Also includes shares of common stock that the beneficial owner has the right to acquire within 60 days upon exercise of stock options.

(2) Exercisable within 60 days and included in the amount of beneficial ownership column.

(3) Mr. Barker, who retired from the board on May 17, 2007, maintains margin securities accounts at brokerage firms, and the positions held in such margin accounts, which may from time to time include shares of common stock, are pledged as collateral security for the repayment of debit balances, if any, in the accounts. At February 29, 2008, Mr. Barker held 10,000 shares of common stock in these accounts.

(4) Mr. Keen disclaims all beneficial ownership of the 217 shares owned by his wife. These shares are not included in the table. Mr. Keen maintains margin securities accounts at brokerage firms, and the positions held in such margin accounts, which may from time to time include shares of common stock, are pledged as collateral security for the repayment of debit balances, if any, in the accounts. At February 29, 2008, Mr. Keen held 815 shares of common stock in these accounts.

(5) Mr. Miller disclaims all beneficial ownership of the 6 shares owned by his wife through the Employee Savings Plan. These shares are not included in the table.

(6) Includes 100 shares owned jointly with his spouse.

(7) Includes 3,683 shares owned by the spouse of an executive officer.

Except as indicated above, all directors and executive officers have sole voting and investment power for the shares held by them including shares they own through our Employee Savings Plan and our Dividend Reinvestment and Stock Purchase Plan.

The following table sets forth certain information with respect to each person we know to be the beneficial owner of more than five percent of our common stock as of February 29, 2008.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Common Stock	Arnhold and S. Bleichroeder Advisers, LLC 1345 Avenue of the Americas New York, NY 10105	5,002,280(1)	11.12%
Common Stock	Tradewinds Global Investors, LLC 2049 Century Park East, 20th Floor Los Angeles, CA 90067	4,885,714(2)	10.86%
Common Stock	Lord, Abbett & Co. LLC 90 Hudson Street Jersey City, NJ 07302	2,967,084(3)	6.59%

(1) Based on a Schedule 13G, dated January 7, 2008, filed by Arnhold and S. Bleichroeder Advisers, LLC, Arnhold and S. Bleichroeder Advisers, LLC reported sole voting and dispositive power with respect to 5,002,280 shares.

(2) Based on a Schedule 13G/A, Amendment No. 1, dated February 14, 2008, filed by Tradewinds Global Investors, LLC, Tradewinds Global Investors, LLC reported sole voting power with respect to 3,589,372 shares and sole dispositive power with respect to 4,885,714 shares.

(3) Based on a Schedule 13G, dated February 14, 2008, filed by Lord, Abbett & Co. LLC, Lord, Abbett & Co. LLC reported sole voting power with respect to 2,756,798 shares and sole dispositive power with respect to 2,967,084 shares.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Our directors and executive officers are required to file initial reports of ownership and to report changes of ownership of our common stock with the Securities and Exchange Commission. Based solely upon a review of these filings furnished to us for 2007 or written representations from our directors and executive officers that no Form 5 was required, we believe that all required filings were timely made in 2007.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

The following Compensation Discussion and Analysis contains statements regarding future corporate performance targets and goals. These targets and goals are disclosed in the limited context of our compensation programs and should not be understood to be statements of management's expectations or estimates of results or other guidance. We specifically caution investors not to apply these statements to other contexts.

Our review of executive compensation begins with a description of our overall executive compensation philosophy and policy. These are the general principles that guide our executive compensation decisions. We then describe the process that our compensation committee uses to set executive compensation. Finally, and most importantly, we explain how the compensation committee applied its compensation process to establish each named executive officer's level of compensation for 2007.

OUR COMPENSATION PHILOSOPHY AND POLICY

Compensation Philosophy

Our executive compensation philosophy is to provide balanced and competitive compensation to our executive officers to:

- assure that we are able to attract and retain high-quality executive officers and
- motivate our executive officers to achieve performance goals that will benefit our shareholders and customers.

Compensation Policy

Our board of directors adopted a formal executive compensation policy on January 18, 2007, upon the recommendation of the compensation committee. The policy was updated by the board on November 15, 2007 and includes the following compensation-related objectives:

- manage officer compensation as an investment with the expectation that officers will contribute to our overall success
- recognize officers for their demonstrated ability to perform their responsibilities and create long-term shareholder value

- be competitive with respect to those companies in the markets in which we compete to attract and retain the qualified executives necessary for long-term success
- be fair from an internal pay equity perspective
- ensure effective utilization and development of talent by working in concert with other management processes, such as performance appraisal, succession planning and management development and
- balance total compensation with our ability to pay.

The policy also prohibits executive officers from hedging their ownership of company common stock. Executives may not enter into transactions that allow the executive to benefit from devaluation of our stock or otherwise own stock technically but without the full benefits and risks of such ownership.

Components of Executive Compensation

Total compensation for our named executive officers has the following components:

- Base salary – Base salary is the foundational component of executive officer compensation and consists of fixed cash salary. We pay base salaries in order to provide our executive officers with sufficient regularly paid income and to secure officers with the knowledge, skills and abilities necessary to successfully execute their job duties and responsibilities. Base salary is not based upon or adjusted pursuant to corporate performance goals but rather is based or adjusted upon a series of factors related to the officer's position, experience and individual performance. Executive officers may defer all or a portion of their base salary pursuant to the Idaho Power Company Executive Deferred Compensation Plan.
- Bonus – We may grant bonuses to recognize executive officers for special achievements.
- Incentive compensation – We pay incentive compensation to motivate executive officers to achieve performance goals that will benefit our shareholders and customers.

– Short-term incentive compensation – Short-term incentive compensation is intended to encourage and reward short-term performance and is based upon performance goals achievable annually. We award executive officers the opportunity to earn short-term incentives in order to be competitive from a total compensation standpoint and to ensure focus on annual financial, operational and/or customer service goals. The award opportunities vary by position based upon a percentage of base salary with awards paid in cash. Executive officers may defer all or a portion of their short-term incentive awards pursuant to the Idaho Power Company Executive Deferred Compensation Plan.

– Long-term incentive compensation – Long-term incentive compensation is intended to encourage and reward long-term performance and promote retention and is based upon performance goals achievable over a period of years. We grant executive officers the opportunity to earn long-term compensation in order to be competitive from a total compensation standpoint, to ensure focus on long-term financial goals, to develop and retain a strong management team through share ownership, to recognize future performance and to maximize shareholder value by aligning executive interests with shareholder interests. The award opportunities vary by position based upon a percentage of base salary with awards paid in common stock. We grant long-term incentives under the IDACORP Restricted Stock Plan and the 2000 Long-Term Incentive and Compensation Plan. The IDACORP Restricted Stock Plan provides for awards of restricted stock, which may be time vesting or performance vesting. The 2000 Long-Term Incentive and Compensation Plan provides for many types of awards, including restricted stock, performance shares and stock options.

- Retirement benefit plans – We provide executive officers with income for their retirement through qualified and non-qualified defined benefit pension plans. We believe these retirement benefits encourage our employees to make long-term commitments to our company and serve as an important retention tool because benefits under our pension plan increase with an employee's period of service and earnings.

- Other benefits – Other benefits include our 401(k) match and perquisites. Perquisites may include club memberships, officer physicals, guaranteed relocation assistance and family travel with an officer who is traveling for business purposes. We believe these other benefits are important in recruiting and retaining executive talent.

Impact of Tax and Accounting Treatment

The compensation committee may consider the impact of tax and/or accounting treatment in determining compensation, but we may pay compensation to our officers that is not deductible. Section 162(m) of the Internal Revenue Code places a limit of $1,000,000 on the amount of compensation paid to certain officers that we may deduct as a business expense in any tax year unless, among other things, the compensation qualifies as performance-based compensation, as that term is used in section 162(m). Generally, stock options and performance shares are structured to be deductible for purposes of section 162(m) of the Internal Revenue Code; short-term incentive awards and time vesting restricted stock are not.

ROLE OF OUR COMPENSATION COMMITTEE, COMPENSATION CONSULTANT AND MANAGEMENT

Our compensation committee, the compensation consultant and our management all participate in the process of setting executive compensation.

Compensation Committee

The compensation committee of the board of directors has primary responsibility for determining the compensation provided to our executive officers. The compensation committee receives information and advice from its compensation consultant and from management and makes a determination of executive officer compensation, which the committee then recommends to the board of directors for approval.

Compensation Consultant

The committee has retained Towers Perrin for advice regarding compensation matters. Towers Perrin is a nationally recognized consulting firm with extensive experience in the area of executive compensation. The consulting firm closely monitors executive compensation practices and trends and maintains an extensive executive compensation private survey database covering general industry and the energy industry in particular.

Company Management

Our executive officers are also involved in the process of reviewing executive compensation, and our president and chief executive officer, our senior vice president-administrative services and chief financial officer and our vice president – human resources regularly attend compensation committee meetings. The president and chief executive officer and the senior vice presidents review and comment on the market compensation data provided by the consulting firm, including the makeup of market comparison groups and the description of comparable officer positions. The president and chief executive officer and the senior vice presidents utilize the competitive market data, along with other factors related to an officer's position, experience and individual performance, to develop proposed compensation levels for those senior vice presidents or vice presidents that report to them. Our executive officers also review and recommend performance goals, goal weightings and types of long-term incentive awards. Our senior vice president-administrative services and chief financial officer presents these compensation proposals to the compensation committee, which reviews and may modify the proposals before approving them.

OUR PROCESS FOR SETTING EXECUTIVE COMPENSATION

The key steps our compensation committee follows in setting executive compensation are to:

- review the components of executive compensation, including base salary, bonus, short-term incentive compensation, long-term incentive compensation, retirement benefits and other benefits
- analyze executive compensation market data to ensure competitive compensation
- review total compensation structure and allocation of compensation and
- review executive officer performance and experience to determine individual compensation levels.

Market Compensation Analysis

Each year our consulting firm performs an extensive market compensation analysis to determine levels of compensation that comparable companies pay for executive officer positions. This information is important because it indicates what levels of compensation are needed to allow us to remain competitive with other companies in attracting and retaining executive officers. The market analysis also identifies emerging trends in executive compensation that our compensation consultant reviews with the committee.

The market compensation analysis focuses on base salary, short-term incentive and long-term incentive, which we refer to as direct compensation. The analysis includes an extensive review of market compensation data. The consulting firm then analyzes the market data to provide a competitive market compensation range for base salary, short-term incentive and long-term incentive, and combinations of these elements, for each of our executive officer positions.

The consulting firm draws the market data for its market compensation analysis from two sources:

- its own annual private survey of corporate executive compensation and
- public proxy statement data from designated peer group companies.

- Private Survey Compensation Information

Towers Perrin conducts a private, nationwide survey each year of corporate executive compensation. The consulting firm reviews data from two of its survey groups that are most comparable to us.

Survey*	Annual Revenues Less Than $1 Billion			Annual Revenues Between $1 Billion and $3 Billion		
	Number of Companies Participating (#)	Average Market Capitalization ($)	Number of Publicly-Traded Companies (#)	Number of Companies Participating (#)	Average Market Capitalization ($)	Number of Publicly-Traded Companies (#)
Towers Perrin 2006 Executive Compensation Database	39	1.2 billion	33	113	2.56 billion	88
Towers Perrin 2006 Energy Services Industry Executive Compensation Database	22	988 million	10	31	2.01 billion	24

Our annual revenues were approximately $920 million for 2006 and approximately $880 million for 2007, which places us near the division point of these survey groups. As we discuss later, we believe that our revenues tend to be lower as compared with other companies of similar size and complexity, due to our low electricity prices.

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* The information in the table is based solely upon information provided by the publishers of the surveys and is not deemed filed or a part of this compensation discussion and analysis for certification purposes.

The consulting firm then identifies those executive officer positions within the private survey comparison groups that are most similar to our executive officer positions, subject to review by management and approval by the compensation committee. Once the comparable executive officer positions are established, the consulting firm reviews the survey data for those positions and develops compensation tables showing the levels of base salary, short-term incentive and long-term incentive that are provided to the comparison group executive officers. The compensation tables show the 25th, 50th and 75th percentiles of base salary, short-term incentive and long-term incentive that are paid to the comparison group executive officers. The consulting firm provides separate percentile breakdowns for executive officers from three comparison groups - energy industry comparison group, general industry comparison group and a blended comparison group consisting of 80% energy industry data and 20% general industry data. The consulting firm blends the data for our chief executive officer, chief financial officer and general counsel positions on an 80% energy company and 20% general industry company basis to reflect our primary business as an electric utility. Because our senior vice president-power supply and senior vice president-delivery positions are unique to the energy industry, Towers Perrin uses only the energy industry data to determine comparable market compensation for these positions.

The consulting firm then compares the comparison group executive officer compensation with our current executive officer compensation. The consulting firm uses a range of 85% to 115% of comparison group mid-point compensation to represent the typical range of market compensation for each executive officer position. The mid-point is the 50th percentile of the comparison group data. Our executive officer compensation typically will fall within the 85%-115% of mid-point range, but we may set compensation levels above or below this range depending on the experience and performance of the particular executive officer.

- Public Proxy Compensation Data

In addition to its private survey data discussed above, the consulting firm reviews public proxy compensation data from the proxy statements that are filed with the Securities and Exchange Commission each year. In the past, this proxy data has not been nearly as broad or detailed as the consulting firm’s private survey data. As a result, the consulting firm has focused primarily on its private survey data for our market compensation analysis and has utilized the public proxy data as a secondary data source to provide general confirmation for our executive officer compensation levels.

The consulting firm draws its proxy compensation data from two peer groups of companies that are comparable to us in terms of annual sales, market capitalization, number of employees and total assets. Our management and the compensation committee have worked extensively with the consulting firm in developing and approving these peer groups. The two peer groups as of November 2006 consisted of a regional general industry peer group of 16 companies and a national energy industry peer group of 11 companies.

The regional general industry peer group companies were:

AMIS Holdings, Inc.	Nu Skin Enterprises Inc.
Avista Corp.	Oregon Steel Mills Inc.
Coldwater Creek Inc.	Plum Creek Timber Co. Inc.
Columbia Sportswear Co.	Puget Energy Inc.
Getty Images Inc.	Questar Corp.
Micron Technology Inc.	Schnitzer Steel Industries Inc.
Nautilus Inc.	SkyWest Inc.
Northwest Natural Gas Co.	Washington Group International

The national energy industry companies were:

Avista Corp.	PNM Resources Inc.
Cleco Corp.	Puget Energy Inc.
DPL Inc.	Sierra Pacific Resources
El Paso Electric Co.	UniSource Energy Corp.
Empire District Electric Co.	Westar Energy Inc.
Great Plains Energy Inc.	

The peer group companies were selected based on revenues, market capitalization, number of employees and total assets. While we have lower revenues than a number of the peer group companies, this reflects our electricity prices, which are among the lowest in the nation. The compensation committee believes that our low electricity prices do not reduce the size or complexity of our business and that our peer groups are appropriate for executive officer compensation comparison purposes. Our assets are above the average of the two peer groups, and our market capitalization is similar in size to the peer group averages.

For our performance graph peer group, we use the Edison Electric Institute 100 Electric Utilities Index. While the peer groups above are different from the Edison Electric Institute 100 Electric Utilities Index used in the performance graph, the committee believes this smaller, more focused group is representative of our size, complexity and diversity and is appropriate for compensation purposes.

As with the private survey data, the consulting firm then identifies comparable executive officer positions within the public proxy peer group companies and develops compensation tables showing what the comparable executive officers receive for base salary, short-term incentive and long-term incentive and combinations of these elements. The consulting firm then compares our current executive officer compensation with the mid-point executive officer compensation from the public proxy peer groups.

Total Compensation Structure

The committee reviews the total compensation structure for each executive officer.

This review includes all elements of named executive officer compensation from "tally sheets" prepared by Towers Perrin. The tally sheets provide a more complete picture of the executive's current compensation and allow the committee to better evaluate the base salary, annual incentive and long-term incentive to be provided to the executive for the upcoming year.

This review also includes the key provisions of, and each executive officer's benefits under, our post-termination compensation programs, which are:

- the Idaho Power Retirement Plan
- the Idaho Power Security Plan for Senior Management Employees I and II
- the Executive Deferred Compensation Plan
- the executive change in control agreements and
- executive severance policies.

The executive's stock ownership is reviewed separately by the committee and provides a breakdown of the shares of stock already accumulated by the executive. This information allows the committee to assess the executive's existing stock holdings when evaluating stock grants under the company's long-term incentive plan.

The committee also reviews an internal pay equity analysis prepared by Towers Perrin, which compares our chief executive officer's total compensation with the average total compensation levels for (i) our senior vice presidents and (ii) our senior managers and business unit leaders. When the committee reviewed internal pay equity in February 2007, the ratios were as follows:

- chief executive officer to senior vice presidents: 2.46 x
- chief executive officer to senior managers: 6.96 x

The committee determined that our executives' termination and retirement benefits, levels of past compensation and IDACORP stock ownership levels are reasonable, and accordingly made no adjustments to 2007 compensation for any of these items.

Executive Stock Ownership Guidelines

Our board has adopted minimum stock ownership guidelines for our executive officers to further align our executives' interests with shareholder interests. The guidelines require ownership of IDACORP common stock valued at a multiple of the executive's annual base salary, as follows:

- president and chief executive officer – three times annual base salary
- senior vice presidents – two times annual base salary
- vice presidents – one times annual base salary

Executives are allowed five years to meet the guidelines, beginning on the later of April 1, 2008 or the effective date of appointment as a vice president, senior vice president or president. In circumstances where the stock ownership guidelines would result in a severe financial hardship, the executive may request an extension of time from the corporate governance committee to meet the guidelines.

Allocation of Compensation

In order to remain competitive and encourage and reward short-term performance and long-term growth, we use short-term and long-term incentive compensation. The short-term incentive compensation target varies by position but ranges from 15% to 25% of total target compensation. Long-term incentive compensation at target for the executive officers ranges from 20% to 50% of total target compensation. The higher the executive officer's position, the greater the emphasis on long-term results.

The compensation committee believes incentive compensation comprising 35% to 75% of total target compensation is appropriate because:

- our named executive officers are in positions to drive, and therefore bear high levels of responsibility for, our corporate performance
- incentive compensation is at risk and dependent upon our performance and
- making a significant amount of our named executive officers' target compensation contingent upon results that are beneficial to shareholders helps ensure focus on the goals that are aligned with our overall strategy.

Cash compensation includes base salary and short-term incentive payments. Cash compensation at target for the executive officers ranges from 55% to 80% of total target compensation. As discussed above, non-cash or long-term incentive compensation at target for the executive officers ranges from 20% to 50% of total target compensation with higher non-cash compensation for our higher level executive officers.

Non-cash compensation consists of two-thirds performance shares and one-third time-vesting restricted stock. We believe this structure provides the appropriate balance between at risk compensation tied to executive performance and guaranteed compensation that promotes executive retention.

The following table shows the allocation of total 2007 direct target compensation for our named executive officers among the individual components of base salary, short-term incentive and long-term incentive:

Executive	Base Salary as a % of Total Target Compensation	Short-Term Incentive as a % of Total Target Compensation	Long-Term Incentive as a % of Total Target Compensation
J. LaMont Keen	36	21	43
Darrel T. Anderson	46	19	35
Thomas R. Saldin	51	18	31
James C. Miller	51	18	31
Daniel B. Minor	51	18	31

The compensation committee believes that our executive compensation structure is well-balanced in addressing our compensation objectives. In particular, base salary and severance/retirement benefits provide competitive income security for our executives, and short-term and long-term incentive awards provide additional compensation opportunities for outstanding performance. Our short-term and long-term incentive awards also provide motivation to our executive officers to achieve our operational and financial goals.

The compensation committee also believes that our executive compensation structure is meeting our fundamental compensation objectives of attracting and retaining qualified executives and motivating those executives to achieve key performance goals for the benefit of our customers and shareholders. We have been able to secure qualified executive officers from both within our organization, in the case of Mr. Keen, Mr. Miller and Mr. Minor, and from outside of our company, in the case of Mr. Anderson and Mr. Saldin. We have further been able to retain these executive officers to establish a cohesive executive team.

Executive Officer Evaluation

After the compensation committee reviews the market compensation data, it reviews each executive officer's level of experience and performance to determine what the executive officer's compensation should be relative to the market range.

For the chief executive officer review, each of our directors completes an annual written evaluation, which addresses positive and negative aspects of the chief executive officer's performance. This evaluation covers fourteen executive attributes categorized under three headings: strategic capability, leadership and performance.

Strategic Capability

- vision – builds and articulates a shared vision
- strategy – develops a sound, long-term strategy
- implementation – ensures successful implementation; makes timely adjustments when external conditions change

Leadership

- character – committed to personal and business values and serves as a trusted example
- problem-solving capability – possesses sound judgment and the necessary intellectual strength
- temperament – emotionally stable and mature in the use of power
- interpersonal skills – communicates effectively and manages a variety of internal and external constituencies
- insight – understands own strengths and weaknesses and is sensitive to the needs of others
- courage – handles adversity and makes the tough calls when necessary
- charisma – paints an exciting picture of change; sets the pace of change and orchestrates it well

Performance

- financial – financial performance meets or exceeds plan and is competitive relative to industry peers
- operational – establishes performance standards and clearly defines expectations
- succession – develops and enables a talented team
- compliance – establishes strong auditing and internal controls, and fosters a culture of ethical behavior

For other executive officer reviews, the chief executive officer provides a thorough evaluation of each executive officer's accomplishments during the year and overall performance under the categories of operational excellence, financial/customer performance, customer/operational excellence, employee/operational excellence and financial/operational excellence. In addition, each executive officer is evaluated against eight competencies:

- establishing strategic direction
- customer orientation
- business acumen
- developing strategic relationships
- building organizational talent
- operational decision making
- leadership and
- driving for results.

2007 NAMED EXECUTIVE OFFICER COMPENSATION

2007 Incentive Awards

The committee's first step in setting 2007 compensation for our named executive officers was to establish the performance goals for the short-term and long-term incentive awards.

2007 Short-Term Incentive Performance Goals

The 2007 short-term incentive goals were designed to motivate our executives to achieve certain key corporate operational and net income goals for the benefit of our customers and shareholders. The goals and weightings established by our committee were as follows:

Goal	Weighting
Customer satisfaction	15%
O&M expense	15%
Network reliability	10%
IDACORP 2007 net income	30%
Idaho Power 2007 net income	30%

The goals and weightings were the same as those for 2006.

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The customer satisfaction goal focuses us on our relationship with our customers and on serving our small and large general service customers. We measure customer satisfaction by quarterly surveys by an independent survey firm. The customer relationship index details our performance through the eyes of a customer and was based on a rolling 4-quarter average for the period beginning January 1, 2007 through December 31, 2007. The survey data covered five specific performance qualities: overall satisfaction, quality, value, advocacy and loyalty.

- The O&M expense goal focuses on the effective use of assets and capital. We measure O&M expense through audited O&M expenditures for the year. The operational target was to manage to budgeted levels of forecasted amounts. For 2007, we defined O&M expense as non-fuel O&M less pension expense, third party transmission expense and incentive expense.

- The network reliability goal is also intended to focus executives on our relationships with our customers. We measure this goal by the number of interruptions greater than five minutes in duration. The goal also includes a cap of no more than 10 percent of small and large general service customers subjected to more than six interruptions during the 2007 calendar year. If the cap is exceeded, no payout will be made.

- IDACORP consolidated net income and Idaho Power net income goals provide the most important overall measure of our company's financial performance. The net income goals align management and shareholder interests by motivating our executive officers to increase company earnings for the benefit of shareholders. . These goals are measured through our audited financial results but are reduced by all applicable incentive amounts.

The table below shows the performance goals and results for the 2007 short-term incentive awards.

2007 Short-Term Incentive Performance Goals

Performance Goals	Performance Levels		Qualifying Multiplier	2007 Results
Customer Satisfaction –	Threshold	80.5%	7.5%	
Customer Relations	Target	81.5%	15%	83.3%
Index Score	Maximum	83.0%	30%	(above maximum)
Audited O&M Expense	Threshold	$261.0M	7.5%	
	Target	$257.8M	15%	$260.2M
	Maximum	$250.0M	30%	(above threshold)
Network Reliability –	Threshold	< 2.5	5%	
Number of	Target	< 2.1	10%	2.03
Outage Incidents	Maximum	< 1.7	20%	(above target)
IDACORP 2007 Audited	Threshold	$76.0M	15%	
Net Income	Target	$82.0M	30%	$76.6M
	Maximum	$93.0M	60%	(above threshold)
Idaho Power Audited	Threshold	$81.0M	15%	
Consolidated Net Income	Target	$87.0M	30%	$82.3M
	Maximum	$98.0M	60%	(above threshold)

2007 Short-Term Incentive Award Opportunities and Results

Award opportunities under the IDACORP Executive Incentive Plan were established at threshold, target and maximum, based on a percentage of each named executive officer's 2007 base salary. The table below shows the award opportunities and the actual amounts earned for each named executive officer, based on the 2007 actual short-term incentive performance results of 86.58% of target level performance. We discuss the reasons for each named executive officer's award opportunities in the sections relating to each officer below.

2007 Short-Term Incentive Awards

Executive	2007 Base Salary ($)	Threshold	Target	Maximum	Market (Target)	2007 Award Earned (% of Base Salary)	2007 Award Earned ($)
Mr. Keen	500,000	30% ($150,000)	60% ($300,000)	120% ($600,000)	78% ($480,480)	52	260,000
Mr. Anderson	310,000	20% ($62,000)	40% ($124,000)	80% ($248,000)	47% ($154,630)	35	108,500
Mr. Saldin	285,000	17.5% ($49,875)	35% ($99,750)	70% ($199,500)	41% ($106,600)	30	85,500
Mr. Miller	295,000	17.5% ($51,625)	35% ($103,250)	70% ($206,500)	45% ($125,100)	30	88,500
Mr. Minor	270,000	17.5% ($47,250)	35% ($94,500)	70% ($189,000)	40% ($98,000)	30	81,000

The short-term executive incentive plan does not permit the payment of awards if there is no payment of awards under the employee incentive plan or if IDACORP does not have net income sufficient to pay dividends on its common stock.

2007 Long-Term Incentive Awards

Our 2007 long-term incentive awards cover a three-year period. The 2007-2009 awards included:

- time-vesting restricted stock, representing one-third of the 2007-2009 awards and
- performance shares, representing two-thirds of the 2007-2009 awards.

The compensation committee recommended, and the board approved, awards of time-vesting restricted stock and performance shares at their February 2007 meetings, which occurred after we released our 2006 earnings.

Prior to 2006, the long-term incentive awards were comprised of stock options, time-vesting restricted stock and performance shares with a single goal of cumulative earnings per share. With assistance from Towers Perrin, the compensation committee reviewed the components of long-term incentive compensation during 2005. The committee determined to eliminate stock options and to use only restricted stock and performance shares in 2006. In addition, with respect to the performance shares, the compensation committee decided to use two goals weighted equally, cumulative earnings per share and relative total shareholder return, rather than a single goal of cumulative earnings per share. The committee believes that these goals are more effective incentives for our executive officers and will align our executive officers' management efforts with our shareholders' performance objectives.

Time-Vesting Restricted Stock

The time-vesting restricted stock awards vest on January 1, 2010, as long as the executive officer remains employed by us throughout the restricted period. The restricted stock provides a strong incentive for the executive to continue working for us for the entire three-year restricted period. Because the restricted stock is intended to serve as a retention tool, the committee decided to use cliff vesting, rather than pro rata vesting, during the restricted period. If the executive officer's employment terminates before the vesting date, subject to board approval, the executive officer may receive a pro-rated payout, depending on the reason for the termination.

Performance Shares

Two-thirds of the target long-term incentive award is comprised of performance shares. These shares are completely at risk and may not be earned at any level at the end of the performance period. For example, performance shares with a three-year cumulative earnings per share goal awarded for the performance periods ending in the years 2003, 2004 and 2005 were forfeited. The performance shares may be earned by the executive officers based on two equally weighted financial goals over the 2007-2009 performance period: IDACORP cumulative earnings per share and relative IDACORP total shareholder return.

The cumulative earnings per share levels are tied to management performance as this goal relates to revenue enhancement and cost containment. The cumulative earnings per share goals for the 2007-2009 period are as follows:

- Threshold $5.80
- Target $6.20
- Maximum $6.70

Total shareholder return is determined by our common stock price change and dividends paid over the 2007-2009 performance period. We then compare our 2007-2009 total shareholder return with the total shareholder returns achieved by a comparison group of companies over the same three-year period. The comparison group consists of the utility companies in the S&P MidCap 400 Index at the end of the performance period.

We compare our total shareholder return with these companies' total shareholder returns on a percentile basis. For example, if our total shareholder return falls exactly in the middle of the total shareholder returns of the comparison companies, we would rank in the 50th percentile of the comparison group. The total shareholder return performance levels for the 2007-2009 performance period are:

- Threshold 40th percentile of companies
- Target 55th percentile of companies
- Maximum 75th percentile of companies

The compensation committee approved these percentile levels to provide a range of goals that are challenging yet potentially achievable by our company.

As with base salary and 2007 short-term incentive opportunities, in establishing the named executive officers' long-term incentive awards, the compensation committee reviewed the competitive compensation analysis. The long-term incentive opportunities for Mr. Keen and Mr. Anderson remain below the market levels for their respective positions. The committee plans to increase the compensation levels for Mr. Keen and Mr. Anderson toward the market mid-point as they continue to gain experience and perform effectively in their current positions. The long-term incentive opportunity for Mr. Miller is slightly under market mid-point and the long-term incentive opportunities for Mr. Saldin and Mr. Minor are above market mid-point. Mr. Saldin's long-term incentive opportunity reflects his extensive experience and expertise as senior vice president and general counsel, and Mr. Minor's long-term incentive opportunity reflects his critical role in overseeing the development and implementation of our transmission and distribution expansion project.

The compensation committee believes that the 2007 long-term incentive awards will be very effective in aligning our executive officers' management efforts with our shareholders' performance objectives. Earnings per share and total shareholder return represent key measures of performance for the benefit of our shareholders. The compensation committee believes that the 2007 long-term incentive awards provide significant incentive to our executive officers to achieve those goals.

The table below shows the long-term incentive award opportunities for each named executive officer.

2007-2009 Long-Term Incentive Award Opportunities

Executive	Time-Vesting Restricted Stock (Percent of Base Salary) (%)	Performance Shares (CEPS and TSR) (Percent of Base Salary) (%)	Total Long-Term Incentive Award (Percent of Base Salary) (%)	Total Long-Term Incentive (Dollar Value based on 2007 Base Salary) ($)	2007 Market Target ($)
Mr. Keen	40	Threshold - 40 Target - 80 Maximum - 120	Threshold - 80 Target - 120 Maximum - 160	Threshold -400,000 Target -600,000 Maximum -800,000	1,062,000
Mr. Anderson	25	Threshold - 25 Target - 50 Maximum - 75	Threshold - 50 Target - 75 Maximum - 100	Threshold -155,000 Target -232,500 Maximum -310,000	337,000
Mr. Saldin	20	Threshold - 20 Target - 40 Maximum - 60	Threshold - 40 Target - 60 Maximum - 80	Threshold -114,000 Target -171,000 Maximum -228,000	157,000
Mr. Miller	20	Threshold - 20 Target - 40 Maximum - 60	Threshold - 40 Target - 60 Maximum - 80	Threshold -118,000 Target -177,000 Maximum -236,000	183,000
Mr. Minor	20	Threshold - 20 Target - 40 Maximum - 60	Threshold - 40 Target - 60 Maximum - 80	Threshold -108,000 Target -162,000 Maximum -216,000	130,000

The named executive officers receive dividends on the time-vesting restricted stock during the vesting period. This reflects the fact that the IDACORP stock is assured of being paid to the named executive officer over the 2007-2009 vesting period as long as the named executive officer remains employed by the company. However, dividends on the performance shares are not paid to our named executive officers during the 2007-2009 performance period. Instead, they are paid at the end of the performance period only on performance shares that are actually earned.

Vesting of Long-Term Incentive Awards in 2007

The 2004-2006 long-term incentive awards under the IDACORP 2000 Long-Term Incentive and Compensation Plan vested on February 22, 2007. The 2004-2006 long-term incentive awards reached a payout level slightly below target performance based on IDACORP's cumulative earnings per share of $5.92 for the 2004-2006 period. The table below lists the shares awarded on January 15, 2004, the shares paid on February 22, 2007 based on the payout percentage and the dividend equivalents earned.

Name	Shares Awarded on January 15, 2004 (#)	Shares Paid on February 22, 2007 (#)	Dividend Equivalents ($)
Mr. Keen	4,281	3,837	15,412
Mr. Anderson	2,570	2,309	9,252
Mr. Saldin	-	-	-
Mr. Miller	1,671	1,476	6,016
Mr. Minor	852	746	3,067

2007 Target Direct Compensation

The table below sets forth the total 2007 target direct compensation package that the compensation committee established for each named executive officer.

			2007 Long-Term Incentive (Target - % of Base Salary)			
Executive	2007 Base Salary ($)	2007 Short-Term Incentive (Target - % of Base Salary) (%)	Time-Vesting Restricted Stock (%)	Performance Shares (%)	Total Estimated 2007 Cash Compensation (Base Salary plus Short-Term Incentive at Target) ($)	Total Estimated 2007 Direct Compensation (Base Salary plus Short-Term Incentive and Long-Term Incentive at Target) ($)
Mr. Keen	500,000	60	40	80	800,000	1,400,000
Mr. Anderson	310,000	40	25	50	434,000	666,500
Mr. Saldin	285,000	35	20	40	384,750	555,750
Mr. Miller	295,000	35	20	40	398,250	575,250
Mr. Minor	270,000	35	20	40	364,500	526,500

In the following sections we describe how we determined 2007 direct compensation for each of our named executive officers.

J. LaMont Keen 2007 Compensation

Background

Mr. Keen, who joined Idaho Power in 1975, assumed the responsibilities of president and chief executive officer of IDACORP on July 1, 2006. He had been president and chief operating officer of Idaho Power since January 2002 and was appointed chief executive officer of Idaho Power in November 2005. Mr. Keen also has served on the IDACORP and Idaho Power boards of directors since July 15, 2004.

Market Compensation Analysis

The compensation committee reviewed the market compensation analysis for Mr. Keen's position as president and chief executive officer. The market compensation analysis compared Mr. Keen's 2006 compensation with projected 2007 market compensation, based on target incentive plan performance. The market figures were based on the blended compensation mid-point discussed in Our Process for Setting Executive Compensation – Market Compensation Analysis above.

J. LaMont Keen Market Compensation Analysis

Direct Compensation	2007 Market Target Compensation1	2006 Keen Target Compensation	2006 Keen Target Compensation as % of 2007 Market Target Compensation
Base Salary	$616,000	$450,000	73%
Short-Term Incentive (% of Base Salary)	78% ($480,480)	50% ($225,000)	47%
Long-Term Incentive (% of Base Salary)	172% ($1,062,000)	110% ($495,000)	47%
Cash Total = Base Salary + Short-Term Incentive	$1,100,000	$675,000	61%
Total = Base Salary + Short-Term Incentive + Long-Term Incentive	$2,163,000	$1,170,000	54%

1 Market compensation figures do not add precisely due to market data calculation process.

Allocation of Compensation

The committee determined that a larger percentage of Mr. Keen's total compensation for 2007 should be allocated to "at risk" compensation under the short-term incentive plan and long-term incentive plan. The committee determined that 64% of Mr. Keen's 2007 target direct compensation should be in the form of incentive compensation in comparison to 62% for 2006. The committee also weighted the target long-term incentive compensation for 2007 more heavily than for 2006 to emphasize the company's focus on long-term growth. The committee believes that this allocation is appropriate for Mr. Keen because he has the authority and responsibility as president and chief executive officer of our company to establish and execute our long-term strategic plan.

2007 Allocation of Compensation for Mr. Keen

Year	% of Total Target Compensation Allocated to Short-term Incentive	% of Total Target Compensation Allocated to Long-term Incentive
2007	21	43
2006	20	42

Executive Officer Performance

Mr. Keen received favorable performance reviews from our board of directors for 2006, and the committee noted that Mr. Keen's strong performance as president and chief executive officer in 2006 supports his 2007 compensation levels. Our board of directors reviewed Mr. Keen's 2006 performance under the extensive performance criteria set forth in Executive Officer Evaluation above. The board also addressed Mr. Keen's accomplishments during his service as president and chief executive officer since July 1, 2006. These accomplishments included the following:

- development of Idaho Power "Growth Through Investment" strategic plan
- successful oversight and direction regarding Idaho Power water rights issues
- development of ratemaking strategy to increase return on equity
- positive oversight and management of senior executive staff and
- support for successful sale of IDACORP Technologies, Inc.

Setting Mr. Keen's 2007 Compensation

The committee reviewed Mr. Keen's 2006 base salary of $450,000, which was substantially lower than the 2007 market mid-point of $616,000. The committee discussed its plan to raise Mr. Keen's direct compensation closer to the market mid-point level over the three years following his appointment as president and chief executive officer, assuming his continued positive performance in the position. Based on this plan, and Mr. Keen's strong performance in 2006, the committee set Mr. Keen's 2007 base salary at $500,000, an 11% increase. This was still considerably below market, but consistent with the committee's plan to gradually increase his direct compensation.

The committee also increased Mr. Keen's 2007 short-term and long-term incentive awards to bring his compensation closer to the market mid-point and to reflect his high level of performance in 2006. The committee increased Mr. Keen's short-term incentive target award from 50% to 60% of base salary at target and increased his 2007-2009 long-term target incentive award from 110% to 120% of base salary at target. Mr. Keen's total direct compensation at target for 2007 was $1,400,000, of which $900,000 represented at risk incentive pay. This compared with the market mid-point target compensation of $2,163,000.

J. LaMont Keen 2007 Direct Compensation

Direct Compensation	2007 Keen Target Compensation	2007 Market Target Compensation1	2007 Keen Target Compensation as % of 2007 Market Target Compensation	2006 Keen Target Compensation	% Increase from 2006 Keen Target Compensation
Base Salary	$500,000	$616,000	81%	$450,000	+11%
Short-Term Incentive (% of Base Salary)	60% ($300,000)	78% ($480,480)	62%	50% ($225,000)	+33%
Long-Term Incentive – Time Vesting Restricted Stock (% of Base Salary)	40% ($200,000)	172% ($1,062,000)	56%	37% ($166,500)	+20%
Long-Term Incentive – Performance Shares (% of Base Salary)	80% ($400,000)			73% ($328,500)	+22%
Cash Total = Base Salary + Short-Term Incentive	$800,000	$1,100,000	73%	$675,000	+19%
Total = Base Salary + Short-Term Incentive + Long-Term Incentive	$1,400,000	$2,163,000	65%	$1,170,000	+20%

1 Market compensation figures do not add precisely due to market data calculation process.

Darrel T. Anderson 2007 Compensation

Background

Mr. Anderson was appointed senior vice president - administrative services and chief financial officer in July 2004. Prior to this appointment, Mr. Anderson served as vice president, chief financial officer and treasurer. He was named to this position in March 2002. From April 1999 to March 2002, he was the vice president of finance and treasurer. Before joining our company in 1996, Mr. Anderson was senior manager of audit services for a big five professional services firm.

Market Compensation Analysis

The compensation committee reviewed the market compensation analysis for Mr. Anderson’s position as senior vice president – administrative services and chief financial officer. The market compensation analysis compared Mr. Anderson’s 2006 compensation with projected 2007 market compensation, based on target incentive plan performance. The market figures were based on the blended compensation mid-point discussed in Our Process for Setting Executive Compensation – Market Compensation Analysis above.

Darrel T. Anderson Market Compensation Analysis

Direct Compensation	2007 Market Target Compensation1	2006 Anderson Target Compensation	2006 Anderson Target Compensation as % of 2007 Market Target Compensation
Base Salary	$344,000	$280,000	81%
Short-Term Incentive (% of Base Salary)	48% ($165,120)	35% ($98,000)	59%
Long-Term Incentive (% of Base Salary)	98% ($337,000)	60% ($168,000)	50%
Cash Total = Base Salary + Short-Term Incentive	$509,120	$378,000	74%
Total = Base Salary + Short-Term Incentive + Long-Term Incentive	$849,000	$546,000	64%

1 Market compensation figures do not add precisely due to market data calculation process.

Allocation of Compensation

The committee determined that a larger percentage of Mr. Anderson's total compensation for 2007 should be allocated to "at risk" compensation under our executive incentive plans. The committee determined that 54% of Mr. Anderson's 2007 target direct compensation should be in the form of incentive compensation, in comparison to 49% for 2006. The committee also weighted the target long-term incentive compensation for 2007 more heavily than for 2006 to emphasize the company's focus on long-term growth. The committee believes that this allocation is appropriate for Mr. Anderson since he plays an important role in the long-term strategic planning for our company in his position of senior vice president-administrative services and chief financial officer.

2007 Allocation of Compensation for Mr. Anderson

Year	% of Total Target Compensation Allocated to Short-term Incentive	% of Total Target Compensation Allocated to Long-term Incentive
2007	19	35
2006	19	30

Executive Officer Performance

Mr. Anderson received favorable performance reviews for 2006. The committee noted Mr. Anderson's performance excelled in 2006 and his leadership skills are outstanding. The committee noted these major accomplishments by Mr. Anderson in 2006:

- completing the sale of IdaTech
- arranging for the sale of IDACOMM
- maintaining the financial strength of IDACORP as shown by our balanced capital structure, investment grade credit ratings and financial community presence
- facilitating the move of our communications department to administrative services
- overseeing the change of leadership for the information technology department and
- improving the integration and operation of Idaho Power Company's supply chain management.

Setting Mr. Anderson's 2007 Compensation

The committee reviewed Mr. Anderson's 2006 base salary of $280,000, which was low when compared with the 2007 market mid-point of $344,000. The committee discussed its intention to raise Mr. Anderson's compensation closer to the market as he continues to gain experience as senior vice president – administration and chief financial officer. Based on this plan, and Mr. Anderson's performance in 2006, the committee set Mr. Anderson's 2007 base salary at $310,000, a 10.7% increase.

The committee also increased Mr. Anderson's 2007 short-term incentive award and long-term incentive awards to bring his compensation closer to the market mid-point and to reflect his high level of performance in 2006. The committee increased Mr. Anderson's short-term incentive target award from 35% to 40% of base salary at target and increased his 2007-2009 long-term target incentive award from 60% to 75% of base salary at target. Mr. Anderson's total direct compensation at target for 2007 was $666,500, of which $356,500 represented at risk incentive pay. This compared with the market mid-point target compensation of $849,000.

Darrel T. Anderson 2007 Direct Compensation

Direct Compensation	2007 Anderson Target Compensation	2007 Market Target Compensation1	2007 Anderson Target Compensation as % of 2007 Market Target Compensation	2006 Anderson Target Compensation	% Increase from 2006 Anderson Target Compensation
Base Salary	$310,000	$344,000	90%	$280,000	+11%
Short-Term Incentive (% of Base Salary)	40% ($124,000)	48% ($165,120)	75%	35% ($98,000)	+27%
Long-Term Incentive – Time Vesting Restricted Stock (% of Base Salary)	25% ($77,500)	98% ($337,000)	69%	20% ($56,000)	+38%
Long-Term Incentive – Performance Shares (% of Base Salary)	50% ($155,000)			40% ($112,000)	+38%
Cash Total = Base Salary + Short-Term Incentive	$434,000	$509,120	85%	$378,000	+15%
Total = Base Salary + Short-Term Incentive + Long-Term Incentive	$666,500	$849,000	79%	$546,000	+22%

1 Market compensation figures do not add precisely due to market data calculation process.

Thomas R. Saldin 2007 Compensation

Background

Mr. Saldin assumed the position of senior vice president, general counsel and secretary on October 1, 2004. On March 15, 2007, his title was changed to senior vice president and general counsel. Mr. Saldin worked for Albertson's Inc. from 1978 until retiring in 2001. During that time he served as assistant general counsel (1978-1981), vice president and general counsel (1981-1983), senior vice president and general counsel (1983-1991), executive vice president, Administration and general counsel (1991-1999), and executive vice president and general counsel (1999-2001).

Market Compensation Analysis

The compensation committee reviewed the market compensation analysis for Mr. Saldin's position as senior vice president and general counsel. The market compensation analysis compared Mr. Saldin's 2006 compensation with projected 2007 market compensation, based on target incentive plan performance. The market figures were based on the blended compensation mid-point we discussed in Our Process for Setting Executive Compensation – Market Compensation Analysis above.

Thomas R. Saldin Market Compensation Analysis

Direct Compensation	2007 Market Target Compensation1	2006 Saldin Target Compensation	2006 Saldin Target Compensation as % of 2007 Market Target Compensation
Base Salary	$260,000	$265,000	102%
Short-Term Incentive (% of Base Salary)	41% ($106,600)	35% ($92,750)	87%
Long-Term Incentive (% of Base Salary)	60% ($157,000)	60% ($159,000)	101%
Cash Total = Base Salary + Short-Term Incentive	$367,000	$357,750	97%
Total = Base Salary + Short-Term Incentive + Long-Term Incentive	$524,000	$516,750	99%

1 Market compensation figures do not add precisely due to market data calculation process.

Allocation of Compensation

The committee also reviewed the allocation of Mr. Saldin's compensation. The committee determined that Mr. Saldin's direct compensation should include a substantial component of incentive compensation since he plays a key role in our executive decision making process as senior vice president and general counsel. Forty-nine percent of Mr. Saldin's 2007 target direct compensation was in the form of incentive compensation, representing the same percentage as 2006.

Executive Officer Performance

Mr. Saldin received favorable performance reviews for 2006. The committee noted that Mr. Saldin has provided excellent legal counsel and strategic guidance in his general counsel position and also had the following major accomplishments in 2006:

- leading our overall compliance efforts
- providing legal support for our hydro relicensing and water rights preservation efforts
- providing legal expertise and strategic guidance in the sale of IdaTech and IDACOMM
- developing legal department succession plans and
- managing ongoing subsidiary litigation and class action lawsuits.

Setting Mr. Saldin's 2007 Compensation

The committee reviewed Mr. Saldin's 2006 base salary of $265,000, as compared with the 2007 market mid-point of $260,000 for his position as senior vice president and general counsel. The committee discussed its plan to maintain Mr. Saldin's direct compensation at or above the market median to reflect his extensive experience and expertise in his position. Based on this, and Mr. Saldin's continued strong performance in 2006, the committee set Mr. Saldin's 2007 base salary at $285,000, a 7.5% increase.

The committee retained Mr. Saldin's 2006 target opportunities for short-term incentive award and long-term incentive award at 35% and 60%, respectively, of base salary at target performance. Mr. Saldin's total direct compensation at target for 2007 was $555,750, of which $270,750 represented at risk incentive pay. This compared with the total direct compensation market mid-point target compensation of $524,000.

Thomas R. Saldin 2007 Direct Compensation

Direct Compensation	2007 Saldin Target Compensation	2007 Market Target Compensation1	2007 Saldin Target Compensation as % of 2007 Market Target Compensation	2006 Saldin Target Compensation	% Increase from 2006 Saldin Target Compensation
Base Salary	$285,000	$260,000	110%	$265,000	+8%
Short-Term Incentive (% of Base Salary)	35% ($99,750)	41% ($106,600)	94%	35% ($92,750)	+8%
Long-Term Incentive – Time Vesting Restricted Stock (% of Base Salary)	20% ($57,000)	60% ($157,000)	109%	20% ($53,000)	+8%
Long-Term Incentive Performance Shares (% of Base Salary)	40% ($114,000)			40% ($106,000)	+8%
Cash Total = Base Salary + Short-Term Incentive	$384,750	$367,000	105%	$357,750	+8%
Total = Base Salary + Short-Term Incentive + Long-Term Incentive	$555,750	$524,000	106%	$516,750	+8%

1 Market compensation figures do not add precisely due to market data calculation process.

James C. Miller 2007 Compensation

Background

Mr. Miller, who has 30 years of experience with the company, became Idaho Power senior vice president - power supply on July 1, 2004. In this role, Mr. Miller is responsible for our company's production and supply of electricity including the operation of 17 hydroelectric projects, overseeing the company's relicensing efforts, managing the company's interest in four thermal generation plants in Idaho, Wyoming, Nevada and Oregon and marketing and contract activities related to power supply. Prior to this appointment, Mr. Miller served as senior vice president - delivery. He was named to this position in September 1999.

Market Compensation Analysis

The compensation committee reviewed the market compensation analysis for Mr. Miller's position as senior vice president - power supply. For Mr. Miller's position, the Towers Perrin 2006 Energy Services Industry survey for companies with annual revenues between $1 billion and $3 billion was the only private survey used because there was insufficient data for his position in the Towers Perrin 2006 Energy Services Industry survey for companies with annual revenues less than $1 billion. The market compensation analysis compared Mr. Miller's 2006 compensation with projected 2007 market compensation, based on target incentive plan performance. The market figures were based on the energy industry compensation mid-point we discussed in Our Process for Setting Executive Compensation – Market Compensation Analysis above.

James C. Miller Market Compensation Analysis

Direct Compensation	2007 Market Target Compensation1	2006 Miller Target Compensation	2006 Miller Target Compensation as % of 2007 Market Target Compensation
Base Salary	$278,000	$280,000	102%
Short-Term Incentive (% of Base Salary)	45% ($125,100)	35% ($98,000)	78%
Long-Term Incentive (% of Base Salary)	66% ($183,000)	60% ($168,000)	92%
Cash Total = Base Salary + Short-Term Incentive	$403,000	$378,000	94%
Total = Base Salary + Short-Term Incentive + Long-Term Incentive	$585,000	$546,000	93%

1 Market compensation figures do not add precisely due to market data calculation process.

Allocation of Compensation

The committee also reviewed the allocation of Mr. Miller's compensation. The committee believes that Mr. Miller's direct compensation should include a substantial component of incentive compensation since he has significant control over our operational performance as senior vice president - power supply, which includes the company's entire generation function. The committee determined that 49% of Mr. Miller's 2007 target direct compensation should be in the form of incentive compensation, representing the same percentage as 2006.

Executive Officer Performance

Mr. Miller received favorable performance reviews for 2006. The committee noted Mr. Miller's extensive experience and strong performance in the power supply area and the results associated with these major accomplishments in 2006:

- successful completion of the 2006 Integrated Resource Plan
- continued progress on Hells Canyon relicensing
- successful siting of a new gas turbine facility in Elmore County
- testimony and assistance with water rights legislation in Idaho and
- continued development efforts for new base load resources.

Setting Mr. Miller's 2007 Compensation

The committee reviewed Mr. Miller's 2006 base salary of $280,000, which was in line with the 2007 market mid-point of $278,000 for his position. The committee discussed its plan to maintain Mr. Miller's direct compensation at or above the market mid-point to reflect his extensive experience and expertise in his position and his continued strong performance. Based on this plan, and Mr. Miller's positive performance in 2006, the committee set Mr. Miller's 2007 base salary at $295,000, a 5.4% increase.

The committee retained Mr. Miller's 2006 target opportunities for short-term incentive award and long-term incentive award at 35% and 60%, respectively, of base salary at target for 2007. Mr. Miller's total direct compensation at target for 2007 was $575,250, of which $280,250 represented at risk incentive pay. This compared to the market mid-point target compensation of $585,000.

James C. Miller 2007 Direct Compensation

Direct Compensation	2007 Miller Target Compensation	2007 Market Target Compensation1	2007 Miller Target Compensation as % of 2007 Market Target Compensation	2006 Miller Target Compensation	% Increase from 2006 Miller Target Compensation
Base Salary	$295,000	$278,000	106%	$280,000	+5%
Short-Term Incentive (% of Base Salary)	35% ($103,250)	45% ($125,100)	83%	35% ($98,000)	+5%
Long-Term Incentive – Time Vesting Restricted Stock (% of Base Salary)	20% ($59,000)	66% ($183,000)	97%	20% ($56,000)	+5%
Long-Term Incentive Performance Shares (% of Base Salary)	40% ($118,000)			40% ($112,000)	+5%
Cash Total = Base Salary + Short-Term Incentive	$398,250	$403,000	99%	$378,000	+5%
Total = Base Salary + Short-Term Incentive + Long-Term Incentive	$575,250	$585,000	98%	$546,000	+5%

1 Market compensation figures do not add precisely due to market data calculation process.

Daniel B. Minor 2007 Compensation

Background

Mr. Minor, who has 22 years of service with the company, became Idaho Power senior vice president - delivery on July 1, 2004. He is responsible for the company's electric transmission and distribution systems and retail customer care, including metering and billing. Delivery is Idaho Power's largest single business unit with approximately 1,100 employees across the company's 20,000 square-mile service area serving more than 430,000 customers. Prior to this, Mr. Minor served as vice president - administrative services and human resources. He was elected to this position in November 2003.

Market Compensation Analysis

The compensation committee reviewed the market compensation analysis for Mr. Minor's position as senior vice president - delivery. The market compensation analysis compared Mr. Minor's 2006 compensation with projected 2007 market compensation, based on target incentive plan performance. The market figures were based on the energy industry mid-point we discussed in Our Process for Setting Executive Compensation – Market Compensation Analysis above.

Daniel B. Minor Market Compensation Analysis

Direct Compensation	2007 Market Target Compensation1	2006 Minor Target Compensation	2006 Minor Target Compensation as % of 2007 Market Target Compensation
Base Salary	$245,000	$250,000	102%
Short-Term Incentive (% of Base Salary)	40% ($98,000)	35% ($87,500)	89%
Long-Term Incentive (% of Base Salary)	53% ($130,000)	60% ($150,000)	116%
Cash Total = Base Salary + Short-Term Incentive	$343,000	$337,500	98%
Total = Base Salary + Short-Term Incentive + Long-Term Incentive	$472,000	$487,500	103%

1 Market compensation figures do not add precisely due to market data calculation process.

The committee determined that Mr. Minor’s 2007 direct compensation was in line with the market mid-point for his position. This is consistent with Mr. Minor’s extensive experience and expertise and continued strong performance as senior vice president-delivery.

Allocation of Compensation

The committee also reviewed the allocation of Mr. Minor’s compensation. The committee believes that Mr. Minor’s direct compensation should include a substantial component of incentive compensation since he has significant control over our operational performance as senior vice president-delivery, which includes the company’s transmission and distribution functions. The committee determined that 49% of Mr. Minor’s 2007 target direct compensation should be in the form of incentive compensation, representing the same percentage as 2006.

Executive Officer Performance

Mr. Minor received favorable performance reviews for 2006. The committee noted Mr. Minor’s positive performance as the leader of delivery and these major accomplishments in 2006:

- leading our new safety mission in delivery
- leading delivery's efforts to maintain a productive workforce
- overseeing the delivery business unit's addition of 15,000 new customers
- improving delivery efficiency and organizational structure and
- managing delivery's workforce issues.

Setting Mr. Minor's 2007 Compensation

The committee reviewed Mr. Minor's 2006 base salary of $250,000, as compared with the 2007 market mid-point of $245,000. Based on Mr. Minor's positive performance in 2006, the committee set Mr. Minor's 2007 base salary at $270,000, an 8.0% increase. This placed Mr. Minor's base salary 10% above the market target base salary for his position, which is within the general 85%-115% executive compensation range identified by Towers Perrin. The committee set Mr. Minor's direct compensation above the market target level to reflect Mr. Minor's responsibility for overseeing the development and implementation of our aggressive transmission and distribution system expansion plans.

The committee retained Mr. Minor's 2006 target opportunities for short-term incentive award and long-term incentive award at 35% and 60%, respectively, of base salary at target for 2007. Mr. Minor's total direct compensation at target for 2007 was $526,500, with $256,500 of that amount representing at-risk incentive pay. This compares with the market mid-point target compensation $472,000.

Daniel B. Minor 2007 Direct Compensation

Direct Compensation	2007 Minor Target Compensation	2007 Market Target Compensation1	2007 Minor Target Compensation as % of 2007 Market Target Compensation	2006 Minor Target Compensation	% Increase from 2006 Minor Target Compensation
Base Salary	$270,000	$245,000	110%	$250,000	+8%
Short-Term Incentive (% of Base Salary)	35% ($94,500)	40% ($98,000)	96%	35% ($87,500)	+8%
Long-Term Incentive – Time Vesting Restricted Stock (% of Base Salary)	20% ($54,000)	53% ($130,000)	125%	20% ($50,000)	+8%
Long-Term Incentive Performance Shares (% of Base Salary)	40% ($108,000)			40% ($100,000)	+8%
Cash Total = Base Salary + Short-Term Incentive	$364,500	$343,000	106%	$337,500	+8%
Total = Base Salary + Short-Term Incentive + Long-Term Incentive	$526,500	$472,000	111%	$487,500	+8%

1 Market compensation figures do not add precisely due to market data calculation process.

POST-TERMINATION COMPENSATION PROGRAMS

Idaho Power Company Retirement Plan

Our retirement plan is available to all our employees. Under the terms of the retirement plan, normal retirement is at age 65; however, an employee may retire at age 62 without a reduction in pension benefits. Employees are eligible for early retirement when

- they have reached the age of 55 and have 10 years of credited service or
- they have 30 years of credited service.

Plan benefits for employees age 62 or older at the time of retirement are calculated based upon 1.5% of their final average earnings multiplied by their years of credited service. Final average earnings is the average total wages – base pay plus short-term incentive plus overtime – during the highest 60 consecutive months in the final 120 months of service.

We discuss the other material terms of our retirement plan later in this proxy statement in the narrative following the Pension Benefits for 2007 table. Because benefits under our retirement plan increase with an employee’s period of service and earnings, the compensation committee believes that providing a pension serves as an important retention tool by encouraging our employees to make long-term commitments to the company.

Idaho Power Company Security Plan For Senior Management Employees

The security plan provides supplemental retirement benefits for certain key employees beyond our retirement plan benefits. The compensation committee views these supplemental retirement benefits as a key component in attracting and retaining qualified executives.

Benefits under the security plan continue to accrue for up to 25 years of continuous service at a senior management level. Because benefits under this plan increase with period of service and earnings, the compensation committee believes that providing a supplemental pension serves as an important retention tool by encouraging our key employees to make long-term commitments to the company. This plan also enables us to attract and retain mid-career hires. The security plan provides income security for our key employees and is balanced with the at-risk compensation represented by our incentive plans.

We discuss the other material terms of the security plan later in this proxy statement in the narrative following the Pension Benefits for 2007 table.

Change in Control Agreements

We have change in control agreements with all our executive officers. The compensation committee believes that change in control agreements are an important benefit to promote executive retention during periods of uncertainty preceding mergers and motivate executives to weigh merger proposals in a balanced manner for the benefit of shareholders, rather than resisting such proposals for the purpose of job preservation.

Our agreements are “double trigger” agreements. This means that two events must occur in order for payments to be made – a change in control and a termination of employment, including constructive discharge, in connection with the change in control.

If a change in control occurs and the executive is not terminated, the agreements permit the executive to terminate employment for any reason during the first month following the one year anniversary of the change in control. We refer to this as the “13th month trigger.” In this event, the executive would receive the same severance benefits except that the lump sum payments equal to two and one-half times annual compensation would be reduced by one-third and the welfare benefits would continue for 18 months, not 24 months. The first year after a change in control is a critical transition period, and the 13th month trigger serves as an important tool to encourage our named executive officers to remain with the company or our successor.

We discuss the other material terms of our change in control agreements later in this proxy statement.

The compensation committee undertook a thorough review of our change in control agreements in 2006 and asked Towers Perrin to review the terms of our change in control agreements for our top 14 executive officers, as compared with current market practice and trends. The review covered competitive market practice for the common elements of change in control agreements – executive eligibility, protection period, payout trigger, severance pay, vesting of equity awards, health and welfare benefits, supplemental early retirement plan benefits, interrupted annual bonus and excise tax gross-ups.

Following the review, the compensation committee recommended changes to the board of directors, which the board approved at its July 20, 2006 meeting. The compensation committee's review determined that our change in control provisions were consistent with market practice, with two primary exceptions – most comparable companies do not cap change in control benefits at the section 280G excise tax limit, and most companies provide greater severance benefits to senior executives than other executives. The analysis addressed alternatives for addressing section 280G taxation on severance benefits. The analysis also addressed typical market level breakdowns for change in control severance payments to senior executives and other executives.

The compensation committee concluded that the best alternative to address the section 280G excise tax on severance benefits would be to provide conditional gross-up treatment for the chief executive officer and senior vice presidents and best net treatment for the other officers. Under the conditional gross-up approach, the executive receives a full gross-up payment unless a 15% or less reduction in payments or benefits would bring the payments and benefits below the section 280G excise tax limit. Under the best net approach, the executive receives the greater net benefit of

- full payments or benefits with the executive paying any section 280G excise tax or
- payments and benefits capped at the section 280G excise tax limit.

The compensation committee also made other changes to the change in control agreements. The compensation used to calculate change in control severance payments was changed from the executive's highest combined annual salary and bonus received in any one year over the prior five years to the executive's annual base salary and target short-term bonus in the year of termination. Bonus for purposes of our change in control agreements means short-term incentive. Also, the termination of employment by an executive due to retirement after a change in control would not result in payment of the change in control severance benefits. The compensation committee recommended these additional changes to the board of directors, which approved the changes at its July 20, 2006 meeting.

COMPENSATION COMMITTEE REPORT

The compensation committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management. Based on the review and discussions referred to in the preceding sentence, the compensation committee recommended to the board of directors that the Compensation Discussion and Analysis be included in this proxy statement on Schedule 14A.

Robert A. Tinstman, Chairman
Christine King
Peter S. O'Neill

Summary Compensation Table for 2007

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
(a)	(b)	(c)	(d)	(e)1	(f) 1	(g)	(h)2	(i) 3	(j)
J. LaMont Keen	2007	498,077	-	361,565	42,627	259,740	251,502	10,224	1,423,735
President and CEO, IDACORP and Idaho Power	2006	436,538	-	291,968	95,739	331,726	255,884	8,800	1,420,655
Darrel T. Anderson	2007	308,846	-	142,759	19,629	107,359	86,908	9,694	675,195
Senior Vice President – Administrative Services and CFO, IDACORP and Idaho Power	2006	278,462	40,000	136,082	39,138	153,860	131,146	8,657	787,345
Thomas R. Saldin	2007	284,231	-	103,829	7,457	86,364	307,180	9,612	798,673
Senior Vice President and General Counsel, IDACORP and Idaho Power	2006	264,423	-	59,939	12,217	145,618	244,690	8,800	735,687
James C. Miller	2007	294,423	-	122,027	15,781	89,394	_4	9,612	531,237
Senior Vice President – Power Supply, Idaho Power	2006	279,615	-	110,190	41,288	153,860	107,892	4,935	697,780
Daniel B. Minor	2007	269,231	-	103,249	9,971	81,818	216,286	9,592	690,147
Senior Vice President – Delivery, Idaho Power	2006	248,269	-	77,421	17,656	137,375	152,834	8,765	642,320

1 Values shown represent the accounting expense in 2007 and 2006 for restricted stock, performance shares and stock options awarded in 2007 and in prior years. These amounts do not necessarily correspond to the actual value that

will be recognized by the named executive officers. The assumptions used to determine the values are the same as those used in the valuation of compensation expense for our audited financial statements, except for the effect of estimated forfeitures. Statement of Financial Accounting Standards No. 123 (revised 2004), which we refer to as SFAS 123R, requires us to estimate forfeitures when awards are granted and reduce the estimated compensation expense accordingly. However, pursuant to SEC rules, the amounts shown were determined by assuming none of the awards would be forfeited.

Stock option awards are awarded with exercise prices equal to the market value of the stock on the date of award. The options have a term of 10 years from the award date and vest over a five-year period. Upon adoption of SFAS 123R on January 1, 2006, the fair value of each option is amortized into compensation expense using graded-vesting. Beginning in 2006, stock options are not a significant component of share-based compensation awards under the IDACORP 2000 Long-Term Incentive and Compensation Plan.

The fair values of all stock option awards have been estimated as of the date of the award by applying a binomial option pricing model. The application of this model involves assumptions that are judgmental and sensitive in the determination of compensation expense. The following key assumptions were used in determining the fair value of options awarded:

	2004	2003	2002	2001
Dividend yield, based on current dividend and stock price on award date	3.9%	8.1%	4.7%	4.7%
Expected stock price volatility, based on IDACORP historical volatility	29%	28%	32%	29%
Risk-free interest rate based on U.S. Treasury composite rate	3.96%	3.94%	4.92%	5.18%
Expected term based on the SEC "simplified" method	7 years	7 years	7 years	7 years

Additional information on the assumptions used to determine the fair value of the stock options, restricted stock and performance share awards is in Note 3 to the financial statements in our 2007 Form 10-K.

2 Values shown represent the change in actuarial present value of the accumulated benefit under the pension plan and the Senior Management Security Plans. Assumptions included a discount rate of 5.6% for 2005, 5.85% for 2006 and 6.4% for 2007, the 1983 Group Annuity Mortality Table for post retirement mortality setback 3 years for 2005, 2006 and 2007, retirement at age 62 except for Mr. Saldin at age 65. There were no above market earnings on deferred compensation.

3 Represents our contribution to the Employee Savings Plan, our 401(k) plan, and life insurance premiums.

4 The change in actuarial present value of Mr. Miller's accumulated benefit under the pension plan and the Senior Management Security Plans was a decrease of $277 due to the change in discount rates applied from 2006 to 2007.

Grants of Plan-Based Awards in 2007

Name (a)	Grant Date (b)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards3 Threshold ($) (c)	Target ($) (d)	Maximum ($) (e)	Estimated Future Payouts Under Equity Incentive Plan Awards Threshold (#) (f)	Target (#) (g)	Maximum (#) (h)	All Other Stock Awards: Number of Shares of Stock or Units (#) (i)	Grant Date Fair Value of Stock and Option Awards ($) (l)
J. LaMont Keen									
Short-Term Incentive	02/22/071	150,000	300,000	600,000					
Restricted Stock- Time Vesting	02/22/072							5,685	199,998
Performance Shares- CEPS/TSR	02/22/073				5,685	11,370	17,055		293,573
Darrel T. Anderson									
Short-Term Incentive	02/22/071	62,000	124,000	248,000					
Restricted Stock- Time Vesting	02/22/072							2,203	77,502
Performance Shares- CEPS/TSR	02/22/073				2,203	4,406	6,609		113,763
Thomas R. Saldin									
Short-Term Incentive	02/22/071	49,875	99,750	199,500					
Restricted Stock- Time Vesting	02/22/072							1,620	56,992
Performance Shares- CEPS/TSR	02/22/073				1,620	3,240	4,860		83,656
James C. Miller									
Short-Term Incentive	02/22/071	51,625	103,250	206,500					
Restricted Stock- Time Vesting	02/22/072							1,677	58,997

Performance Shares- CEPS/TSR	02/22/07[3]				1,677	3,354	5,031		86,600
Daniel B. Minor									
Short-Term Incentive	02/22/07[1]	47,250	94,500	189,000					
Restricted Stock- Time Vesting	02/22/07[2]							1,535	54,001
Performance Shares- CEPS/TSR	02/22/07[3]				1,535	3,070	4,605		79,267

1 Short-term incentive for 2007 awarded pursuant to the IDACORP Executive Incentive Plan.

2 Restricted stock (time vesting) awarded pursuant to the IDACORP 2000 Long-Term Incentive and Compensation Plan.

3 Performance shares for the 2007-2009 performance period awarded pursuant to the IDACORP 2000 Long-Term Incentive and Compensation Plan.

Narrative Discussion for Summary Compensation Table
and Grants of Plan-Based Awards Table

2007 Short-Term Incentive Awards

Description

In 2007 the compensation committee approved short-term incentive award opportunities for our named executive officers. The short-term cash incentive award opportunities are calculated by multiplying base salary by the product of the approved incentive percentage and the qualifying multiplier for each goal. We discuss the short-term incentive award opportunities and results in the Compensation Discussion and Analysis.

2007 Long-Term Incentive Awards

Awards and Goals

In 2007, the compensation committee approved long-term incentive awards with two components:

- one-third of the total target award opportunity was time vesting restricted shares with a three year restricted period and

- two-thirds of the total target award opportunity were performance based shares with two equally-weighted performance goals – cumulative earnings per share and total shareholder return in comparison to the utility companies in the S&P MidCap 400 Index at the end of the 2007-2009 performance period.

We describe each award below.

- Time vesting shares

Each named executive officer received an award of time vesting restricted shares equal to a percentage of his base salary in 2007. These shares vest on January 1, 2010 if the named executive officer remains continuously employed with the company during the entire restricted period. The named executive officer will receive a prorated number of shares if he retires, with the approval of the compensation committee, dies or becomes disabled during the three year restricted period based upon the number of full months he was employed. In the case of a change in control, the restrictions on the time vesting restricted stock are deemed to have expired. If employment is terminated for other reasons, the shares will be forfeited. Dividends are paid on the shares during the restricted period and are not subject to forfeiture.

- Performance based shares

  Each named executive officer received an award of performance shares at the target level equal to a percentage of his base salary in 2007. The named executive officer will receive an award of performance shares after the end of the performance period if he remains employed by the company during the entire performance period, with certain exceptions, and we achieve our performance goals established by the compensation committee. The named executive officer will receive a prorated number of shares if he retires, with the approval of the compensation committee, dies or becomes disabled during the three year performance period based on the number of full months he was employed. In the case of a change in control, the payout opportunity on the performance shares is deemed to have been achieved at the target level. If employment is terminated for other reasons, the shares will be forfeited. Dividends will accrue during the performance period and will be paid in cash based upon the number of shares that are earned.

All performance shares that do not vest will be forfeited.

The two goals are weighted equally.

CUMULATIVE EARNINGS PER SHARE AND PAYOUT PERCENTAGE

Cumulative Earnings Per Share For Performance Period (Jan. 1 2007-Dec. 31, 2009)	Payout Percentage (% of Target Award)
$6.70 or higher - maximum	150%
$6.20 - target	100%
$5.80 - threshold	50%
Less than $5.80	0%

TOTAL SHAREHOLDER RETURN AND PAYOUT PERCENTAGE

Percentile Rank	Payout Percentage (% of Target Award)
75th or higher – maximum	150%
55th – target	100%
40th – threshold	50%
Less than 40th	0%

No options were awarded in 2007. The number in the Summary Compensation Table reflects the FAS 123R charge for prior awards.

Salary and Bonus in Proportion to Total Compensation

The following table shows the proportion of salary to total compensation for 2007. We paid no bonuses to our named executive officers in 2007.

Name	Salary ($)	Bonus ($)	Total Compensation ($)	Salary and Bonus as % of Total Compensation
J. LaMont Keen	498,077		1,423,735	35.0%
Darrel T. Anderson	308,846		675,195	45.7%
Thomas R. Saldin	284,231		798,673	35.6%
James C. Miller	294,423		531,237	55.4%
Daniel B. Minor	269,231		690,147	39.0%

Outstanding Equity Awards at Fiscal Year-End 2007

	Option Awards				Stock Awards			
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
(a)	(b)1	(c)	(e)	(f)	(g) 2	(h) 4	(i)3	(j)4
J. LaMont Keen								
Option Award - 7/19/00	25,000		35.81	7/18/2010				
Option Award - 1/18/01	30,000		40.31	1/17/2011				
Option Award - 1/17/02	44,000		39.50	1/16/2012				
Option Award - 3/20/03	37,000	13,000	22.92	3/19/2013				
Option Award - 1/15/04	9,960	6,640	31.21	1/14/2014				
Option Award - 1/20/05	8,902	13,351	29.75	1/19/2015				
Restricted Stock-Time Vesting					19,614	690,805		
Performance Shares							12,996	457,719
Darrel T. Anderson								
	4,000		40.31	1/17/2011				

Option Award – 1/18/01								
Option Award – 1/17/02	6,000		39.50	1/16/2012				
Option Award – 3/1/02	1,000		38.68	2/29/2012				
Option Award – 3/20/03	18,000	7,000	22.92	3/19/2013				
Option Award – 1/15/04	5,940	3,960	31.21	1/14/2014				
Option Award – 1/20/05	3,072	4,608	29.75	1/19/2015				
Restricted Stock-Time Vesting					8,198	288,734		
Performance Shares							4,822	169,831
Thomas R. Saldin								
Option Award – 1/20/05	3,200	4,800	29.75	1/19/2015				
Restricted Stock-Time Vesting					5,016	176,664		
Performance Shares							4,176	147,079

	Option Awards				Stock Awards			
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
(a)	(b)1	(c)	(e)	(f)	(g) 2	(h) 4	(i)3	(j)4
James C. Miller								
Option Award – 1/18/01	30,000		40.31	1/17/2011				
Option Award – 1/17/02	31,000		39.50	1/16/2012				
Option Award – 3/20/03	16,000	4,000	22.92	3/19/2013				
Option Award – 1/15/04	3,900	2,600	31.21	1/14/2014				
Option Award – 1/20/05	3,456	5,184	29.75	1/19/2015				
Restricted Stock-Time Vesting					6,975	245,660		
Performance Shares							4,397	154,862
Daniel B. Minor								
Option Award - 1/17/02	1,000		39.50	1/16/2012				
Option Award - 3/20/03	400	400	22.92	3/19/2013				

Option Award - 5/19/03	1,000	1,000	24.80	5/18/2013				
Option Award - 1/15/04	1,980	1,320	31.21	1/14/2014				
Option Award - 1/20/05	1,312	3,936	29.75	1/19/2015				
Restricted Stock-Time Vesting					5,383	189,589		
Performance Shares							3,842	135,315

1 The award date for each option is listed in column (a). All option awards become exercisable as to one-fifth of the shares originally subject to the option grant on each of the first five anniversaries of the grant date. They remain exercisable until they expire in ten years on the dates listed in column (f).

The vesting schedule for each of the option awards is:

Award Date	20% Vested on First Anniversary	40% Vested on Second Anniversary	60% Vested on Third Anniversary	80% Vested on Fourth Anniversary	100% Vested on Fifth Anniversary
07/19/2000	07/19/2001	07/19/2002	07/19/2003	07/19/2004	07/19/2005
01/18/2001	01/18/2002	01/18/2003	01/18/2004	01/18/2005	01/18/2006
01/17/2002	01/17/2003	01/17/2004	01/17/2005	01/17/2006	01/17/2007
03/01/2002	03/01/2003	03/01/2004	03/01/2005	03/01/2006	03/01/2007
03/20/2003	03/20/2004	03/20/2005	03/20/2006	03/20/2007	03/20/2008
05/19/2003	05/19/2004	05/19/2005	05/19/2006	05/19/2007	05/19/2008
01/15/2004	01/15/2005	01/15/2006	01/15/2007	01/15/2008	01/15/2009
01/20/2005	01/20/2006	01/20/2007	01/20/2008	01/20/2009	01/20/2010

2 Time Vesting Restricted Stock

Named Executive Officer	Award	Shares of Restricted Stock	Vesting Date
J. LaMont Keen	2004	4,281	1/01/08
	2005	4,675	1/01/09
	2006	4,973	1/01/09
	2007	5,685	1/01/10
Darrel T. Anderson	2004	2,570	1/01/08
	2005	1,613	1/01/09
	2006	1,812	1/01/09
	2007	2,203	1/01/10
Thomas R. Saldin	2005	1,681	1/01/09
	2006	1,715	1/01/09
	2007	1,620	1/01/10
James C. Miller	2004	1,671	1/01/08
	2005	1,815	1/01/09
	2006	1,812	1/01/09
	2007	1,677	1/01/10
Daniel B. Minor	2004	852	1/01/08
	2005	1,378	1/01/09
	2006	1,618	1/01/09
	2007	1,535	1/01/10

3 Performance Shares

Named Executive Officer	Award	Shares	End of Performance Period
J. LaMont Keen	2005	2,338	12/31/07
	2006	4,973	12/31/08
	2007	5,685	12/31/09
Darrel T. Anderson	2005	807	12/31/07
	2006	1,812	12/31/08
	2007	2,203	12/31/09
Thomas R. Saldin	2005	841	12/31/07
	2006	1,715	12/31/08
	2007	1,620	12/31/09
James C. Miller	2005	908	12/31/07
	2006	1,812	12/31/08
	2007	1,677	12/31/09
Daniel B. Minor	2005	689	12/31/07
	2006	1,618	12/31/08
	2007	1,535	12/31/09

Shares for the 2005 award are shown at the threshold level based on results for the 2005-2007 performance period below threshold. Shares for the 2006 award are shown at the threshold level based on results for the first two years of the 2006-2008 performance period below the threshold. Shares for the 2007 award are shown at the threshold level based on results for the first year of the 2007-2009 performance period below threshold.

Shares do not vest until the compensation committee and the board of directors determine that goals have been met. This generally occurs in February following the end of the performance period.

4 Shares that have not vested are valued at the closing stock price on the final business day of the year. IDACORP closed at $35.22 on December 31, 2007.

Option Exercises and Stock Vested During 2007

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
(a)	(b)	(c)	(d)	(e)
J. LaMont Keen	-	-	3,837	134,986
Darrel T. Anderson	-	-	2,309	81,231
Thomas R. Saldin	-	-	-	-
James C. Miller	-	-	1,476	51,926
Daniel B. Minor	-	-	746	26,244

Pension Benefits for 2007

Name (a)	Plan Name (b)	Number of Years Credited Service (#) (c)	Present Value of Accumulated Benefit ($) (d)3	Payments During Last Fiscal Year ($) (e)
J. LaMont Keen	Retirement Plan	34	804,956	-
	Security Plan I1	22	1,473,649	-
	Security Plan II2	3	812,299	-
Darrel T. Anderson	Retirement Plan	11	183,705	-
	Security Plan I1	9	446,193	-
	Security Plan II2	3	405,418	-
Thomas R. Saldin	Retirement Plan	3	87,005	-
	Security Plan I1	3 months	34,522	-
	Security Plan II2	3	681,573	-
James C. Miller	Retirement Plan	31	639,562	-
	Security Plan I1	17	683,057	-
	Security Plan II2	3	260,320	-
Daniel B. Minor	Retirement Plan	22	354,359	-
	Security Plan I1	6	75,065	-
	Security Plan II2	3	400,484	-

1 Security Plan for Senior Management Employees I, which is grandfathered under section 409A.

2 Security Plan for Senior Management Employees II, which is not grandfathered under section 409A.

3 Values shown represent the present value of the accumulated pension benefit under each plan as of December 31, 2007 calculated utilizing the SEC mandated assumptions and a discount rate of 6.4% for 2007, a salary growth rate of 0%, the 1983 Group Annuity Mortality Table set back 3 years for post-retirement mortality, and retirement at age 62 except for Mr. Saldin at age 65.

Idaho Power Company Retirement Plan

Description

The Idaho Power Company Retirement Plan is a qualified, defined benefit pension plan for all regular employees of Idaho Power Company, its subsidiaries and affiliate companies. The plan was established in 1943 to help employees meet an important long-term goal - building for financial security at retirement. Idaho Power makes all contributions to the plan. The dollar amount of the contribution is determined each year based on an actuarial evaluation.

Eligibility Standards

Regular, temporary and part-time employees who are 18 years of age or older are eligible to participate once they complete 12 consecutive months of employment. Participation begins the first day of the month after meeting this requirement.

Vesting

Employees become vested and eligible for benefits under the plan after completing 60 months of credited service.

Retirement Age

Under the terms of the plan, normal retirement is at age 65; however, an employee may retire at age 62 without a reduction in pension benefits. Employees are eligible for early retirement when

- they have reached the age of 55 and have 10 years of credited service or
- they have 30 years of credited service.

Employees electing to retire before reaching age 62 receive a reduced benefit calculated as follows:

Exact Age When Payments Begin	Reduced Benefit as a Percentage of Earned Pension
61	96%
60	92%
59	87%
58	82%
57	77%
56	72%
55	67%
54	62%
53	57%
52	52%
51	47%
50	42%
49	38%
48	34%

Benefits Formula

Plan benefits for employees age 62 or older at the time of retirement are calculated based upon 1.5% of their final average earnings multiplied by their years of credited service. Final average earnings is the average total wages – base pay plus short-term incentive plus overtime – during the highest 60 consecutive months in the final 120 months of service.

Plan benefits for employees who at the time of retirement are under the age of 62 are calculated based upon this same formula and are then reduced using the appropriate early retirement factor.

Joint and Survivor Options

Employees who have a spouse at retirement have a survivor option at an amount equal to 50%, 66 2/3% or 100% of the employee's benefit, or they may choose a single life benefit. Under the survivor options, the benefit payments are reduced to allow payments for the longer of two lives. The reduction factor is determined by the age difference between the employee and spouse. Under a single life benefit, no benefits will be payable to the spouse after the employee's death.

The spouse is protected if the employee dies after being vested in the plan but before retirement. The spouse will receive a lifetime benefit payment equal to 50% of the benefit payment the employee had earned at the date of death. This benefit payment is calculated without an early retirement reduction and is not reduced for the age difference between the employee and the spouse. Payment commences on the date the employee could have retired had he survived. If the employee has 10 or more years of service at the time of death, payments would begin at age 55. With less than 10 years of service, payments would begin at age 65.

Policy on Granting Extra Years of Credited Service

We do not have a policy on granting extra years of credited service under the plan and have not granted any extra years of credited service under the plan.

Idaho Power Company Security Plan for Senior Management Employees

The American Jobs Creation Act of 2004 added section 409A to the Internal Revenue Code. This section is applicable to all compensation which is deferred pursuant to the terms of nonqualified plans and the earnings on that deferred compensation on or after January 1, 2005. The Idaho Power Company Security Plan for Senior Management Employees is a nonqualified defined benefit plan. Nonqualified plan benefits that were vested as of January 1, 2005 were grandfathered. To meet the requirements of section 409A, we created two plans – Security Plan I and Security Plan II. Security Plan I governs grandfathered benefits and Security Plan II governs benefits accruing after December 31, 2004, which are subject to section 409A. The key terms in Security Plan II which are different from the grandfathered Security Plan I are

- a six month delay in payments to key employees
- a prohibition on lump sum payment and
- elimination of a 10% "haircut" provision.

Under Security Plan I, payments to the participant begin immediately upon retirement and the participant may elect a lump sum payment. Security Plan I also provides for accelerated distribution of benefits, subject to a 10% reduction. The terms discussed in the narrative below apply to both Security Plans.

Description

The Idaho Power Company Security Plan for Senior Management Employees is a non-qualified defined benefit plan for senior management employees of Idaho Power Company and any affiliate or subsidiary designated by the board of directors. The purpose of the plan is to provide supplemental retirement benefits for certain key employees. It is intended that the plan will aid in retaining and attracting individuals of exceptional ability by providing them with these benefits. The plan is unfunded.

Eligibility Standards

Eligibility to participate in the plan is limited to those key employees who are designated by a committee made up of the chief executive officer, the four senior vice presidents and the vice president of human resources which has been appointed by the compensation committee. Participation in the plan by Section 16 officers is approved in advance by the compensation committee.

Vesting

A participant is 100% vested immediately.

Retirement Age

Under the terms of the plan, normal retirement is at age 62. Participants are eligible for early retirement when they have

- reached the age of 55 or
- completed 30 years of credited service under the Idaho Power Company Retirement Plan.

Participants who are eligible for early retirement and retire before reaching age 62 receive a reduced benefit based upon the following early retirement factors:

Exact Age When Payments Begin	Early Retirement Factor
61	96%
60	92%
59	87%
58	82%
57	77%
56	72%
55	67%

Benefits provided to participants who terminate employment before attaining early retirement are further reduced based on their years of participation.

Change in Control

The plan provides that if employment is terminated within a change in control period prior to normal retirement, the benefits shall be calculated using age 55 or the participant's age at termination if it is greater than 55.

Benefits Formula

Plan benefits for participants age 62 or older at the time of retirement equal their target retirement percentage multiplied by their final average monthly compensation less the amount of the participant's retirement benefits under the Idaho Power Company Retirement Plan. The target retirement percentage is 6% for each of the first ten years of participation plus an additional 1% for each year in excess of 10 years. The maximum target retirement percentage is 75%. Final average monthly compensation is the average total wages – base salary plus short-term incentive, not to exceed one times base salary for the year in which the short-term incentive was paid – during the highest 60 consecutive months in the final 120 months of service. Final average monthly compensation does not include compensation paid to a participant pursuant to a written severance agreement.

Plan benefits for participants who at the time of retirement are eligible for early retirement benefits equal their target retirement percentage multiplied by their early retirement factor and by the participant's final average monthly compensation, less the amount of the participant's retirement benefit under the Idaho Power Company Retirement Plan. Plan benefits for participants who at the time of retirement are not eligible for early retirement benefits are further reduced by a fraction, the numerator of which is their actual years of participation and the denominator of which is the number of years of participation they would have had at normal retirement.

Joint and Survivor Options

Participants who have a surviving spouse at retirement may select a survivor option at an amount equal to 50% or 66 2/3% of the participant's benefit, or they may choose a single life annuity for the lifetime of the participant. Under a single life annuity no benefits will be payable to the spouse after the participant's death. The survivor option is subject to an actuarial reduction in the benefit amount.

The spouse is protected if the participant dies before retirement or after termination of employment but before commencement of benefits. The surviving spouse will receive a lifetime monthly survivor benefit equal to 66 2/3% of the participant's benefit calculated pursuant to the benefits formula discussed above assuming death occurred at the later of age 62 or the date of death. If the surviving spouse was ten or more years younger than the participant, the monthly survivor benefit will be reduced using the actuarial equivalent factors determined by an actuary using generally accepted actuarial assumptions, methods and factors. These payments will commence on the first day of the month following the date of death.

If the participant is unmarried on the date of death, the benefits will be paid to the participant's beneficiary in a lump sum that is the actuarial equivalent of the value of a death benefit payable to an assumed spouse the same age as the participant.

Policy on Granting Extra Years of Credited Service

The plan is unfunded and non-qualified with the intention of providing deferred compensation benefits for a select group of “management or highly compensated employees” within the meaning of sections 201, 301 and 401 of the Employee Retirement Income Security Act of 1974, as amended, and is therefore exempt from the provisions of Parts 2, 3 and 4 of Title I of the act. As such, the company is permitted to provide extra years of credited service, which the plan refers to as years of participation, at its discretion but has not done so.

Named Executive Officers Eligible For Early Retirement

Mr. Keen was eligible for early retirement under the Idaho Power Company Retirement Plan, Security Plan I and Security Plan II as of December 31, 2007 because he is over the age of 55 and has 34 years of credited service. Mr. Saldin is over the age of 55 and was therefore eligible for early retirement as of December 31, 2007 under Security Plan I and Security Plan II. Mr. Miller was eligible for early retirement under the Idaho Power Company Retirement Plan, Security Plan I and Security Plan II as of December 31, 2007 with 31 years of credited service.

NONQUALIFIED DEFERRED COMPENSATION FOR 2007

Name (a)	Executive Contributions in Last FY ($) (b)	Registrant Contributions in Last FY ($) (c)	Aggregate Earnings in Last FY ($) (d)	Aggregate Withdrawals/ Distributions ($) (e)	Aggregate Balance at Last FYE ($) (f)
J. LaMont Keen					
Darrel T. Anderson			457		9,675
Thomas R. Saldin			10,022		215,647[1]
James C. Miller					
Daniel B. Minor					

1 Includes base salary reflected in the 2006 Summary Compensation Table and 2005 short-term incentive award reflected in the 2005 Summary Compensation Table.

The Idaho Power Company Executive Deferred Compensation Plan is a non-qualified, unfunded supplemental deferred compensation plan for a select group of highly compensated employees of IDACORP and its subsidiaries. As an unfunded plan, it is intended for a select group of “management or highly compensated employees” within the meaning of sections 201, 301 and 401 of the Employee Retirement Income Security Act of 1974 and therefore to be exempt from the provisions of Parts 2, 3 and 4 of Title I of that act.

To comply with the requirements of section 409A of the Internal Revenue Code, we amended the plan effective January 1, 2005 to include provisions applicable to amounts subject to section 409A. These provisions delay for six months payments to key employees and prohibit accelerated payments, including changes to the type of payment and timing, except between forms of life annuities.

Eligibility Standards

The compensation committee will designate from time to time which key employees are eligible to participate in the plan. In selecting eligible employees, the committee considers the position and responsibilities of such individuals, the value of their services and other factors the committee deems pertinent. The committee may rescind its designation of an eligible employee and discontinue an employee's active participation in the plan at any time.

Deferred Compensation

The plan permits a participant to defer up to 100% of his base salary and up to 100% of any short-term incentive.

Accounts

Each participant has a bookkeeping account representing a separate unfunded and unsecured obligation of the company to the participant. Deferred amounts are credited to a participant's account, and we contribute an equal amount to a trust. The trust is expected to provide any assets necessary for the payment of benefits to participants under the plan.

Investment Options

The investment options available to participants are the same as those investments permitted under the Idaho Power Company Employee Savings Plan, which is our 401(k) plan.

Distribution

The portion of a participant's account that is not subject to section 409A is distributed on the earliest of

- the participant's death
- the participant's termination of employment
- the participant's disability or
- termination of the plan.

Participants may also elect to receive this portion of their accounts at any time, subject to a 10% reduction.

The portion of a participant's account that is subject to section 409A is distributed on the earliest of

- the participant's death
- six months following the participant's termination of employment or

- the participant’s disability.

Distributions may be made either in one lump sum or in five annual installments, as selected by the participant. This selection must be made at least one year prior to the occurrence of the event triggering payment.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

The tables below show the payments and benefits our named executive officers would receive in connection with a variety of employment termination scenarios and upon a change in control. For the named executive officers, we assumed the terminations and the change in control occurred on December 31, 2007. All of the payments and benefits described below would be provided by IDACORP or Idaho Power Company.

The tables do not include base salary and short-term incentive awards, which the named executive officers earned due to employment through December 31, 2007. In addition, the tables exclude compensation or benefits provided under plans or arrangements that do not discriminate in favor of the named executive officers and that are generally available to all salaried employees. These include benefits under our qualified defined benefit pension plan, post-retirement health care benefits, life insurance and disability benefits. The tables also do not include the named executive officers' benefits under our non-qualified deferred compensation plans. See the Nonqualified Deferred Compensation for 2007 table and the accompanying narrative for a description of their accumulated benefits under our non-qualified deferred compensation plans.

The IDACORP Restricted Stock Plan and the IDACORP 2000 Long-Term Incentive and Compensation Plan and/or the award agreements provide that, except for retirement with the approval of the compensation committee, death, disability or change in control, all unvested shares, whether time vesting or performance shares, are forfeited upon termination. In the event of retirement with the approval of the compensation committee, death or disability, the named executive officer receives a prorated number of shares based on the number of full months employed during the restricted/performance period. For time vesting restricted stock, the prorated shares vest at termination. In the case of performance shares, the performance goals must be met at some level before the shares vest and vesting only occurs after completion of the performance period. For purposes of these tables, we have assumed target performance levels would be achieved. Although vesting would not occur until after completion of the performance period, the amounts shown in the tables were not reduced to reflect the present value of the performance shares that could vest. In the event of a change in control, the restrictions on the time vesting restricted stock are deemed to have expired and the payout opportunity on the performance shares is deemed to have been achieved at the target level. Dividend equivalents attributable to earned performance shares would also be paid. Dividend equivalents accrued through December 31, 2007 are included in the amounts shown.

The award agreements provide that all unvested options are forfeited upon termination of employment. The IDACORP 2000 Long-Term Incentive and Compensation Plan also provides that all unvested option vest upon a change in control.

The values for the time vesting restricted stock and the performance shares in the following tables were determined by multiplying the applicable number of shares times $35.22, which was the closing price of IDACORP common stock on December 31, 2007.

J. LaMont Keen

Executive Benefits and Payments Upon Termination or Change in Control	Voluntary Termination ($)	Not for Cause Termination ($)	For Cause Termination ($)	Death or Disability ($)	Change in Control (without termination) ($)	Not for Cause or Constructive Discharge Termination (Change in Control) ($)	13th Month Trigger (Change in Control) ($)
(a)	(b)1	(c)2	(d) 2	(e)	(f)	(g)	(h)
Compensation:							
Base Salary		3				1,250,0004	833,3335
Short-Term Incentive Plan 2007						750,0004	500,0005
Restricted Stock -Time Vesting 1/15/04	150,7776			150,7776	150,777	150,777	150,777
Restricted Stock -Time Vesting 1/20/05	123,4817			123,4817	164,654	164,654	164,654
Performance Shares-CEPS 1/20/05	164,6548			164,6548	164,654	164,654	164,654
Restricted Stock -Time Vesting 2/6/06	113,3389			113,3389	175,149	175,149	175,149
Performance Shares-CEPS/TSR 3/16/06	249,45810			249,45810	374,169	374,169	374,169
Restricted Stock -Time Vesting 2/22/07	58,88811			58,88811	200,226	200,226	200,226
Performance Shares-CEPS/TSR 2/22/07	138,03212			138,03212	414,095	414,095	414,095
Option Award 3/20/0313					159,900	159,900	159,900
Option Award 1/15/0413					26,626	26,626	26,626
Option Award 1/20/0513					73,030	73,030	73,030
Benefits and Perquisites:							
Security Plan I	1,704,91414	1,704,91414	1,704,91414	1,704,71115			
Security Plan II	939,77614	939,77614	939,77614	939,66415			
						28,63016	21,67117

Continuation of Welfare Benefits							
Outplacement Services		18				12,00019	
280G Tax Gross-up						1,328,21620	974,21020
Total:	3,643,318	2,644,690	2,644,690	3,643,003	1,903,280	5,272,126	4,232,494

1 As of the voluntary termination date of December 31, 2007, Mr. Keen is over the age of 55 and has in excess of 30 years of credited service and is eligible for early retirement under Security Plan I and Security Plan II. To illustrate potential termination-related benefits, we have assumed Mr. Keen's voluntary termination would constitute retirement with approval of the compensation committee for purposes of his time vesting restricted stock and performance share awards.

2 We assumed a not for cause termination and a for cause termination would not constitute retirement with approval of the compensation committee for purposes of Mr. Keen's time vesting restricted stock and performance share awards.

3 In a not for cause termination, severance guidelines described in the narrative below provide that termination payments range from zero to twenty-four months of base salary depending upon a series of factors including length of service and the circumstances surrounding the termination.

4 Mr. Keen's change in control agreement provides for a lump sum cash severance payment of 2.5 times his base salary and short-term incentive plan target amount.

5 The 13th month trigger provision in Mr. Keen's change in control agreement provides for the payment of two-thirds of his severance payment.

6 Mr. Keen would receive vesting of his 2004 time vesting restricted stock award of 4,281 shares. The dollar amount is determined by multiplying 4,281 shares times $35.22.

7 Mr. Keen would receive pro rata vesting (36 of 48 months or 75%) of his 2005 time vesting restricted stock award of 4,675 shares. The dollar amount is determined by multiplying 3,506 shares times $35.22.

8 Mr. Keen would receive vesting assuming the performance goal is met. The 2005 performance share award has a goal of cumulative earnings per share for a three year performance period. This dollar amount assumes the company achieves the target level (4,675 shares) valued at $35.22 per share.

9 Mr. Keen would receive pro rata vesting (22 of 34 months or 64.71%) of his 2006 time vesting restricted stock award of 4,973 shares. The dollar amount is determined by multiplying 3,218 shares times $35.22.

10 Mr. Keen would receive pro rata vesting (24 of 36 months) assuming the performance goals are met. This 2006 performance share award had two equally weighted performance goals: cumulative earnings per share and total shareholder return for a three year performance period. This dollar amount assumes the company achieves the target level (9,946 shares) with pro rata vesting of 6,631 shares valued at $35.22 per share and includes the cash payment of dividend equivalents.

11 Mr. Keen would receive pro rata vesting (10 of 34 months or 29.41%) of his 2007 time vesting restricted stock award of 5,685 shares. The dollar amount is determined by multiplying 1,895 shares times $35.22.

12 Mr. Keen would receive pro rata vesting (12 of 36 months) assuming the performance goals are met. This 2007 performance share award had two equally weighted performance goals: cumulative earnings per share and total shareholder return for a three year performance period. This dollar amount assumes the company achieves the target level (11,370 shares) with pro rata vesting of 3,790 shares valued at $35.22 per share and includes the cash payment of dividend equivalents.

13 The option values have been calculated by multiplying the number of unvested options that vest by the difference between (1) a stock price of $35.22 and (2) the relevant exercise price.

14 The values shown represent the present value of the Security Plan I and Security Plan II benefit based on retirement at 55 years, 8 months for Mr. Keen and termination as of December 31, 2007. We used a discount rate of 6.4% and the 1983 Group Annuity Mortality Table set back 3 years for post-retirement mortality. Payments would begin in January 2008 under Security Plan I and July 2008 under Security Plan II.

15 The values shown represent the present value of the Security Plan I and Security Plan II death benefits. During a period of disability, a participant will continue to accrue years of participation, and compensation shall be credited to a participant who is receiving disability benefits at the full time equivalent rate of pay that was being earned immediately prior to becoming disabled.

16 Mr. Keen's change in control agreement provides for the continuation of welfare benefits for a period of 24 months. The value shown represents the cost to the company of continuing these benefits.

17 The 13th month trigger provision in Mr. Keen's change in control agreement provides for the continuation of welfare benefits for a period of 18 months. The value shown represents the cost to the company of continuing these benefits.

18 The severance guidelines described in the narrative below provide that, in most cases, the company provides outplacement services up to a maximum of $12,000 for a 12 month period.

19 Mr. Keen's change in control agreement provides for outplacement services commencing within 12 months of a change in control up to a maximum of $12,000 for a 12 month period.

20 The values shown assume an incremental overall tax rate of 42.066% increased by the Internal Revenue Code section 4999 excise tax of 20%.

Darrel T. Anderson

Executive Benefits and Payments Upon Termination or Change in Control	Voluntary Termination ($)	Not for Cause Termination ($)	For Cause Termination ($)	Death or Disability ($)	Change in Control (without termination) ($)	Not for Cause or Constructive Discharge Termination (Change in Control) ($)	13th Month Trigger (Change in Control) ($)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Compensation:							
Base Salary		1				775,0002	516,6673
Short-Term Incentive Plan 2007						310,0002	206,6673
Restricted Stock -Time Vesting 1/15/04				90,5154	90,515	90,515	90,515
Restricted Stock -Time Vesting 1/20/05				42,6165	56,810	56,810	56,810
Performance Shares-CEPS 1/20/05				56,8106	56,810	56,810	56,810
Restricted Stock -Time Vesting 2/6/06				41,2787	63,819	63,819	63,819
Performance Shares-CEPS/TSR 3/16/06				90,8908	136,335	136,335	136,335
Restricted Stock -Time Vesting 2/22/07				22,8239	77,590	77,590	77,590
Performance Shares-CEPS/TSR 2/22/07				53,50110	160,467	160,467	160,467
Option Award 3/20/0311					86,100	86,100	86,100
Option Award 1/15/0411					15,880	15,880	15,880
Option Award 1/20/0511					25,206	25,206	25,206
Benefits and Perquisites:							
Security Plan I	100,68712	100,68712	100,68712	835,860 13		419,04914	419,04914
Security Plan II	277,87412	277,87412	277,87412	759,476 13		194,36714	194,36714
						30,45615	22,98116

Continuation of Welfare Benefits							
Outplacement Services		[17]				12,000[18]	
280G Tax Gross-up						948,454[19]	755,484[19]
Total:	378,561	378,561	378,561	1,993,769	769,532	3,458,858	2,884,746

1 The severance guidelines described in the narrative below provide that termination payments range from zero to twenty-four months of base salary depending upon a series of factors including length of time with the company and the circumstances surrounding the termination.

2 Mr. Anderson's change in control agreement provides for a lump sum severance cash payment of 2.5 times his base salary and short-term incentive plan target amount for 2007 upon termination.

3 The 13th month trigger provision in Mr. Anderson's change in control agreement provides for the payment of two-thirds of his severance payment.

4 Mr. Anderson would receive vesting of his 2004 time vesting restricted stock award of 2,570 shares. The dollar amount is determined by multiplying 2,570 shares times $35.22.

5 Mr. Anderson would receive pro rata vesting (36 of 48 months or 75%) of his 2005 time vesting restricted stock award of 1,613 shares. The dollar amount is determined by multiplying 1,210 shares times $35.22.

6 Mr. Anderson would receive vesting assuming the performance goal is met. The 2005 performance share award has a goal of cumulative earnings per share for a three year performance period. This dollar amount assumes the company achieves the target level (1,613 shares) valued at $35.22 per share.

7 Mr. Anderson would receive pro rata vesting (22 of 34 months or 64.71%) of his 2006 time vesting restricted stock award of 1,812 shares. The dollar amount is determined by multiplying 1,172 times $35.22.

8 Mr. Anderson would receive pro rata vesting (24 of 36 months) assuming the performance goals are met. This 2006 performance share award had two equally weighted performance goals: cumulative earnings per share and total shareholder return for a three year performance period. This dollar amount assumes the company achieves the target level (3,624 shares) with pro rata vesting of 2,416 shares valued at $35.22 per share and includes the cash payment of dividend equivalents.

9 Mr. Anderson would receive pro rata vesting (10 of 34 months or 29.41%) of his 2007 time vesting restricted stock award of 2,203 shares. The dollar amount is determined by multiplying 648 shares times $35.22.

10 Mr. Anderson would receive pro rata vesting (12 of 36 months) assuming the performance goals are met. This 2007 performance share award had two equally weighted performance goals: cumulative earnings per share and total shareholder return for a three year performance period. This dollar amount assumes the company achieves the target level (4,406 shares) with pro rata vesting of 1,469 shares valued at $35.22 per share and includes the cash payment of dividend equivalents.

11 The option values have been calculated by multiplying the number of unvested options that vest by the difference between (1) a stock price of $35.22 and (2) the relevant exercise price.

12 The values shown represent the present value of the Security Plan I and Security Plan II benefit based on his actual age and benefit commencement at age of 55 for Mr. Anderson and termination as of December 31, 2007. We used a discount rate of 6.4% and the 1983 Group Annuity Mortality Table set back 3 years for post-retirement mortality. Payments would begin when Mr. Anderson reaches the age of 55.

13 The values shown represent the present value of the Security Plan I and Security Plan II death benefits. During a period of disability, a participant will continue to accrue years of participation, and compensation shall be credited to a participant who is receiving disability benefits at the full time equivalent rate of pay that was being earned immediately prior to becoming disabled.

14 Security Plan I and Security Plan II provide that if employment is terminated within a change in control period prior to the named executives normal retirement, the benefit shall be calculated using age 55 or the named executive’s age at termination if greater than 55. The values shown represent the excess value over those payable for a voluntary termination as of December 31, 2007.

15 Mr. Anderson’s change in control agreement provides for the continuation of welfare benefits for a period of 24 months. The value shown represents the cost to the company of continuing these benefits.

16

The 13th month trigger provision in Mr. Anderson's change in control agreement provides for the continuation of welfare benefits for a period of 18 months. The value shown represents the cost to the company of continuing these benefits.

17 The severance guidelines described in the narrative below provide that, in most cases, the company provides outplacement services up to a maximum of $12,000 for a 12 month period.

18 Mr. Anderson's change in control agreement provides for outplacement services commencing within 12 months of a change in control up to a maximum of $12,000 for a 12 month period.

19 The values shown assume an incremental overall tax rate of 42.066% increased by the Internal Revenue Code section 4999 excise tax of 20%.

Thomas R. Saldin

Executive Benefits and Payments Upon Termination or Change in Control	Voluntary Termination ($)	Not for Cause Termination ($)	For Cause Termination ($)	Death or Disability ($)	Change in Control (without termination) ($)	Not for Cause or Constructive Discharge Termination (Change in Control) ($)	13th Month Trigger (Change in Control) ($)
(a)	(b) 1	(c) 2	(d) 2	(e)	(f)	(g)	(h)
Compensation:							
Base Salary		3				712,5004	475,0005
Short-Term Incentive Plan 2007						249,3754	166,2505
Restricted Stock -Time Vesting 1/20/05	44,4126			44,4126	59,205	59,205	59,205
Performance Shares-CEPS 1/20/05	59,2057			59,2057	59,205	59,205	59,205
Restricted Stock -Time Vesting 2/6/06	39,0948			39,0948	60,402	60,402	60,402
Performance Shares-CEPS/TSR 3/16/06	86,0379			86,0379	129,037	129,037	129,037
Restricted Stock -Time Vesting 2/22/07	16,76510			16,76510	57,056	57,056	57,056
Performance Shares-CEPS/TSR 2/22/07	39,33411			39,33411	118,001	118,001	118,001
Option Award 1/20/0512					26,256	26,256	26,256
Benefits and Perquisites:							
Security Plan I	35,72613	35,72613	35,72613	26,21114			
Security Plan II	705,32813	705,32813	705,32813	517,68714			
Continuation of Welfare Benefits						12,04115	9,17316
Outplacement Services		17				12,00018	
280G Tax Gross-up						595,79619	422,03719
Total:	1,025,901	741,054	741,054	828,745	509,162	2,090,874	1,581,622

1 As of the voluntary termination date of December 31, 2007, Mr. Saldin is eligible for early retirement under the terms of Security Plan I and Security Plan II which provide for immediate 100% vesting. To illustrate potential termination-related benefits, we have assumed Mr. Saldin’s voluntary termination would constitute retirement with approval of the compensation committee for purposes of his time vesting restricted stock and performance share awards.

2 We assumed a not for cause termination and a for cause termination would not constitute retirement with approval of the compensation committee for purposes of Mr. Saldin’s time vesting restricted stock and performance share awards.

3 The severance guidelines described in the narrative below provide that termination payments range from zero to twenty-four months of base salary depending upon a series of factors including length of time with the company and the circumstances surrounding the termination.

4 Mr. Saldin’s change in control agreement provides for a lump sum cash severance payment of 2.5 times his base salary and short-term incentive plan target amount for 2007 upon termination.

5 The 13th month trigger provision in Mr. Saldin's change in control agreement provides for the payment of two-thirds of his severance payment.

6 Mr. Saldin would receive pro rata vesting (36 of 48 months or 75%) of his 2005 time vesting restricted stock award of 1,681 shares. The dollar amount is determined by multiplying 1,261 times $35.22.

7 Mr. Saldin would receive vesting assuming the performance goal is met. The 2005 performance share award has a goal of cumulative earnings per share for a three year performance period. This dollar amount assumes the company achieves the target level (1,681 shares) valued at $35.22 per share.

8 Mr. Saldin would receive pro rata vesting (22 of 34 months or 64.71%) of his 2006 time vesting restricted stock award of 1,715 shares. The dollar amount is determined by multiplying 1,110 shares times $35.22 per share.

9 Mr. Saldin would receive pro rata vesting (24 of 36 months) assuming the performance goals are met. This 2006 performance share award had two equally weighted performance goals: cumulative earnings per share and total shareholder return for a three year performance period. This dollar amount assumes the company achieves target (3,430 shares) with pro rata vesting of 2,287 shares valued at $35.22 per share and includes the cash payment of dividend equivalents.

10 Mr. Saldin would receive pro rata vesting (10 of 34 months or 29.41%) of his 2007 time vesting restricted stock award of 1,620 shares. The dollar amount is determined by multiplying 476 shares times $35.22.

11 Mr. Saldin would receive pro rata vesting (12 of 36 months) assuming the performance goals are met. This 2007 performance share award had two equally weighted performance goals: cumulative earnings per share and total shareholder return for a three year performance period. This dollar amount assumes the company achieves the target level (3,240 shares) with pro rata vesting of 1,080 shares valued at $35.22 per share and includes the cash payment of dividend equivalents.

12 The option values have been calculated by multiplying the number of unvested options that vest by the difference between (1) a stock price of $35.22 and (2) the relevant exercise price.

13 The values shown represent the present value of the Security Plan I and Security Plan II benefit based on retirement at age 60 for Mr. Saldin and termination as of December 31, 2007. We used a discount rate of 6.4% and the 1983 Group Annuity Mortality Table set back 3 years for post-retirement mortality. Payments would begin in January of 2008 under Security Plan I and July 2008 under Security Plan II.

14 The values shown represent the present value of the Security Plan I and Security Plan II death benefits. During a period of disability, a participant will continue to accrue years of participation, and compensation shall be credited to a participant who is receiving disability benefits at the full time equivalent rate of pay that was being earned immediately prior to becoming disabled.

15 Mr. Saldin's change in control agreement provides for the continuation of welfare benefits for a period of 24 months. The value shown represents the cost to the company of continuing these benefits.

16 The 13th month trigger provision in Mr. Saldin's change in control agreement provides for the continuation of welfare benefits for a period of 18 months. The value shown represents the cost to the company of continuing these benefits.

17 The severance guidelines described in the narrative below provide that, in most cases, the company provides outplacement services up to a maximum of $12,000 for a 12 month period.

18 Mr. Saldin's change in control agreement provides for outplacement services commencing within 12 months of a change in control up to a maximum of $12,000 for a 12 month period.

19 The values shown assume an incremental overall tax rate of 42.066% increased by the Internal Revenue Code section 4999 excise tax of 20%.

James C. Miller

Executive Benefits and Payments Upon Termination or Change in Control	Voluntary Termination ($)	Not for Cause Termination ($)	For Cause Termination ($)	Death or Disability ($)	Change in Control (without termination) ($)	Not for Cause or Constructive Discharge Termination (Change in Control) ($)	13th Month Trigger (Change in Control) ($)
(a)	(b) 1	(c) 2	(d) 2	(e)	(f)	(g)	(h)
Compensation:							
Base Salary		3				737,5004	491,6675
Short-Term Incentive Plan 2007						258,1254	172,0835
Restricted Stock -Time Vesting 1/15/04	58,8536			58,8536	58,853	58,853	58,853
Restricted Stock -Time Vesting 1/20/05	47,9347			47,9347	63,924	63,924	63,924
Performance Shares-CEPS 1/20/05	63,9248			63,9248	63,924	63,924	63,924
Restricted Stock -Time Vesting 2/6/06	41,2789			41,2789	63,819	63,819	63,819
Performance Shares-CEPS/TSR 3/16/06	90,89010			90,89010	136,335	136,335	136,335
Restricted Stock -Time Vesting 2/22/07	17,36311			17,36311	59,064	59,064	59,064
Performance Shares-CEPS/TSR 2/22/07	40,71812			40,71812	122,153	122,153	122,153
Option Award 3/20/0313					49,200	49,200	49,200
Option Award 1/15/0413					10,426	10,426	10,426
Option Award 1/20/0513					28,356	28,356	28,356
Benefits and Perquisites:							
Security Plan I	792,43414	792,43414	792,43414	1,036,133 15			
Security Plan II	302,00514	302,00514	302,00514				

				394,881 15			
Continuation of Welfare Benefits						43,31816	32,60817
Outplacement Services		18				12,00019	
280G Tax Gross-up						529,92920	20
Total:	1,455,399	1,094,439	1,094,439	1,791,974	656,054	2,236,926	1,352,412

1 As of the voluntary termination date of December 31, 2007, Mr. Miller has in excess of 30 years of credited service and is eligible for early retirement under Security Plan I and Security Plan II. To illustrate potential termination-related benefits, we have assumed Mr. Miller’s voluntary termination would constitute retirement with approval of the compensation committee for purposes of his time vesting restricted stock and performance share awards.

2 We assumed a not for cause termination and a for cause termination would not constitute retirement with approval of the compensation committee for purposes of Mr. Miller’s time vesting restricted stock and performance share awards.

3 The severance guidelines described in the narrative below provide that termination payments range from zero to twenty-four months of base salary depending upon a series of factors including length of time with the company and the circumstances surrounding the termination.

4 Mr. Miller's change in control agreement provides for a lump sum cash parachute payment of 2.5 times his base salary and short-term incentive plan target amount for 2007 upon termination.

5 The 13th month trigger provision in Mr. Miller's change in control agreement provides for the payment of two-thirds of his severance payment.

6 Mr. Miller would receive vesting of his 2004 time vesting restricted stock award of 1,671 shares. The dollar amount is determined by multiplying 1,671 shares times $35.22.

7 Mr. Miller would receive pro rata vesting (36 of 48 months or 75%) of his 2005 time vesting restricted stock award of 1,815 shares. The dollar amount is determined by multiplying 1,361 shares times $35.22.

8 Mr. Miller would receive vesting assuming the performance goal is met. The 2005 performance share award has a goal of cumulative earnings per share for a three year performance period. This dollar amount assumes the company achieves the target level (1,815 shares) valued at $35.22 per share.

9 Mr. Miller would receive pro rata vesting (22 of 34 months or 64.71%) of his 2006 time vesting restricted stock award of 1,812 shares. The dollar amount is determined by multiplying 1,172 times $35.22.

10 Mr. Miller would receive pro rata vesting (24 of 36 months) assuming the performance goals are met. This 2006 performance share award had two equally weighted performance goals: cumulative earnings per share and total shareholder return for a three year performance period. This dollar amount assumes the company achieves the target level (3,624 shares) with pro rata vesting of 2,416 shares valued at $35.22 per share and includes the cash payment of dividend equivalents.

11 Mr. Miller would receive pro rata vesting (10 of 34 months or 29.41%) of his 2007 time vesting restricted stock award of 1,677 shares. The dollar amount is determined by multiplying 493 shares times $35.22.

12 Mr. Miller would receive pro rata vesting (12 of 36 months) assuming the performance goals are met. This 2007 performance share award had two equally weighted performance goals: cumulative earnings per share and total shareholder return for a three year performance period. This dollar amount assumes the company achieves the target level (3,354 shares) with pro rata vesting of 1,118 shares valued at $35.22 per share and includes the cash payment of dividend equivalents.

13 The option values have been calculated by multiplying the number of unvested options that vest by the difference between (1) a stock price of $35.22 and (2) the relevant exercise price.

14 The values shown represent the present value of the Security Plan I and Security Plan II benefit based on retirement at 53 years, 4 months for Mr. Miller and termination as of December 31, 2007. We used a discount rate of 6.4% and the 1983 Group Annuity Mortality Table set back 3 years for post-retirement mortality. Payments would begin in January 2008 under Security Plan I and July 2008 under Security Plan II.

15 The values shown represent the present value of the Security Plan I and Security Plan II death benefits. During a period of disability, a participant will continue to accrue years of participation, and compensation shall be credited to a participant who is receiving disability benefits at the full time equivalent rate of pay that was being earned immediately prior to becoming disabled.

16 Mr. Miller's change in control agreement provides for the continuation of welfare benefits for a period of 24 months. The value shown represents the cost to the company of continuing these benefits.

17 The 13th month trigger provision in Mr. Miller's change in control agreement provides for the continuation of welfare benefits for a period of 18 months. The value shown represents the cost to the company of continuing these benefits.

18 The severance guidelines described in the narrative below provide that, in most cases, the company provides outplacement services up to a maximum of $12,000 for a 12 month period.

19 Mr. Miller's change in control agreement provides for outplacement services commencing within 12 months of a change in control up to a maximum of $12,000 for a 12 month period.

20 The values shown assume an incremental overall tax rate of 42.066% increased by the Internal Revenue Code section 4999 excise tax of 20%.

Daniel B. Minor

Executive Benefits and Payments Upon Termination or Change in Control	Voluntary Termination ($)	Not for Cause Termination ($)	For Cause Termination ($)	Death or Disability ($)	Change in Control (without termination) ($)	Not for Cause or Constructive Discharge Termination (Change in Control) ($)	13th Month Trigger (Change in Control) ($)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Compensation:							
Base Salary		1				675,0002	450,0003
Short-Term Incentive Plan 2007						236,2502	157,5003
Restricted Stock -Time Vesting 1/15/04				30,0074	30,007	30,007	30,007
Restricted Stock -Time Vesting 1/20/05				36,4175	48,533	48,533	48,533
Performance Shares-CEPS 1/20/05				48,5336	48,533	48,533	48,533
Restricted Stock -Time Vesting 2/6/06				36,8757	56,986	56,986	56,986
Performance Shares-CEPS/TSR 3/16/06				81,1468	121,738	121,738	121,738
Restricted Stock -Time Vesting 2/22/07				15,8849	54,063	54,063	54,063
Performance Shares-CEPS/TSR 2/22/07				37,25810	111,809	111,809	111,809
Option Award 3/20/0311					4,920	4,920	4,920
Option Award 5/19/0311					10,420	10,420	10,420
Option Award 1/15/0411					5,293	5,293	5,293
Option Award 1/20/0511					21,530	21,530	21,530
Benefits and Perquisites:							
Security Plan I						87,43713	87,43713

				123,755 12			
Security Plan II	23,801	23,801	23,801	660,259 12		442,69313	442,69313
Continuation of Welfare Benefits						24,26714	18,33415
Outplacement Services		16				12,00017	
280G Tax Gross-up						828,30218	665,05118
Total:	23,801	23,801	23,801	1,070,134	513,832	2,819,781	2,334,847

1 The severance guidelines described in the narrative below provide that termination payments range from zero to twenty-four months of base salary depending upon a series of factors including length of time with the company and the circumstances surrounding the termination.

2 Mr. Minor’s change in control agreement provides for a lump sum cash severance payment of 2.5 times his base salary and short-term incentive plan target amount for 2007 upon termination.

3 The 13th month trigger provision in Mr. Minor’s change in control agreement provides for the payment of two-thirds of his severance payment.

4 Mr. Minor would receive vesting of his 2004 time vesting restricted stock award of 852 shares. The dollar amount is determined by multiplying 852 shares times $35.22.

5 Mr. Minor would receive pro rata vesting (36 of 48 months or 75%) of his 2005 time vesting restricted stock award of 1,378 shares. The dollar amount is determined by multiplying 1,034 shares times $35.22.

6 Mr. Minor would receive vesting assuming the performance goal is met. The 2005 performance share award has a goal of cumulative earnings per share for a three year performance period. This dollar amount assumes the company achieves the target level (1,378 shares) valued at $35.22 per share.

7 Mr. Minor would receive pro rata vesting (22 of 34 months or 64.71%) of his 2006 time vesting restricted stock award of 1,618 shares. The dollar amount is determined by multiplying 1,047 times $35.22.

8 Mr. Minor would receive pro rata vesting (24 of 36 months) assuming the performance goals are met. This 2006 performance share award had two equally weighted performance goals: cumulative earnings per share and total shareholder return for a three year performance period. This dollar amount assumes the company achieves the target level (3,236 shares) with pro rata vesting of 2,157 shares valued at $35.22 per share and includes the cash payment of dividend equivalents.

9 Mr. Minor would receive pro rata vesting (10 of 34 months or 29.41%) of his 2007 time vesting restricted stock award of 1,535 shares. The dollar amount is determined by multiplying 451 shares times $35.22.

10 Mr. Minor would receive pro rata vesting (12 of 36 months) assuming the performance goals are met. This 2007 performance share award had two equally weighted performance goals: cumulative earnings per share and total shareholder return for a three year performance period. This dollar amount assumes the company achieves the target level (3,070 shares) with pro rata vesting of 1,023 shares valued at $35.22 per share and includes the cash payment of dividend equivalents.

11 The option values have been calculated by multiplying the number of unvested options that vest by the difference between (1) a stock price of $35.22 and (2) the relevant exercise price.

12 The values shown represent the present value of the Security Plan I and Security Plan II death benefits. During a period of disability, a participant will continue to accrue years of participation, and compensation shall be credited to a participant who is receiving disability benefits at the full time equivalent rate of pay that was being earned immediately prior to becoming disabled.

13 Security Plan I and Security Plan II provide that if employment is terminated within a change in control period prior to the named executives normal retirement, the benefit shall be calculated using age 55 or the named executive's age at termination if greater than 55. The values shown represent the excess value over those payable for a voluntary termination as of December 31, 2007.

14 Mr. Minor's change in control agreement provides for the continuation of welfare benefits for a period of 24 months. The value shown represents the cost to the company of continuing these benefits.

15 The 13th month trigger provision in Mr. Minor's change in control agreement provides for the continuation of welfare benefits for a period of 18 months. The value shown represents the cost to the company of continuing these benefits.

16 The severance guidelines described in the narrative below provide that, in most cases, the company provides outplacement services up to a maximum of $12,000 for a 12 month period.

17 Mr. Minor's change in control agreement provides for outplacement services commencing within 12 months of a change in control up to a maximum of $12,000 for a 12 month period.

18 The values shown assume an incremental overall tax rate of 42.066% increased by the Internal Revenue Code section 4999 excise tax of 20%.

Severance

We do not have a written severance plan but we do have a set of guidelines to assist in determining severance in the event we terminate a named executive officer's employment prior to retirement. A voluntary departure, termination for cause or termination resulting from a change in control would not trigger payment.

Payments

Payments range from zero to twenty-four months of base salary. In most cases, the company provides outplacement assistance up to a maximum of $12,000 for a twelve month period. Applicable plan provisions determine what happens to outstanding incentive awards.

The amount of base salary paid depends on a number of factors including

- length of time with the company
- length of time as an officer of the company
- past and present performance and
- reasons for the termination.

Payments are generally conditioned upon

- the named executive officer's availability to assist the company in completing work performed by the named executive officer prior to termination
- the named executive officer's availability to assist in any litigation arising out of the named executive officer's job performance prior to termination
- execution of separation agreement and general release
- return of all confidential information
- an agreement to make no untruthful statement regarding the company, whether oral or written
- certain confidentiality requirements and
- when appropriate, non-compete provisions.

Change in Control

We have entered into change in control agreements with all our executive officers. The agreements become effective for a three-year period upon a change in control. We define a "change in control" as

- the acquisition of 20% or more of our outstanding voting securities

- commencement of a tender offer for 20% or more of our outstanding voting securities
- shareholder approval, or consummation if shareholder approval is not required, of a merger or similar transaction or the sale of all or substantially all of the assets or IDACORP or Idaho Power unless our shareholders will hold more than 50% of the voting securities of the surviving entity, no person will own 20% or more of the voting securities of the surviving entity and at least a majority of the board will be comprised of our directors
- shareholder approval, or consummation if shareholder approval is not required, of a complete liquidation or dissolution of IDACORP or Idaho Power or
- a change in a majority of the board of directors within a 24-month period without the approval of the two-thirds of the members of the board.

If a change in control occurs, the agreements provide for severance benefits in the event of termination of the executive’s employment

- by IDACORP or any successor company, other than for cause, death or disability or
- by the executive for constructive discharge at any time when the agreements are in effect.

In such event, the named executive officer would receive

- a lump sum payment equal to two and one-half times his annual compensation, which is his base salary at the time of termination and his target short-term incentive in the year of termination, or, if not yet determined at the time of termination, the prior year’s target short-term incentive
- the immediate vesting of stock options, restricted stock and performance-based restricted stock, at target
- outplacement services for 12 months not to exceed $12,000 and
- continuation of welfare benefits for a period of 24 months.

If a change in control occurs and the executive is not terminated, the agreements permit the executive to terminate employment for any reason during the first month following the one year anniversary of the change in control. We refer to this as the 13th month trigger in the tables. In such event, the executive would receive the same severance benefits except that the lump sum payment equal to two and one-half times annual compensation is reduced by one-third and the welfare benefits continue for 18 months, not 24 months.

For this purpose, “cause” means the executive’s fraud or dishonesty which has resulted or is likely to result in material economic damage to us or one of our subsidiaries, as determined in good faith by at least two-thirds of our non-employee directors at a meeting of the board at which the executive is provided an opportunity to be heard.

A named executive officer is considered constructively discharged under the provisions of the agreement if, within one year after the occurrence of such event, but in no event later than 36 months following a change in control, the executive gives written notice to IDACORP or any successor company specifying one of the events described below relied upon for such termination and the company has not remedied the matter within 30 days of receipt of such notice.

- IDACORP or any successor company fails to comply with any provision of the agreement
- the executive is required to be based at an office or location more than 50 miles from the location where the executive was based on the day prior to the change in control
- a reduction which is more than de minimis in
  - base salary or maximum short-term incentive opportunity
  - long-term incentive opportunity
  - annual benefit accrual rate in our qualified defined benefit plans, unless such reduction is effective for all executive officers
- our failure to provide a successor company to assume and agree to perform under the agreement or
- a reduction which is more than de minimis in the long term disability and life insurance coverage provided to the executive and in effect immediately prior to the change in control.

The agreements include a parachute tax provision. Internal Revenue Code section 280G disallows a corporate tax deduction for any “excess parachute payments” and section 4999 imposes a 20% excise tax payable by the named executive officer on “excess parachute payments.” In general terms, these sections apply if the change in control related payments and benefits equal or exceed 300% of the named executive officer’s prior 5-year average W-2 income. The agreements provide for either (1) a gross-up payment if the excise tax cannot be avoided by reducing the parachute payments and benefits by 15% or less or (2) a reduction in payments and benefits if the excise tax can be avoided by reducing the parachute payments and benefits by 15% or less.

DIRECTOR COMPENSATION FOR 2007

Name (a)	Fees Earned or Paid in Cash ($) (b)	Stock Awards ($) (c) 1	Option Awards ($) (d) 2	Non-Equity Incentive Plan Compensation ($) (e)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($) (f) 3	All Other Compensation ($) (g) 4	Total ($) (h)
Rotchford L. Barker5	22,500	39,266	(1,977)	-	13,955	7,7916	81,535
Judith A. Johansen7	35,000	30,000	-	-	-	-	65,000
Christine King	40,000	40,000	-	-	-	-	80,000
Gary G. Michael	66,250	41,818	3,621	-	11,537	225	123,451
Jon H. Miller	94,000	41,818	3,621	-	50,583	225	190,247
Peter S. O'Neill	69,300	41,818	3,621	-	26,848	225	141,812
Jan B. Packwood	60,350	40,000	-	-	-	-	100,350
Richard G. Reiten	38,750	40,000	2,141	-	5,600	-	86,491
Joan H. Smith	55,000	40,000	1,984	-	-	-	96,984
Robert A. Tinstman	57,500	41,818	3,621	-	18,374	225	121,538
Thomas J. Wilford	51,250	40,000	1,971	-	5,292	-	98,513

1 Each director received a stock award valued at $40,000 (grant date fair value) on February 1, 2007. In March 2004, an award of 750 time vesting restricted shares was made to each director on the board in 2003. Those directors who were on the board during 2007 are Messrs. Barker, Michael, Miller, O'Neill and Tinstman. The 750 shares vest at 150 shares per year commencing April 1, 2004 through April 1, 2008. At December 31, 2007, 150 shares remain unvested for each director, except for Mr. Barker. Mr. Barker retired from the board effective May 17, 2007; 13 restricted shares vested upon his retirement and the remaining 137 shares were forfeited.

The fair value of restricted stock awards is measured based on the market price of the underlying common stock on the date of grant and charged to compensation expense over the vesting period based on the number of shares expected to vest.

2 No options were awarded to directors in 2007. The following table represents options awarded prior to 2007 and outstanding at December 31, 2007 for each director.

Name	Options Awarded	Options Outstanding
Rotchford L. Barker	8,250	6,600
Judith A. Johansen	0	0
Christine King	0	0
Gary G. Michael	8,250	8,250
Jon H. Miller	8,250	8,250
Peter S. O'Neill	8,250	8,250
Jan B. Packwood	0	0

Richard G. Reiten	3,000	3,000
Joan H. Smith	3,000	3,000
Robert A. Tinstman	8,250	8,250
Thomas A. Wilford	3,000	3,000

Information on the assumptions used to determine the fair value of the stock option awards is in Note 3 to the financial statements in our 2007 Form 10-K and footnote 1 to the Summary Compensation Table for 2007.

3 Represents above-market interest on deferred fees.

4 Represents dividends received on unvested restricted stock, except for Mr. Barker. See footnote 6.

5 In connection with his retirement, Mr. Barker forfeited 137 shares of restricted stock and all 1,650 unvested options.

6 Represents dividends received on unvested restricted stock and a director pension benefit paid to Mr. Barker in 2007.

7 Appointed to the board effective April 1, 2007.

Director Compensation for 2007 and 2008

All directors of IDACORP also serve as directors of Idaho Power Company. In November 2007, the compensation committee recommended and the board approved an increase in non-employee director compensation for 2008. The annual retainer increased by $5,000 for all directors, except the chairman of the board. The chairman of the board's annual cash retainer increased by $11,000 from $94,000 to $105,000. The director stock award for all non-employee directors was also increased by $5,000 from $40,000 to $45,000. All other fees remain the same. The 2007 and 2008 fees and other compensation shown in the table and discussed below are for service on both boards as well as for service on any subsidiary board. Employee directors receive no compensation for service on the boards.

Fees

	2007	2008
Annual Non-Employee Director Retainers		
Chairman of the board	$ 94,000	$ 105,000
Chairman of audit committee	42,500	47,500
Chairman of compensation committee	40,000	45,000
Chairman of corporate governance committee	36,000	41,000
Other directors	30,000	35,000
Meeting Fees1		
Board meeting	$ 1,250	$ 1,250
Committee meeting	1,250	1,250
Shareholder meeting	1,250	1,250
Annual Stock Awards	$ 40,000	$ 45,000

89

Subsidiary Board Fees				
IDACORP Financial Services2				
Monthly retainer	$	750	$	750
Meeting fees		600		600
Ida-West Energy3				
Monthly retainer	$	750	$	750
Meeting fees		600		600
IDACOMM, Inc.4				
Monthly retainer	$	750	$	750
Meeting fees		600		600

1 The chairman of the board does not receive meeting fees.
2 Messrs. O'Neill and Packwood serve on the IDACORP Financial Services board.
3 Mr. Packwood serves on the Ida-West Energy board.
4 Mr. Packwood and Ms. Smith served on the IDACOMM board until it was sold on February 23, 2007.

Deferral Arrangements

Directors may defer all or a portion of their monthly retainers and meeting fees. At retirement, directors may elect to receive one lump-sum payment of all amounts deferred with interest or a series of up to 10 equal annual payments. The interest rate is equal to the Moody's long-term corporate bond yield average rate plus three percent.

Stock Ownership Guidelines

The board adopted stock ownership guidelines for non-employee directors in January 2006. Each non-employee director is expected to own IDACORP common stock equal in value to two times his current base annual retainer fee. A director is allowed three years to meet these requirements.

Retirement Benefits

Effective April 1, 2002, we terminated the Idaho Power Company security plan for directors. At that time, current directors were entitled to their vested benefits under the plan as of January 15, 2002. The plan was a non-qualified deferred compensation plan which provided for retirement benefit payments. The maximum payment is $17,500 per year for a period of 15 years. Directors elected prior to November 30, 1994 could elect 180 monthly installments or a single life annuity with a joint and survivor option. Directors elected after November 1994 receive a single life annuity with a joint and survivor option. In 2007, there were four current directors with vested benefits in the plan - Mr. Miller, who was elected prior to November 30, 1994, and Messrs. Barker, O'Neill and Tinstman who were elected after November 30, 1994.

ANNUAL REPORT

We mailed our 2007 annual report to shareholders, which includes the combined Annual Report on Form 10-K for the year ended December 31, 2007 of IDACORP and Idaho Power Company, along with this proxy statement on or about April 7, 2008 to all shareholders of record.

SHARED ADDRESS SHAREHOLDERS

In accordance with a notice sent to eligible shareholders who share a single address, we are sending only one annual report to shareholders and proxy statement to that address, unless we received instructions to the contrary from any shareholder at that address. This practice, known as "householding," is designed to reduce our printing and postage costs. However, if a shareholder of record residing at such address wishes to receive a separate annual report to shareholders or proxy statement in the future, he or she may contact investor relations, 1221 West Idaho Street, Boise, Idaho 83702-5610, telephone 1-800-635-5406. Eligible shareholders of record receiving multiple copies of our annual report to shareholders and proxy statement can request householding by contacting us in the same manner. If you own shares through a bank, broker or other nominee, you can request householding by contacting the nominee.

We hereby undertake to deliver promptly, upon written or oral request, a separate copy of the annual report to shareholders, or proxy statement, as applicable, to a shareholder at a shared address to which a single copy of the document was delivered. Requests should be addressed to investor relations at the address set forth above.

2009 ANNUAL MEETING OF SHAREHOLDERS

Director Nominations, Other Business and Discretionary Voting Authority

Our bylaws provide that director nominations may be made only by the board of directors or by a shareholder entitled to vote who has delivered written notice to our corporate secretary. The notice must be received no later than 120 days prior to the first anniversary of the date on which we first mailed our proxy materials for the 2008 annual meeting. The notice must also contain certain information specified in the bylaws, which you may obtain by writing to our corporate secretary.

Rule 14a-4 of the Securities and Exchange Commission's proxy rules allows us to use discretionary voting authority to vote on matters coming before our annual meeting of shareholders, if we do not have notice of the matter at least 45 days before the first anniversary date on which we first mailed our proxy materials for the 2008 annual meeting or the date specified by an advance notice provision in our bylaws. Our bylaws contain such an advance notice provision. Under the bylaws, the only business that may be brought before our annual meeting of shareholders are those matters specified in the notice of the meeting or otherwise properly brought before the meeting by the board or by a shareholder entitled to vote who has delivered written notice to our corporate secretary. The shareholder must deliver the notice no later than 120 days prior to the first anniversary of the date on which we first mailed our proxy materials for the 2008 annual meeting. The notice must also contain certain information specified in the bylaws, which you may obtain by writing to the corporate secretary.

For the 2009 annual meeting of shareholders, expected to be held on May 21, 2009, you must submit such nominations or proposals to the corporate secretary of IDACORP no later than December 8, 2008.

Shareholder Proposals

The above requirements are separate and apart from the Securities and Exchange Commission's requirements that you must meet in order to have a shareholder proposal included in the proxy statement under Rule 14a-8. For our 2009 annual meeting of shareholders, expected to be held on May 21, 2009, if you wish to submit a proposal for inclusion in the proxy materials pursuant to Rule 14a-8, you must submit your proposal to our corporate secretary on or before December 8, 2008.

If you cannot attend the meeting, please vote your proxy or proxies without delay.

We will make available to our shareholders to whom we mail this proxy statement a copy of our Annual Report on Form 10-K, excluding exhibits, for the year ended December 31, 2007, which is required to be filed with the Securities and Exchange Commission. You may obtain a copy without charge, upon written or oral request to Lawrence F. Spencer, Director of Investor Relations, IDACORP, Inc., 1221 West Idaho Street, Boise, Idaho 83702, Telephone Number: (208) 388-2200. You may also access our Annual Report on Form 10-K through our website at www.idacorpinc.com.

EXHIBIT A

INDEPENDENCE STANDARDS
IDACORP, INC. BOARD OF DIRECTORS
EXCERPT FROM CORPORATE GOVERNANCE GUIDELINES

II. SELECTION AND COMPOSITION

A. Board Size

The By-laws permit a Board size ranging from nine (9) to fifteen (15) members. This range permits diversity of experience without hindering effective discussion or diminishing individual accountability and meets the various committee requirements.

B. Independence of the Board

The Board shall be comprised of a majority of directors who qualify as independent directors (“Independent Directors”) under the listing standards of the NYSE and meet the applicable requirements of the Sarbanes-Oxley Act of 2002 (“SOX Act”) and any applicable Securities and Exchange Commission (“SEC”) rules and regulations. References in this Section II.B. to the “Company” include any parent or subsidiary in a consolidated group with the Company.

The Board shall review annually the relationships that each director has with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). Following such annual review, only those directors who the Board affirmatively determines have no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company) will be considered Independent Directors, subject to additional qualifications prescribed under the listing standards of the NYSE and under applicable law, including the SOX Act.

To be considered independent, the Board must affirmatively determine that a director does not have any direct or indirect material relationship with the Company. A director is not independent if:

1. The director is, or has been within the last three years, an employee of the Company, or an immediate family member is, or has been within the last three years, an executive officer[1] of the Company; provided, however, that a director’s employment as an interim Chairman or Chief Executive Officer or other executive officer shall not disqualify the director from being considered independent following such employment.

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1 The term "executive officer" has the same meaning specified for the term "officer" in Rule 16a-1(f) under the Securities Exchange Act of 1934 and means the Company's president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company. Officers of the Company's subsidiaries shall be deemed executive officers of the Company if they perform such policy-making functions for the Company.

"Immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home. When applying the three-year look back provisions in subsections (1) through (5) of this Section II.B., the Board need not consider individuals who are no longer immediate family members as a result of legal separation or divorce or those who have died or become incapacitated.

2. The director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than $100,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service); provided, however, that compensation received by a director for former service as an interim Chairman or interim Chief Executive Officer or other executive officer and compensation received by an immediate family member for service as an employee of the Company (other than as an executive officer) need not be considered by the Board in making this determination.

3. (A) The director or an immediate family member is a current partner of a firm that is the Company's internal or external auditor; (B) the director is a current employee of such a firm; (C) the director has an immediate family member who is a current employee of such a firm and who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or (D) the director or an immediate family member was within the last three years (but is no longer) a partner or employee of such a firm and personally worked on the Company's audit within that time.

4. The director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of the Company's present executive officers at the same time serves or served on that company's compensation committee.

5. The director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services (except where the payments are for electrical energy purchased or sold under a purchase or sale arrangement that is approved by a state or federal regulatory agency) in an amount which, in any of the last three fiscal years, exceeds the greater of $1 million, or 2% of such other company's consolidated gross revenues.

In addition, the Board has established the following guidelines to assist it in determining director independence:

i. For purposes of subsection (5) above, both the payments and the consolidated gross revenues to be measured shall be those reported in the last completed fiscal year. The look-back provision for this test applies solely to the financial relationship between the Company and the director or immediate family member's current employer; the Board need not consider former employment of the director or immediate family member.

ii. For purposes of subsection (5) above, contributions to tax exempt organizations shall not be considered "payments," provided, however, that, as required by the NYSE Rules, the Company will disclose in its annual proxy statement any such contributions made by the Company to any tax exempt organization in which any independent director serves as an executive officer if, within the preceding three years, contributions in any single fiscal year from the Company to the organization exceeded the greater of $1 million, or 2% of such tax exempt organization's consolidated gross revenues.

iii. The following relationships with tax exempt organizations will not be considered to be material relationships that would impair a director's independence: if a Company director serves as an officer, director or trustee of a tax exempt organization, and the Company's annual tax exempt contributions to the organization are less than 1% of that organization's total annual tax exempt receipts. The Board will annually review all tax exempt relationships of directors.

iv. A transaction shall not be deemed material if it, together with all related transactions with the same director, does not involve more than $10,000 or involves only the reimbursement of expenses reasonably incurred by the director in connection with his or her services as a director of the Company.

v. For relationships not covered by the guidelines above, the determination of whether or not the relationship is material, and therefore whether or not the director is independent, shall be made by the Board. The Board shall explain in the annual proxy statement the basis for any Board determination that a relationship was not material, identify the independent directors and explain the basis for the determination of independence.

vi. To facilitate implementation of the foregoing, each director shall provide to the Chairman of the Board a brief description of each relationship or transaction between such director and the Company. Relationships include, but are not limited to, commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships.

EXHIBIT B

IDACORP, Inc. / Idaho Power Company

Audit Committee
Policy For Pre-Approval of Independent Auditor Services
Adopted February 4, 2004

BACKGROUND:

The Sarbanes-Oxley Act of 2002, Section 10A(i) of the Securities Exchange Act of 1934, as amended, Regulation S-X Section 2-01(c) (7) and the Company's Audit Committee Charter require the Audit Committee to pre-approve all audit and permitted non-audit services provided to the Company by the independent auditor.

In order to comply with these requirements, and to ensure both the appearance and certainty of independence on behalf of the independent auditors, the Audit Committee hereby establishes the following policies:

POLICY:

I. STATEMENT OF PRINCIPLES

In addition to the audits of the Company's consolidated financial statements, the independent auditor may be engaged to provide Audit-Related Services, Tax Services and All Other Services. The Audit Committee is required to pre-approve all services performed by the independent auditor in order to assure that the provision of such services does not impair the auditor's independence. Unless a type of service to be provided by the independ–ent auditor has received general pre-approval, it will require specific pre-approval by the Audit Committee. Any proposed services exceeding pre-approved cost levels will require specific pre-approval by the Audit Committee.

Any request to engage the independent auditor to provide a service which has not received general pre-approval shall be submitted as a written proposal to the Chief Financial Officer (CFO) with a copy to the General Counsel. Such request shall include a detailed description of the service to be provided, the proposed fee and the business reasons for engaging the independent auditor to provide the service. Upon approval by the CFO, the General Counsel and the independent auditor that the proposed engagement complies with the terms of this Policy and the applicable rules and regulations, the request shall be presented to the Committee or the Committee Chairman, as the case may be, for pre-approval.

In determining whether to pre-approve the engagement of the independent auditor, the Committee or the Committee Chairman, as the case may be, shall consider, among other things, this Policy, applicable rules and regulations and whether the nature of the engagement and the related fees are consistent with the following principles, as stated in the SEC's adopting release for the rules on auditor independence:

- the independent auditor cannot function in the role of management of the Company;

- the independent auditor cannot audit its own work;
- the independent auditor cannot serve in an advocacy role on behalf of the Company.

The appendices to this Policy describe the Audit, Audit-Related, Tax and All Other Services that have the general pre-approval of the Audit Committee. The term of any pre-approval is 12 months from the date of pre-approval, unless the Audit Committee specifi–cally provides for a different period. The Audit Committee will periodically revise the list of pre-approved services, based on subsequent determinations.

II. DELEGATION

The Audit Committee may delegate pre-approval authority to one or more of its members. The Audit Committee hereby delegates to the Chairman of the Committee pre-approval authority for proposed audit and audit-related services. The Chairman shall report any pre-approval decisions to the Audit Committee at its next scheduled meeting.

III. DEFINITIONS

Audit Services: those services which only the independent auditor can reasonably provide, including tax services and accounting consultation necessary to perform an audit of the consolidated financial statements of the Company; services in connection with statutory and regulatory filings or engagements; statutory audits or financial audits for subsidiaries or affiliates; attest services, including attestation of management’s report on internal controls; services associated with registration statements, periodic reports and other documents filed with or furnished to the Securities and Exchange Commission, including comfort letters, consents and assistance in responding to SEC comment letters; and consultations by the Company as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards or interpretations by the SEC, FASB, or other regulatory or standard setting bodies (other than services which are Audit-Related Services and have been separately pre-approved).

Audit-Related Services: assurances and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements and that are traditionally performed by the independent auditor including employee benefit plan audits; due diligence related to mergers, acquisitions or dispositions; accounting consultations and audits in connection with acquisitions or dispositions; internal control reviews and assistance with internal control reporting requirements; attest services related to financial reporting that are not required by statute or regulation; consultations concerning financial accounting and reporting standards and consultations by the Company’s management as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards or interpretations by the SEC, FASB, or other regulatory or standard setting bodies (other than services that are Audit Services and have been separately pre-approved); statutory, subsidiary or equity investee audits incremental to the audit of the consolidated financial statements; general assistance with the implementation of the requirements of Sarbanes-Oxley, SEC rules and NYSE listing standards; and agreed-upon or expanded audit procedures relating to accounting and/or billing records required to respond to or comply with financial, accounting or regulatory reporting matters.

Tax Services: tax compliance (preparation of original and amended tax returns, claims for refund and tax payment planning services); other tax advice (assistance with tax audits and appeals, tax advice rel−−−−−−ated to mergers and acquisitions, employee benefit plans and requests for rulings or technical advice from taxing authorities); tax planning.

All Other Services: any other work that is not an Audit Service, Audit-Related Service or a Tax Service.

IV. AUDIT SERVICES

The annual Audit Services engagement terms and fees will be subject to the spe−cific pre-approval of the Audit Committee. The Audit Committee will approve, if necessary, any changes in terms, conditions and fees resulting from changes in audit scope, Company structure or other matters.

In addition to the annual Audit Services engagement approved by the Audit Committee, the Audit Committee may grant pre-approval for other Audit Services. The Audit Committee has pre-approved the Audit Services listed in Appendix A. All Audit Services not listed in Appendix A must be separately pre-approved by the Audit Committee.

V. AUDIT-RELATED SERVICES

The Audit Committee believes that the provision of Audit-Related Services does not impair the independence of the auditor and has pre- approved the Audit-Related Services listed in Appendix B. All Audit-Related Services not listed in Appendix B must be separately pre-approved by the Audit Committee.

VI. TAX SERVICES

The Audit Committee believes that the independent auditor can provide certain Tax Services to the Company without impairing the auditor's independence. The Audit Committee has pre-approved the Tax Services listed in Appendix C. All Tax Services not listed in Appendix C must be separately pre-approved by the Audit Committee.

VII. ALL OTHER SERVICES

The Audit Committee may grant pre-approval to those permissible non-audit services classified as All Other Services that it believes are routine and recurring services and would not impair the independence of the auditor. The Audit Committee has pre-approved the All Other Services listed in Appendix D. Permissible All Other Services not listed in Appen−dix D must be separately pre-approved by the Audit Committee.

A list of the SEC's prohibited non-audit services is attached to this policy as Ex−hibit I. The SEC's rules and relevant guidance should be consulted to determine the precise definitions of these services and the applicability of exceptions to certain of the prohibitions.

VIII. FEE LEVEL REVIEW

A fee level review for all services to be provided by the independent auditor will be periodically performed by the Audit Committee.

IX. SUPPORTING DOCUMENTATION

With respect to each proposed service, the independent auditor will provide detailed back-up documentation regarding the specific services to be provided. This documentation will be provided to the Audit Committee.

X. PROCEDURES

Requests or applications to provide services that require separate approval by the Audit Committee will be submitted to the Audit Committee by the independent auditor, the Chief Financial Officer and the General Counsel, and must include a joint statement as to whether, in their view, the request or application is consistent with the SEC's rules on auditor independence.

EXHIBIT I

Prohibited Non-Audit Services

- Bookkeeping or other services related to the accounting records or financial statements of the Company
- Financial information systems design and implementation
- Appraisal or valuation services, fairness opinions or contribution-in-kind reports
- Actuarial services
- Internal audit outsourcing services
- Management functions
- Human resources
- Broker-dealer, investment adviser or investment banking services
- Legal services
- Expert services unrelated to the audit

April 7, 2008

Dear Shareholders of IDACORP, Inc.:

It is our pleasure to invite you to attend the upcoming 2008 Annual Meeting of Shareholders of IDACORP, Inc. to be held on May 15, 2008, at 10:00 a.m., local time, at the Idaho Power Corporate Headquarters, 1221 West Idaho Street, Boise, Idaho. Your Board of Directors and management look forward to personally greeting those shareholders able to attend.

Information about the business of the meeting and the nominees for election as members of the Board of Directors is set forth in the Notice of Meeting and the Proxy Statement on the following pages. This year IDACORP, Inc. is asking you to elect three directors of IDACORP for three-year terms; to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2008; and to act upon a shareholder proposal.

YOUR VOTE IS IMPORTANT. YOU CAN BE SURE YOUR SHARES ARE REPRESENTED AT THE MEETING BY PROMPTLY RETURNING YOUR COMPLETED PROXY IN THE ENCLOSED ENVELOPE. You may revoke your proxy prior to or at the meeting and may vote in person if you wish.

Jon H. Miller Chairman of the Board	J. LaMont Keen President and Chief Executive Officer

TO VOTE BY MAIL, PLEASE DETACH PROXY CARD HERE

IDACORP, Inc.

PROXY FOR THE ANNUAL MEETING OF SHAREHOLDERS ON MAY 15, 2008
THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

P R O X Y

Properly executed proxies will be voted as marked and, if not marked, proxies received will be voted "FOR" proposal (1), to elect three Directors of IDACORP for three-year terms, "FOR" proposal (2), to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2008, and "AGAINST" proposal (3), to act upon a shareholder proposal requesting that IDACORP amend its equal employment opportunity policy to explicitly prohibit discrimination based upon sexual orientation and gender identity and expression.

The undersigned hereby appoints J. LaMont Keen and Patrick A. Harrington, and each of them, proxies with full power of substitution to vote for the undersigned at the Annual Meeting of Shareholders of IDACORP, Inc. and at any adjournment(s) thereof, on the matters set forth in the Proxy Statement and such other matters as may properly come before the meeting; and hereby directs that this proxy be voted in accordance with the instructions herein and in the proxies' discretion on any other matters that may properly come before the meeting.

Please date, sign and promptly mail in the self-addressed return envelope, which requires no postage if mailed in the United States. Please so indicate following your signature if you are signing in a representative capacity. If shares are held jointly, both owners should sign.

SEE REVERSE SIDE

Annual Meeting of Shareholders
Thursday, May 15, 2008
10:00 a.m. Local Time
Idaho Power Corporate Headquarters
1221 West Idaho Street
Boise, Idaho 83702

THERE ARE THREE WAYS TO VOTE YOUR PROXY

TELEPHONE VOTING

This method of voting is available for residents of the U.S. and Canada. On a touch tone telephone, call TOLL FREE 1-800-830-3542, 24 hours a day, 7 days a week. Have your proxy card ready, then follow the prerecorded instructions. Your vote will be confirmed and cast as you have directed. Available until 5:00 p.m. Eastern Time on May 14, 2008.

INTERNET VOTING

Visit the Internet voting web site at www.2voteproxy.com. Have your proxy card ready and follow the instructions on your screen. You will incur only your usual Internet charges. Available until 5:00 p.m. Eastern Time on May 14, 2008.

VOTING BY MAIL

Simply mark, sign and date your proxy card and return it in the postage-paid envelope. If you are voting by telephone or the Internet, please do not mail your proxy card.

TO VOTE BY MAIL, PLEASE DETACH PROXY CARD HERE

ý Please mark votes as in this example.

CONTROL NUMBER

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" PROPOSALS 1 AND 2.

1. ELECTION OF DIRECTORS: To elect three directors of IDACORP for three-year terms.

   Nominees:
   01 Richard G. Reiten
   02 Joan H. Smith
   03 Thomas J. Wilford

FOR all nominees listed (except as indicated to the contrary)	WITHHOLD authority to vote for all nominees
o	o

INSTRUCTIONS: To withhold authority to vote for any individual nominee(s), write the name(s) of each nominee(s) in the space provided below:

2. To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2008.

FOR	AGAINST	ABSTAIN
o	o	o

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "AGAINST" PROPOSAL 3.

3. To act upon a shareholder proposal requesting that IDACORP amend its equal employment opportunity policy to explicitly prohibit discrimination based upon sexual orientation and gender identity and expression.

FOR	AGAINST	ABSTAIN
o	o	o

Dated: , 2008

Signature(s) in Box

Signature of Joint Owner