



An IDACORP Company

IDAHO POWER COMPANY
P.O. BOX 70
BOISE, IDAHO 83707

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PATRICK A. HARRINGTON
Attorney

IDAHO PUBLIC
UTILITIES COMMISSION

HAND-DELIVERED

February 14, 2005

Ms. Jean D. Jewell
Secretary
Idaho Public Utilities Commission
Statehouse
Boise, Idaho 83720

Re: In the Matter of the Application of Idaho Power Company for an Order Authorizing up to \$300,000,000 Aggregate Principal Amount at Any One Time Outstanding of Short-term Borrowings

Case No. IPC-E-05-04

Dear Ms. Jewell:

Enclosed herewith for filing with the Commission are an original and five (5) copies of the above referenced application. Idaho Power will submit its \$1,000 securities issuance filing fee for this application to the Commission next week. Idaho Power respectfully requests that the Commission issue its order in this case no later than March 31, 2005.

If you have any questions regarding this application, please contact me at 388-2878.

Sincerely,

c: Dennis Gribble
Randy Mills
Terri Carlock

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)
IDAHO POWER COMPANY FOR AN ORDER) CASE NO. IPC-E-05-04
AUTHORIZING UP TO \$300,000,000)
AGGREGATE PRINCIPAL AMOUNT AT) APPLICATION
ANY ONE TIME OUTSTANDING OF)
SHORT-TERM BORROWINGS)
_____)

IDAHO POWER COMPANY (the "Applicant") hereby applies for an Order of the Idaho Public Utilities Commission (the "Commission") authorizing the Applicant to incur up to \$300,000,000 aggregate principal amount at any one time outstanding of short-term borrowings as set forth herein, pursuant to Chapter 9, Title 61, Idaho Code, and under Rules 141 through 150 of the Commission's Rules of Procedure (the "Rules").

(a) **The Applicant**

The Applicant is an electric public utility incorporated under the laws of the state of Idaho, engaged principally in the generation, purchase, transmission, distribution and sale of electric energy in an approximately 24,000 square mile area in southern Idaho and eastern Oregon. The principal executive offices of the Applicant are located at 1221 W. Idaho Street, P.O. Box 70, Boise, Idaho 83707-0070; its telephone number is (208) 388-2200.

(b) **Description of Securities**

The securities will consist of loans issued by financial and other institutions and evidenced by unsecured notes or other evidence of indebtedness; and unsecured promissory notes to be issued for public or private placement through one or more commercial paper dealers or agents, or directly by Applicant.

(i) Amount of Securities

The securities proposed to be issued by Applicant hereunder will not exceed a total of \$300,000,000 aggregate principal amount at any one time outstanding.

(ii) Interest Rate

Applicant anticipates said borrowings will provide that the interest rates may be fixed or variable during the term of said loans, and that the rates will be based on LIBOR, the applicable prime rate, or other rate established in the borrowing arrangements, and may vary based upon the credit ratings of Applicant's first mortgage bonds.

(iii) Date of Issue

The proposed borrowings may be issued by the Applicant during the five-year period from April 1, 2005 through March 31, 2010. Applicant is requesting authorization to make the short-term borrowings as described in this application during said five-year period, so long as Applicant maintains at least a BBB- or higher senior secured debt rating, as indicated by Standard & Poor's Ratings Services, and a Baa3 or higher rating as indicated by Moody's Investors' Service, Inc.

(iv) Date of Maturity

The proposed borrowings will have varying maturities, with a maximum maturity of up to five years. In no event will any borrowing have a final maturity beyond March 31, 2010.

(v) Voting Privileges

Not applicable.

(vi) Call or Redemption Provisions

Not applicable.

(vii) Sinking Fund or Other Provisions for Secured Payment

Not applicable.

(c) Manner of Issuance

(i) Method of Marketing

Applicant intends to secure (1) new commitments for unsecured Lines of Credit or (2) extensions of existing commitments for unsecured Lines of Credit, during the period from April 1, 2005 through March 31, 2010. The unsecured Lines of Credit may be obtained with several financial or other institutions, directly by the Applicant or through an agent, when and if required by Applicant's then current financial requirements (see Paragraph (d), Purpose of Issuance). Each individual Line of Credit Commitment will provide that up to a specific amount at any one time outstanding will be available to Applicant to draw upon for a fee to be determined by a percentage of the credit line available, credit line utilization, compensating balance or combination thereof.

A new unsecured Line of Credit syndicated facility would include an arrangement fee estimated at \$200,000 payable to the agent(s), an annual fee estimated at \$30,000 payable to the agent(s), and a facility fee determined by a percentage of each bank's commitment. An extension of any existing Line of Credit syndicated facility would likely involve similar arrangement fees, annual fees and facility fees.

Applicant may also make arrangements for uncommitted credit facilities under which unsecured Lines of Credit would be offered to Applicant on an "as available" basis and at negotiated interest rates. Such committed and uncommitted borrowings will be evidenced by unsecured promissory notes or other evidence of indebtedness. The committed and uncommitted

Line of Credit agreements specifying the terms of Applicant's borrowings will be filed with the Commission as soon as available as Exhibit A.

Unsecured promissory notes will be issued and sold by Applicant through one or more commercial paper dealers or agents, or directly by Applicant. Each note issued as commercial paper will be either discounted at the rate prevailing at the time of issuance for commercial paper of comparable quality and maturity or will be interest bearing to be paid at maturity. Each note will have a fixed maturity and will contain no provision for automatic "roll over".

(ii) Terms of Sale

See Paragraph (c)(i), Method of Marketing.

(iii) Underwriting Discounts or Commissions

(A) Reference is made to paragraph (c)(i), Method of Marketing, which specifies the method of payment of fees to the financial or other institutions pursuant to the Line of Credit arrangements.

(B) It is expected that the commercial paper dealers or agents will sell such notes at a profit to them of not to exceed 1/8 of 1 percent of the principal amount of each note.

(iv) Sales Price

See paragraph (c)(iii), Underwriting Discounts or Commissions.

(d) Purpose of Issuance

The net proceeds to be received by the Applicant from the short-term borrowings hereunder will be used for the acquisition of property; the construction, completion, extension or improvement of its facilities; the improvement or maintenance of its service; the discharge or lawful

refunding of its obligations; and for general corporate purposes. To the extent that the proceeds from the short-term borrowings are not immediately so used, they will be temporarily invested in short-term discounted or interest-bearing obligations.

(e) **Propriety of Issue and Guarantee**

Applicant believes and alleges the facts set forth in Paragraph (d), Purpose of Issuance, disclose that the proposed short-term borrowings are for a lawful object within the corporate purposes of Applicant and compatible with the public interest, and are necessary or appropriate for, or consistent with, the proper performance by Applicant of service as a public utility and will not impair its ability to perform that service.

(f) **Financial Statements; Resolutions**

Attached to this application as Attachment I are Applicant's financial statements, consisting of its (A) Actual and Pro Forma Balance Sheet and Notes to Financial Statements, (B) Statement of Capital Stock and Funded Debt, (C) Commitments and Contingent Liabilities, (D) Statement of Retained Earnings and (E) Statement of Income.

A certified copy of the resolutions of Applicant's Directors authorizing the transaction with respect to this Application is attached hereto as Attachment II.

(g) **Proposed Order**

Attached to this application as Attachment III is a Proposed Order for adoption by the Commission if this Application is granted.

(h) **Notice of Application**

Notice of this Application will be published in those newspapers in Applicant's service territory listed in Rule 141(h) of the Rules within seven (7) days of the date hereof.

(i) **Reports**

Applicant will file as Exhibit A hereto, a verified report with the Commission pursuant to Rule 143, listing the new and existing agreements for the committed and uncommitted unsecured Lines of Credit and other agreements evidencing the borrowing arrangements.

PRAYER

WHEREFORE, Applicant requests that the Idaho Public Utilities Commission issue its Order authorizing Applicant, during the period from April 1, 2005 to and including March 31, 2010, to make short-term borrowings, including the issuance unsecured notes or other evidence of indebtedness, for a term of up to five years, with a final maturity in any case no later than March 31, 2010, for the purposes herein set forth in an amount not to exceed \$300,000,000 aggregate principal amount at any one time outstanding. Applicant further requests authority to substitute commercial paper borrowings for the Lines of Credit, or other borrowing arrangements up to the limits imposed by applicable statutes, rules or regulations.

DATED at Boise, Idaho this 11th day of February, 2005.

(CORPORATE SEAL)

IDAHO POWER COMPANY



/s/ Dennis C. Gribble
Vice President and Treasurer

ATTEST:



/s/ Thomas R. Saldin

Secretary
Idaho Power Company
1221 W. Idaho Street
Boise, ID 83707-0070

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VERIFICATION

I, Dennis C. Gribble, declare that I am the Vice President, CFO and Treasurer of Idaho Power Company, and am authorized to make this Verification. The application and the attached exhibits were prepared at my direction and were read by me. I know the contents of the Application and the attached exhibits, and they are true, correct and complete to the best of my knowledge and belief.

WITNESS my hand and seal of Idaho Power Company this 11th day of February, 2005.



/s/ Dennis C. Gribble

SUBSCRIBED AND SWORN to me this 11th day of February, 2005.

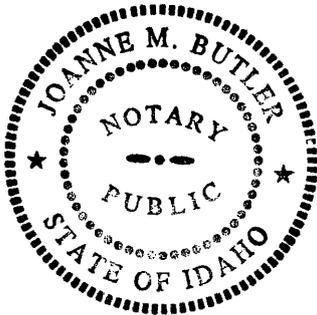
(Notary Seal)



Notary Public for Idaho

Residing at Boise, Idaho

My Commission Expires: 10-5-07



ATTACHMENT I(A)

IDAHO POWER COMPANY
BALANCE SHEET
As of September 30, 2004

ASSETS

	<u>Actual</u>	<u>Adjustments</u>	<u>After Adjustments</u>
Electric Plant :			
In service (at original cost).....	\$ 3,288,630,911	\$	\$ 3,288,630,911
Accumulated provision for depreciation.....	(1,310,331,707)		(1,310,331,707)
In service - Net.....	1,978,299,204		1,978,299,204
Construction work in progress.....	150,410,899		150,410,899
Held for future use.....	2,540,327		2,540,327
Electric plant - Net.....	<u>2,131,250,430</u>	<u></u>	<u>2,131,250,430</u>
Investments and Other Property:			
Nonutility property.....	828,832		828,832
Investment in subsidiary companies	33,646,326		33,646,326
Other.....	<u>27,267,644</u>	<u></u>	<u>27,267,644</u>
Total investments and other property.....	<u>61,742,802</u>	<u></u>	<u>61,742,802</u>
Current Assets:			
Cash and cash equivalents (A).....	5,439,083	300,000,000	305,439,083
Receivables:			
Customer.....	50,552,850		50,552,850
Allowance for uncollectible accounts.....	(1,750,224)		(1,750,224)
Notes.....	2,777,819		2,777,819
Employee notes	3,590,652		3,590,652
Related party.....	331,552		331,552
Other.....	3,609,992		3,609,992
Accrued unbilled revenues.....	31,269,479		31,269,479
Materials and supplies (at average cost).....	24,762,756		24,762,756
Fuel stock (at average cost).....	6,237,655		6,237,655
Prepayments.....	26,177,769		26,177,769
Regulatory assets	<u>4,949,161</u>	<u></u>	<u>4,949,161</u>
Total current assets.....	<u>157,948,544</u>	<u>300,000,000</u>	<u>457,948,544</u>
Deferred Debits:			
American Falls and Milner water rights.....	31,585,000		31,585,000
Company owned life insurance.....	36,002,694		36,002,694
Regulatory assets associated with income taxes.....	327,498,637		327,498,637
Regulatory assets - PCA.....	57,238,903		57,238,903
Regulatory assets - other.....	32,173,137		32,173,137
Employee notes.....	4,157,122		4,157,122
Other.....	<u>54,155,634</u>	<u></u>	<u>54,155,634</u>
Total deferred debits.....	<u>542,811,127</u>	<u></u>	<u>542,811,127</u>
Total.....	<u>\$ 2,893,752,903</u>	<u>\$ 300,000,000</u>	<u>\$ 3,193,752,903</u>

(A) See Statement of Adjusting Journal Entries.

The accompanying Notes to Financial Statements are an integral part of this statement

IDAHO POWER COMPANY
BALANCE SHEET
As of September 30, 2004

CAPITALIZATION AND LIABILITIES

	Common Shares Authorized	Common Shares Outstanding	Actual	Adjustments	After Adjustments
Equity Capital:	50,000,000	39,150,812			
Common stock (A).....			\$ 97,877,030		\$ 97,877,030
Preferred stock					-
Premium on capital stock.....			397,787,552		397,787,552
Capital stock expense.....			(2,096,925)		(2,096,925)
Retained earnings.....			337,292,610		337,292,610
Accumulated other comprehensive income.....			(3,525,138)		(3,525,138)
			<u>827,335,129</u>		<u>827,335,129</u>
Total equity capital.....					
Long-Term Debt:					
First mortgage bonds			725,000,000		725,000,000
Pollution control revenue bonds			170,460,000		170,460,000
Other long-term debt.....					-
American Falls bond and Milner note guarantees			31,585,000		31,585,000
Unamortized discount on long-term debt (Dr).....			(3,187,673)		(3,187,673)
			<u>923,857,327</u>		<u>923,857,327</u>
Total long-term debt.....					
Current Liabilities:					
Long-term debt due within one year.....			60,000,000		60,000,000
Notes payable.....			21,600,000	300,000,000	321,600,000
Accounts payable			51,900,824		51,900,824
Notes and accounts payable to related parties.....			17,914,269		17,914,269
Taxes accrued.....			47,172,890		47,172,890
Interest accrued.....			21,388,145		21,388,145
Deferred income taxes.....			4,319,112		4,319,112
Other.....			18,986,492		18,986,492
			<u>243,281,732</u>	<u>300,000,000</u>	<u>543,281,732</u>
Total current liabilities.....					
Deferred Credits:					
Regulatory liabilities associated with accumulated deferred investment tax credits			67,328,524		67,328,524
Deferred income taxes.....			514,251,444		514,251,444
Regulatory liabilities associated with income taxes			40,745,258		40,745,258
Regulatory liabilities-other.....			171,819,944		171,819,944
Other.....			105,133,545		105,133,545
			<u>899,278,715</u>		<u>899,278,715</u>
Total deferred credits.....					
Total.....			<u>\$ 2,893,752,903</u>	<u>\$ 300,000,000</u>	<u>\$ 3,193,752,903</u>

(A) See Statement of Adjusting Journal Entries.

The accompanying Notes to Financial Statements are an integral part of this statement

IDAHO POWER COMPANY
STATEMENT OF ADJUSTING JOURNAL ENTRIES
As of September 30, 2004
Giving Effect to the Proposed issuance of
Short-term notes

Entry No. 1

Cash.....	\$	300,000,000	
Notes payable.....			\$ 300,000,000

To record the proposed issuance of short-term notes and the receipt of cash.

ATTACHMENT I(B)

STATEMENT OF CAPITAL STOCK AND FUNDED DEBT

IDAHO POWER COMPANY

The following statement as to each class of the capital stock of applicant is as of September 30, 2004, the date of the balance sheet submitted with this application:

Common Stock

- (1) Description - Common Stock, \$2.50 par value; 1 vote per share
- (2) Amount authorized - 50,000,000 shares (\$125,000,000 par value)
- (3) Amount outstanding - 39,150,812 shares
- (4) Amount held as reacquired securities - None
- (5) Amount pledged by applicant - None
- (6) Amount owned by affiliated corporations - All
- (7) Amount held in any fund - None

Applicant's Common Stock is held by IDACORP, Inc., the holding company of Idaho Power Company. IDACORP, Inc.'s Common Stock is registered (Pursuant to Section 12(b) of the Securities Exchange Act of 1934) and is listed on the New York and Pacific stock exchanges.

4% Preferred Stock

On September 20, 2004, IPC redeemed all of its outstanding preferred stock for \$54 million using proceeds from the issuance of first mortgage bonds. This amount includes \$2 million of premium that was recorded as preferred dividends on the Consolidated Statements of Income. The redemption price was \$104 per share for the 122,989 shares of 4% preferred stock, \$103.18 per share for the 250,000 shares of 7.07% preferred stock and \$102.97 per share for the 150,000 shares of 7.68% preferred stock, plus accumulated and unpaid dividends.

STATEMENT OF CAPITAL STOCK AND FUNDED DEBT (Continued)

IDAHO POWER COMPANY

The following statement as to funded debt of applicant is as of September 30, 2004, the date of the balance sheet submitted with this application.

First Mortgage Bonds

(1) Description	(3) Amount Outstanding
FIRST MORTGAGE BONDS:	
5.83 % Series due 2005, dated as of Sep 9, 1998, due Sep 9, 2005	60,000,000
7.38 % Series due 2007, dated as of Dec 1, 2000, due Dec 1, 2007	80,000,000
7.20 % Series due 2009, dated as of Nov 23, 1999, due Dec 1, 2009	80,000,000
6.60 % Series due 2011, dated as of Mar 2, 2001, due Mar 2, 2011	120,000,000
4.75 % Series due 2012, dated as of Nov 15, 2002, due Nov 15, 2012	100,000,000
4.25 % Series due 2013, dated as of May 13, 2003, due October 1, 2013	70,000,000
6 % Series due 2032, dated as of Nov 15, 2002, due Nov 15, 2032	100,000,000
5.50 % Series due 2033, dated as of May 13, 2003, due April 1, 2033	70,000,000
5.50 % Series due 2034, dated as of March 26, 2004, due March 15, 2034	50,000,000
5.875%Series due 2034, dated as of August 16, 2004, due August 15, 2034	55,000,000
	785,000,000

- (2) Amount authorized - Limited within the maximum of \$1,100,000,000 (or such other maximum amount as may be fixed by supplemental indenture) and by property, earnings, and other provisions of the Mortgage.
- (4) Amount held as reacquired securities - None
- (5) Amount pledged - None
- (6) Amount owned by affiliated corporations - None
- (7) Amount of sinking or other funds - None

For a full statement of the terms and provisions relating to the respective Series and amounts of applicant's outstanding First Mortgage Bonds above referred to, reference is made to the Mortgage and Deed of Trust dated as of October 1, 1937, and First to Thirty-Ninth Supplemental Indentures thereto, by Idaho Power Company to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company) and R. G. Page (Stanley Burg, successor individual trustee), Trustees, presently on file with the Commission, under which said bonds were issued.

STATEMENT OF CAPITAL STOCK AND FUNDED DEBT (Continued)

IDAHO POWER COMPANY

Pollution Control Revenue Bonds

(A) Variable Rate Series 2000 due 2027:

- (1) Description - Pollution Control Revenue Bonds, Variable Rate Series due 2027, Port of Morrow, Oregon, dated as of May 17, 2000, due February 1, 2027.
- (2) Amount authorized - \$4,360,000
- (3) Amount outstanding - \$4,360,000
- (4) Amount held as reacquired securities - None
- (5) Amount pledged - None
- (6) Amount owned by affiliated corporations - None
- (7) Amount in sinking or other funds - None

(B) Variable Auction Rate Series 2003 due 2024:

- (1) Description - Pollution Control Revenue Refunding Bonds, Variable Auction Rate Series 2003 due 2024, County of Humboldt, Nevada, dated as of October 22, 2003 due December 1, 2024 (secured by First Mortgage Bonds)
- (2) Amount authorized - \$49,800,000
- (3) Amount outstanding - \$49,800,000
- (4) Amount held as reacquired securities - None
- (5) Amount pledged - None
- (6) Amount owned by affiliated corporations - None
- (7) Amount in sinking or other funds - None

(C) 6.05% Series 1996A due 2026:

- (1) Description - Pollution Control Revenue Bonds, 6.05% Series 1996A due 2026, County of Sweetwater, Wyoming, dated as of July 15, 1996, due July 15, 2026
- (2) Amount authorized - \$68,100,000
- (3) Amount outstanding - \$68,100,000
- (4) Amount held as reacquired securities - None
- (5) Amount pledged - None
- (6) Amount owned by affiliated corporations - None
- (7) Amount in sinking or other funds - None

(D) Variable Rate Series 1996B due 2026:

- (1) Description - Pollution Control Revenue Bonds, Variable Rate 1996B Series due 2026, County of Sweetwater, Wyoming, dated as of July 15, 1996, due July 15, 2026.
- (2) Amount authorized - \$24,200,000
- (3) Amount outstanding - \$24,200,000
- (4) Amount held as reacquired securities - None
- (5) Amount pledged - None
- (6) Amount owned by affiliated corporations - None
- (7) Amount in sinking or other funds - None

STATEMENT OF CAPITAL STOCK AND FUNDED DEBT (Continued)

IDAHO POWER COMPANY

Pollution Control Revenue Bonds

(E) Variable Rate Series 1996C due 2026:

- (1) Description - Pollution Control Revenue Bonds, Variable Rate 1996C Series due 2026, County of Sweetwater, Wyoming, dated as of July 15, 1996, due July 15, 2026.
- (2) Amount authorized - \$24,000,000
- (3) Amount outstanding - \$24,000,000
- (4) Amount held as reacquired securities - None
- (5) Amount pledged - None
- (6) Amount owned by affiliated corporations - None
- (7) Amount in sinking or other funds - None

For a full statement of the terms and provisions relating to the outstanding Pollution Control Revenue Bonds above referred to, reference is made to (A) copies of Trust Indenture by Port of Morrow, Oregon, to the Bank One Trust Company, N. A., Trustee, and Loan Agreement between Port of Morrow, Oregon and Idaho Power Company, both dated May 17, 2000, under which the Variable Rate Series 2000 bonds were issued, (B) copies of Loan Agreement between Idaho Power Company and Humboldt County, Nevada dated October 1, 2003; Trust Indenture between Humboldt County, Nevada and Union Bank of California dated October 1, 2003; Escrow Agreement between Humboldt County, Nevada and Bank One Trust Company and Idaho Power Company dated October 1, 2003; Purchase Contract dated October 21, 2003 among Humboldt County, Nevada and Bankers Trust Company; Auction Agreement, dated as of October 22, 2003 among Idaho Power Company, Union Bank of California and Deutsche Bank Trust Company; Insurance Agreement, dated as of October 1, 2003 between AMBAC and Idaho Power Company; Broker-Dealer agreements dated October 22, 2003 among the Auction Agent, Banc One Capital Markets, Banc of America Securities and Idaho Power Company, under which the Auction Rate Series 2003 bonds were issued, and (C) (D) (E) copies of Indentures of Trust by Sweetwater County, Wyoming, to the First National Bank of Chicago, Trustee, and Loan Agreements between Idaho Power Company and Sweetwater County, Wyoming, all dated July 15, 1996, under which the 6.05% Series 1996A bonds, Variable Rate Series 1996B bonds and Variable Rate Series 1996C bonds were issued.

ATTACHMENT I(C)

COMMITMENTS AND CONTINGENT LIABILITIES

IDAHO POWER COMPANY

Commitments and Contingent Liabilities:

As of December 31, 2003, IPC had signed agreements to purchase energy from 69 cogeneration and small power production facilities with contracts ranging from one to 30 years. Under these contracts IPC is required to purchase all of the output from the facilities inside the IPC service territory. For projects outside the IPC service territory, IPC is required to purchase the output, which IPC has the ability to receive at the facility's requested point of delivery on the IPC system. IPC purchased 654,131 MWh at a cost of \$38 million in 2003 and 692,414 Megawatt-hour (MWh) at a cost of \$44 million in 2002.

IPC has agreed to guarantee the performance of reclamation activities at Bridger Coal Company of which Idaho Energy Resources Company, a subsidiary of IPC, owns a one-third interest. This guarantee, which is renewed each December, was \$60 million at December 31, 2003. Bridger Coal Company has a reclamation trust fund set aside specifically for the purpose of paying these reclamation costs and expects that the fund will be sufficient to cover all such costs. Because of the existence of the fund, the estimated fair value of this guarantee is minimal.

From time to time IPC is a party to various other legal claims, actions and complaints in addition to those discussed below. IPC believes that it has meritorious defenses to all lawsuits and legal proceedings. Although they will vigorously defend against them, IPC is unable to predict with certainty whether or not it will ultimately be successful. However, based on its evaluation, IPC believes that the resolution of these matters will not have a material adverse effect on its consolidated financial position, results of operations or cash flows.

Legal Proceedings:

Vierstra Dairy: On August 11, 2000, Mike and Susan Vierstra, dairy operators from Twin Falls, Idaho, brought suit against IPC in Idaho State District Court, Fifth Judicial District, Twin Falls County. The plaintiffs sought monetary damages of approximately \$8 million for negligence and nuisance (allegedly allowing electrical current to flow in the earth and adversely affect the health of the plaintiffs' dairy cows) and punitive damages of approximately \$40 million.

On February 10, 2004, a jury verdict was entered in favor of the plaintiffs, awarding approximately \$7 million in compensatory damages and \$10 million in punitive damages. In March 2004, IPC filed with the Idaho State District Court motions for new trial and for judgment notwithstanding the verdict. These motions were heard by the court on April 26, 2004. On June 7, 2004, the court denied the motions. IPC filed its notice of appeal of this decision with the Idaho Supreme Court on July 13, 2004, with an amended notice filed on July 15, 2004.

On September 17, 2004, the Idaho Supreme Court dismissed the appeal incident to a settlement of the matter among IPC, IPC's insurance carrier and the plaintiffs. The settlement, less a deductible, was covered by insurance and did not have a material effect on IPC's consolidated financial position, results of operations or cash flows.

Alves Dairy: On May 18, 2004, Herculano and Frances Alves, dairy operators from Twin Falls, Idaho, brought suit against IPC in Idaho State District Court, Fifth Judicial District, Twin Falls County. The plaintiffs seek unspecified monetary damages for negligence and nuisance (allegedly allowing electrical current to flow in the earth, injuring the plaintiffs' right to use and enjoy their property and adversely affecting their dairy herd). On July 16, 2004, IPC filed an answer to Mr. and Mrs. Alves's complaint, denying all liability to the plaintiffs, and asserting certain affirmative defenses. The parties have begun initial discovery in the case. No trial date has been scheduled.

IPC intends to vigorously defend its position in this proceeding and believes this matter, with insurance coverage, will not have a material adverse effect on its consolidated financial position, results of operations or cash flows.

Public Utility District No. 1 of Grays Harbor County, Washington: On October 15, 2002, Public Utility District No. 1 of Grays Harbor County, Washington (Grays Harbor) filed a lawsuit in the Superior Court of the State of Washington, for the County of Grays Harbor, against IDACORP, IPC and IE. On March 9, 2001, Grays Harbor entered into a 20 Megawatt (MW) purchase transaction with IPC for the purchase of electric power from October 1, 2001 through March 31, 2002, at a rate of \$249 per Megawatt-hour (MWh). In June 2001, with the consent of

COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

Grays Harbor, IPC assigned all of its rights and obligations under the contract to IE. In its lawsuit, Grays Harbor alleged that the assignment was void and unenforceable, and sought restitution from IE and IDACORP, or in the alternative, Grays Harbor alleged that the contract should be rescinded or reformed. Grays Harbor sought as damages an amount equal to the difference between \$249 per MWh and the "fair value" of electric power delivered by IE during the period October 1, 2001 through March 31, 2002.

IDACORP, IPC and IE had this action removed from the state court to the United States District Court for the Western District of Washington at Tacoma. On November 12, 2002, the companies filed a motion to dismiss Grays Harbor's complaint, asserting that the United States District Court lacked jurisdiction because the FERC has exclusive jurisdiction over wholesale power transactions and thus the matter is preempted under the Federal Power Act (FPA) and barred by the filed-rate doctrine. The court ruled in favor of the companies' motion to dismiss and dismissed the case with prejudice on January 28, 2003. On February 25, 2003, Grays Harbor filed a Notice of Appeal, appealing the final judgment of dismissal to the United States Court of Appeals for the Ninth Circuit. On August 10, 2004, the Ninth Circuit affirmed the dismissal of Grays Harbor's complaint, finding that Grays Harbor's claims were preempted by federal law and were barred by the filed-rate doctrine. The court also remanded the case to allow Grays Harbor leave to amend its complaint to seek declaratory relief only as to contract formation, and held that Grays Harbor could seek monetary relief, if at all, only from FERC, and not from the courts. IDACORP, IPC and IE sought rehearing from the Ninth Circuit arguing that the court erred in granting leave to amend the complaint as such a declaratory relief claim would be preempted and would be barred by the filed-rate doctrine. The Ninth Circuit denied the rehearing request on October 25, 2004. The companies intend to vigorously defend their position on remand and believe this matter will not have a material adverse effect on their consolidated financial positions, results of operations or cash flows.

Port of Seattle: On May 21, 2003, the Port of Seattle, a Washington municipal corporation, filed a lawsuit against 20 energy firms, including IPC and IDACORP, in the United States District Court for the Western District of Washington at Seattle. The Port of Seattle's complaint alleges fraud and violations of state and federal antitrust laws and the Racketeer Influenced and Corrupt Organizations Act. On December 4, 2003, the Judicial Panel on Multidistrict Litigation transferred the case to the Southern District of California for inclusion with several similar multidistrict actions currently pending before the Honorable Robert H. Whaley.

All defendants, including IPC and IDACORP, moved to dismiss the complaint in lieu of answering it. The motions were based on the ground that the complaint seeks to set alternative electrical rates, which are exclusively within the jurisdiction of the FERC and are barred by the filed-rate doctrine. A hearing on the motion to dismiss was heard on March 26, 2004. On May 28, 2004, the court granted IPC and IDACORP's motion to dismiss. In June 2004, the Port of Seattle appealed the court's decision to the United States Court of Appeals for the Ninth Circuit. The parties have not yet completed the filing of all briefs on appeal, and the Ninth Circuit has not yet heard oral argument on appeal. The companies intend to vigorously defend their position in this proceeding and believe these matters will not have a material adverse effect on their consolidated financial positions, results of operations or cash flows.

Wah Chang: On May 5, 2004, Wah Chang, a division of TDY Industries, Inc., filed two lawsuits in the United States District Court for the District of Oregon against numerous defendants. IDACORP, IE and IPC are named as defendants in one of the lawsuits. The complaints allege violations of federal antitrust laws, violations of the Racketeer Influenced and Corrupt Organizations Act, violations of Oregon antitrust laws and wrongful interference with contracts. Wah Chang's complaint is based on allegations relating to the western energy situation. These allegations include bid rigging, falsely creating congestion and misrepresenting the source and destination of energy. The plaintiff seeks compensatory damages of \$30 million and treble damages.

On September 8, 2004, this case was transferred and consolidated with other similar cases currently pending before the Honorable Robert H. Whaley, sitting by designation in the Southern District of California and presiding over Multidistrict Litigation Docket No. 1405, regarding California Wholesale Electricity Antitrust Litigation. IDACORP, IE and IPC have not answered the complaint as a response is not yet required. The companies plan to file a motion to dismiss the complaint and intend to vigorously defend their position in this proceeding and believe this matter will not have a material adverse effect on their consolidated financial positions, results of operations or cash flows.

COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

City of Tacoma: On June 7, 2004, the City of Tacoma, Washington filed a lawsuit in the United States District Court for the Western District of Washington at Tacoma against numerous defendants including IDACORP, IE and IPC. The City of Tacoma's complaint alleges violations of the Sherman Antitrust Act. The claimed antitrust violations are based on allegations of energy market manipulation, false load scheduling and bid rigging and misrepresentation or withholding of energy supply. The plaintiff seeks compensatory damages of not less than \$175 million.

On September 8, 2004, this case was transferred and consolidated with other similar cases currently pending before the Honorable Robert H. Whaley, sitting by designation in the Southern District of California and presiding over Multidistrict Litigation Docket No. 1405, regarding California Wholesale Electricity Antitrust Litigation. IDACORP, IE and IPC have not answered the complaint, as a response is not yet required. The companies plan to file a motion to dismiss the complaint and intend to vigorously defend their position in this proceeding and believe this matter will not have a material adverse effect on their consolidated financial positions, results of operations or cash flows.

State of California Attorney General: The California Attorney General (AG) filed the complaint in this case in the California Superior Court in San Francisco on May 30, 2002. This is one of thirteen virtually identical cases brought by the AG against various sellers of power in the California market, seeking civil penalties pursuant to California's Unfair Competition Law, Business and Professions Code Section 17200. Section 17200 defines unfair competition as any "unlawful, unfair or fraudulent business act or practice . . ." The AG alleges that IPC engaged in unlawful conduct by violating the FPA in two respects: (1) by failing to file its rates with the FERC and (2) charging unjust and unreasonable rates. The AG alleged that there were "thousands of . . . sales or purchases" for which IPC failed to file its rates, and that IPC charged unjust and unreasonable rates on "thousands of occasions." Pursuant to Business and Professions Code Section 17206, the AG seeks civil penalties of up to \$2,500 for each alleged violation. On June 25, 2002, IPC removed the action to federal court, and on July 25, 2002, the AG filed a motion to remand back to state court. On March 25, 2003, the court denied the AG's motion to remand and granted IPC's motion to dismiss the case based upon grounds of federal preemption and the filed-rate doctrine. On March 28, 2003, the AG filed a Notice of Appeal to the United States Court of Appeals for the Ninth Circuit, appealing the court's decision granting IPC's motion to dismiss. Briefing on the appeal was completed in October 2003. On October 12, 2004, the Ninth Circuit unanimously affirmed the order denying remand and dismissing all of the AG's actions, including the action against IPC. The AG did not file a petition for rehearing. IPC intends to continue to vigorously defend its position in this proceeding and believes this matter will not have a material adverse effect on its consolidated financial position, results of operations or cash flows.

Wholesale Electricity Antitrust Cases I & II: These cross-actions against IE and IPC emerged from multiple California state court proceedings first initiated in late 2000 against various power generators/marketers by various California municipalities and citizens. Suit was filed against entities including Reliant Energy Services, Inc., Reliant Ormond Beach, L.L.C., Reliant Energy Etiwanda, L.L.C., Reliant Energy Ellwood, L.L.C., Reliant Energy Mandalay, L.L.C. and Reliant Energy Coolwater, L.L.C. (collectively, Reliant); and Duke Energy Trading and Marketing, L.L.C., Duke Energy Morro Bay, L.L.C., Duke Energy Moss Landing, L.L.C., Duke Energy South Bay, L.L.C. and Duke Energy Oakland, L.L.C. (collectively, Duke). While varying in some particulars, these cases made a common claim that Reliant, Duke and certain others (not including IE or IPC) colluded to influence the price of electricity in the California wholesale electricity market. Plaintiffs asserted various claims that the defendants violated the California Antitrust Law (the Cartwright Act), Business and Professions Code Section 16720 and California's Unfair Competition Law, Business and Professions Code Section 17200. Among the acts complained of are bid rigging, information exchanges, withholding of power and other wrongful acts. These actions were subsequently consolidated, resulting in the filing of Plaintiffs' Master Complaint (PMC) in San Diego Superior Court on March 8, 2002.

On April 22, 2002, more than a year after the initial complaints were filed, two of the original defendants, Duke and Reliant, filed separate cross-complaints against IPC and IE, and approximately 30 other cross-defendants. Duke and Reliant's cross-complaints seek indemnity from IPC, IE and the other cross-defendants for an unspecified share of any amounts they must pay in the underlying suits because, they allege, other market participants like IPC and IE engaged in the same conduct at issue in the PMC. Duke and Reliant also seek declaratory relief as to the respective liability and conduct of each of the cross-defendants in the actions alleged in the PMC. Reliant has also asserted a claim against IPC for alleged violations of the California Unfair

COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

Competition Law, Business and Professions Code Section 17200. As a buyer of electricity in California, Reliant seeks the same relief from the cross-defendants, including IPC, as that sought by plaintiffs in the PMC as to any power Reliant purchased through the California markets.

Some of the newly added defendants (foreign citizens and federal agencies) removed that litigation to federal court. IPC and IE, together with numerous other defendants added by the cross-complaints, have moved to dismiss these claims, and those motions were heard in September 2002, together with motions to remand the case back to state court filed by the original plaintiffs. On December 13, 2002, the United States District Court granted Plaintiffs' Motion to Remand to state court, but did not issue a ruling on IPC and IE's motion to dismiss. The United States Court of Appeals for the Ninth Circuit has granted certain Defendants and Cross-Defendants' Motions to Stay the Remand Order while they appeal the order. The briefing on the appeal was completed in December 2003. The court heard oral argument on the remand issue on June 14, 2004, but has yet to issue a ruling. The trial court has yet to rule on the companies' motion to dismiss, and no trial date is set. The companies believe these matters will not have a material adverse effect on their consolidated financial positions, results of operations or cash flow.

Western Energy Proceedings at the FERC:

California Power Exchange Chargeback:

As a component of IPC's non-utility energy trading in the State of California, IPC, in January 1999, entered into a participation agreement with the California Power Exchange (CalPX), a California non-profit public benefit corporation. The CalPX, at that time, operated a wholesale electricity market in California by acting as a clearinghouse through which electricity was bought and sold. Pursuant to the participation agreement, IPC could sell power to the CalPX under the terms and conditions of the CalPX Tariff. Under the participation agreement, if a participant in the CalPX defaulted on a payment, the other participants were required to pay their allocated share of the default amount to the CalPX. The allocated shares were based upon the level of trading activity, which included both power sales and purchases, of each participant during the preceding three-month period.

On January 18, 2001, the CalPX sent IPC an invoice for \$2 million - a "default share invoice" - as a result of an alleged Southern California Edison (SCE) payment default of \$215 million for power purchases. IPC made this payment. On January 24, 2001, IPC terminated its participation agreement with the CalPX. On February 8, 2001, the CalPX sent a further invoice for \$5 million, due February 20, 2001, as a result of alleged payment defaults by SCE, Pacific Gas and Electric Company (PG&E) and others. However, because the CalPX owed IPC \$11 million for power sold to the CalPX in November and December 2000, IPC did not pay the February 8 invoice. The CalPX later reversed IPC's payment of the January 18, 2001 invoice, but on June 20, 2001 invoiced IPC for an additional \$2 million which the CalPX has not reversed. The CalPX owes IPC \$14 million for power sold in November and December including \$2 million associated with the default share invoice dated June 20, 2001. IPC essentially discontinued energy trading with the CalPX and the California Independent System Operator (Cal ISO) in December 2000.

IPC believes that the default invoices were not proper and that IPC owes no further amounts to the CalPX. IPC has pursued all available remedies in its efforts to collect amounts owed to it by the CalPX. On February 20, 2001, IPC filed a petition with the FERC to intervene in a proceeding that requested the FERC to suspend the use of the CalPX chargeback methodology and provide for further oversight in the CalPX's implementation of its default mitigation procedures.

A preliminary injunction was granted by a federal judge in the United States District Court for the Central District of California enjoining the CalPX from declaring any CalPX participant in default under the terms of the CalPX Tariff. On March 9, 2001, the CalPX filed for Chapter 11 protection with the United States Bankruptcy Court, Central District of California.

In April 2001, PG&E filed for bankruptcy. The CalPX and the Cal ISO were among the creditors of PG&E. To the extent that PG&E's bankruptcy filing affects the collectibility of the receivables from the CalPX and the Cal ISO, the receivables from these entities are at greater risk.

The FERC issued an order on April 6, 2001 requiring the CalPX to rescind all chargeback actions related to PG&E's and SCE's liabilities. Shortly after the issuance of that order, the CalPX segregated the CalPX chargeback amounts it had collected in a separate account. The CalPX claims it is awaiting further orders of the

ATTACHMENT I(D)

IDAHO POWER COMPANY
STATEMENT OF RETAINED EARNINGS
AND
UNDISTRIBUTED SUBSIDIARY EARNINGS
For the Twelve Months Ended September 30, 2004

Retained Earnings

Retained earnings (at the beginning of period)	\$	317,628,113
Balance transferred from income.....		71,470,609
Dividends received from subsidiary.....		<u> -</u>
Total.....		<u>389,098,722</u>
Dividends:		
Preferred Stock		5,672,029
Common Stock		<u>46,134,083</u>
Total.....		<u>51,806,112</u>
Retained earnings (at end of period).....	\$	<u>337,292,610</u>

Undistributed Subsidiary Earnings

Balance (at beginning of period).....	\$	19,292,474
Equity in earnings for the period.....		9,739,947
Dividends paid (Debit).....		<u> -</u>
Balance (at end of period).....	\$	<u>29,032,421</u>

The accompanying Notes to Financial Statements are an integral part of this statement

ATTACHMENT I(E)

IDAHO POWER COMPANY
STATEMENT OF INCOME
For the Twelve Months Ended September 30, 2004

	Actual
Operating Revenues.....	\$ 790,689,063
Operating Expenses:	
Purchased power.....	190,952,615
Fuel.....	102,208,964
Power cost adjustment.....	33,757,259
Other operation and maintenance expense.....	233,752,340
Depreciation expense.....	90,097,436
Amortization of limited-term electric plant.....	5,642,930
Taxes other than income taxes.....	20,717,155
Income taxes - Federal.....	21,180,186
Income taxes - Other.....	6,817,897
Provision for deferred income taxes.....	25,295,299
Provision for deferred income taxes - Credit.....	(47,595,771)
Investment tax credit adjustment.....	38
	682,826,348
Total operating expenses.....	682,826,348
Operating Income.....	107,862,715
Other Income and Deductions:	
Allowance for equity funds used during construction.....	3,889,929
Income taxes.....	10,031,248
Other - Net.....	1,141,837
	15,063,014
Net other income and deductions.....	15,063,014
Income Before Interest Charges.....	122,925,729
Interest Charges:	
Interest on first mortgage bonds.....	44,309,690
Interest on other long-term debt.....	6,070,838
Interest on short-term debt.....	990,695
Amortization of debt premium, discount and expense - Net.....	2,394,731
Other interest expense.....	677,495
	54,443,449
Total interest charges.....	54,443,449
Allowance for borrowed funds used during construction - Credit.....	2,988,328
Net interest charges.....	51,455,121
Net Income.....	\$ 71,470,608

The accompanying Notes to Financial Statements are an integral part of this statement

ATTACHMENT II

STATE OF IDAHO)
COUNTY OF ADA) ss.
CITY OF BOISE)

I, THOMAS R. SALDIN, the undersigned, Secretary of Idaho Power Company, do hereby certify that the following constitutes a full, true and correct copy of the resolutions adopted at the regular meeting of the Board of Directors on January 20, 2005, relating to authority to enter into short-term borrowings and issue promissory notes, and that said resolutions have not been amended or rescinded and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of February, 2005.



/s/ Thomas R. Saldin
Secretary

(CORPORATE SEAL)

RESOLVED, That for the purpose of providing in part for the Company's ongoing financial requirements during the calendar years 2005 through 2010, unsecured short-term borrowings by the Company are hereby authorized in an aggregate principal amount of not to exceed \$300,000,000 at any one time outstanding, including authorization to renew notes or other evidence of indebtedness with a final maturity no later than December 31, 2011, such borrowings (including renewals thereof), subject to the authority of, or in compliance with procedures of, all governmental agencies having jurisdiction in respect thereof, to be made (1) at such time or times, in such amount or amounts (within the above specified aggregate maximum), for such period or periods, at such rate or rates of interest, upon such other terms and conditions, and to be evidenced by notes or such other evidence of indebtedness in such form or forms as shall be determined by, and (2) under such agreement or agreements or pursuant to such arrangements as shall have been approved by, the Chief Executive Officer, the President, the Chief Financial Officer, or the Treasurer or any Assistant Treasurer, as necessary or appropriate, in view of the Company's financial requirements; and that the Chief Executive Officer, the President, the Chief Financial Officer, the Treasurer or Assistant Treasurer, are, and each of them hereby is authorized to execute and deliver in the name and on behalf of the Company, all such agreements and arrangement documents, or instruments, and to do or cause to be done all such other things, as may be required or expedient for the purpose of such borrowing, including the determination of a bank or banks to act as issuing and paying agent for any promissory notes or other evidence of indebtedness of the Company; and that the Chief Executive Officer, the President, the Chief Financial Officer, the Treasurer or Assistant Treasurer be, and they hereby are authorized and empowered from time to time, to make, execute and

deliver in the name and on behalf of the Company, promissory notes or other evidence of indebtedness, not to exceed an aggregate principal amount of \$300,000,000 at any one time outstanding as herein authorized; and be it

FURTHER RESOLVED, That the proper officers of the Company be, and they hereby are, authorized and directed to file applications with the Idaho Public Utilities Commission, and such other commissions or regulatory agencies identified by such officers, for any necessary or appropriate authorization in connection with the short-term borrowings in an aggregate principal amount not to exceed \$300,000,000 as determined by the proper officers of the Company to be in the best interest of the Company, and to execute on behalf of the Company and in its name and to cause to be filed with said Commission such amendments, supplements and reports, if any, as they deem necessary or proper in connection with such applications and with any orders issued by the Commission; and be it

FURTHER RESOLVED, That all acts heretofore done and all documents heretofore executed, filed or delivered by the officers of the Company in connection with the proposed short-term borrowings are hereby approved, ratified and confirmed; and that the officers of the Company are hereby authorized and directed to do or cause to be done any and all other acts and things in their judgment that may be necessary or proper or as counsel may advise in order to carry out the purpose of the foregoing resolutions.

RESOLVED, That effective on the date hereof, subject to regulatory approvals, authorizations or consents, Idaho Power Company may issue and sell its promissory notes (commercial paper or similar notes), from time to time (either in physical or electronic book-entry form or otherwise) to such lenders, brokers, dealers or placement agents in commercial paper as the officers of the Company may determine, in principal amounts not to exceed an aggregate of \$300,000,000 at any time outstanding, each such note to be signed by one officer of the Company as hereinafter provided, at such prices and containing such dates, rates, maturities or other terms as the officer or officers executing said notes shall deem appropriate; provided, that no such note shall be for a term of more than 270 days; and be it

FURTHER RESOLVED, That the signature or signatures on said promissory notes may be either the manual or facsimile signature of the Chief Executive Officer, the President, the Chief Financial Officer or the Treasurer or any Assistant Treasurer of the Company, or any other officer of the Company designated in writing by any of the foregoing; and be it

FURTHER RESOLVED, That any one of the following officers of the Company, the Chief Executive Officer, the President, the Chief Financial Officer, the Treasurer or any Assistant Treasurer be, and each hereby is authorized to execute and deliver on behalf of the Company an agreement with Wells Fargo Bank, Minneapolis, MN, or other financial institution, providing for the safekeeping, completion, countersignature, issuance and payment of the promissory notes of the Company; and be it

FURTHER RESOLVED, That any of the above officers be and each one hereby is authorized to revoke such agreement or execute and deliver, from time to time, such amendments to said agreement as any such officer may deem to be desirable.

ATTACHMENT III

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
IDAHO POWER COMPANY FOR AN ORDER)	CASE NO. IPC-E-05- <u>04</u>
AUTHORIZING UP TO \$300,000,000)	
AGGREGATE PRINCIPAL AMOUNT AT)	PROPOSED ORDER
ANY ONE TIME OUTSTANDING OF)	
SHORT-TERM BORROWINGS)	
_____)	

On _____, 2005 Idaho Power Company (“Idaho Power” or “Company”), an electrical utility headquartered in Boise, Idaho, providing retail electric service in southern Idaho and eastern Oregon, filed with this Commission its Application pursuant to Chapter 9, Title 61 of the Idaho Code and Rules 141 through 150 of the Commission’s Rules of Procedure, requesting an Order authorizing Idaho Power to incur up to \$300,000,000 aggregate principal amount of short-term borrowings at any one time outstanding. The Commission hereby adopts its Findings of Fact, Conclusions of Law and Order approving the Application.

FINDINGS OF FACT

I

Idaho Power was incorporated on May 6, 1915 and migrated its state of incorporation to the state of Idaho on June 30, 1989 and is duly qualified to do business in the state of Idaho. Idaho Power’s principal office is located in Boise, Idaho.

II

Subject to the approval of the Commission, Idaho Power proposes, on or after April 1, 2005, to secure new commitments for unsecured Lines of Credit, or extend currently existing commitments for unsecured Lines of Credit, for a period up to and including March 31, 2010. Each Line of Credit commitment will provide that up to a specific amount at any one time outstanding will

be available to Idaho Power to draw upon for a fee to be determined either by a percentage of the credit line available, credit line utilization, compensating balance or combination thereof. In the case of a new syndicated facility or an extension of an existing syndicated facility, Idaho Power will pay an arrangement fee and an annual fee to the agent(s), as well as a facility fee based on a percentage of each bank's commitment. Idaho Power may also make arrangements for uncommitted credit facilities under which unsecured Lines of Credit would be offered to the Company on an "as available" basis and at negotiated interest rates. Such committed and uncommitted borrowings will be evidenced by unsecured promissory notes or other evidence of indebtedness.

In addition, unsecured promissory notes will be issued and sold by Idaho Power directly or through one or more commercial paper dealers or agents. Each note issued as commercial paper will be either discounted at the rate prevailing at the time of issuance for commercial paper of comparable quality and maturity or will be interest bearing to be paid at maturity. Each such note will have a fixed maturity and contain no provision for automatic "roll over".

III

The proposed borrowings may be issued by the Idaho Power during the period from April 1, 2005 to and including March 31, 2010. The proposed borrowings will have varying maturities, with a maximum maturity of up to five years, but in no event will any borrowing have a final maturity beyond March 31, 2010. Idaho Power requests authorization to make the short-term borrowings as described in its application during said five-year period, so long as the Company maintains at least a BBB- or higher senior secured debt rating, as indicated by Standard & Poor's Ratings Services, and a Baa3 or higher rating as indicated by Moody's Investors' Service, Inc.

IV

Idaho Power states the purpose for which the proposed short-term borrowings will be

made and promissory notes, commercial paper or other evidence of indebtedness issued, is for the acquisition of property; the construction, completion, extension or improvement of its facilities; the improvement or maintenance of its service; the discharge or lawful refunding of its obligations; and for general corporate purposes. To the extent that the proceeds from the short-term borrowings are not immediately so used, they will be temporarily invested in short-term discounted or interest-bearing obligations.

CONCLUSIONS OF LAW

Idaho Power is an electrical corporation within the definition of *Idaho Code* § 61-119 and is a public utility within the definition of *Idaho Code* § 61-129.

The Idaho Public Utilities Commission has jurisdiction over this matter pursuant to the provisions of *Idaho Code* § 61-901 *et seq.*, and the Application reasonably conforms to Rules 141 through 150 of the Commission's Rules of Procedures, IDAPA 31.01.01.141-150.

The method of issuance is proper.

The general purposes to which the proceeds will be put are lawful purposes under the Public Utility Law of the state of Idaho and are compatible with the public interest. However, this general approval of the general purposes to which the proceeds will be put is neither a finding of fact nor a conclusion of law that any particular construction program of the Company which may be benefited by the approval of this Application has been considered or approved by this Order, and this Order shall not be construed to that effect.

The issuance of an Order authorizing the proposed financing does not constitute agency determination/approval of the type of financing or the related costs for ratemaking purposes, which determination the Commission expressly reserves until the appropriate proceeding.

All fees have been paid by Idaho Power in accordance with *Idaho Code* § 61-905.

ORDER

IT IS THEREFORE ORDERED that Idaho Power Company be, and the same is hereby authorized, during the period from April 1, 2005 to and including March 31, 2010 to make short-term borrowings and to issue unsecured notes (including renewal notes), for the purposes herein set forth, in an amount not to exceed \$300,000,000 aggregate principal amount of short-term promissory notes or other evidence of indebtedness to be outstanding at any one time, with a final maturity of no later than March 31, 2010. Idaho Power is further authorized to the extent permissible under applicable governmental statutes and regulations to substitute commercial paper borrowings for the Lines of Credit, or other borrowing arrangements, up to the limit of \$300,000,000 aggregate principal amount at any one time outstanding as herein set forth. This authorization will remain in place from April, 2005 to March 31, 2010, provided that the Company maintains at least a BBB- or higher senior secured debt rating, as indicated by Standard & Poor's Ratings Services, and a Baa3 or higher rating as indicated by Moody's Investors' Service, Inc. Subject to the foregoing sentence, no additional authorization is required to carry out this transaction and no Supplemental Order will be issued.

IT IS FURTHER ORDERED that Idaho Power file, as soon as available, final exhibits as set forth in its Application.

IT IS FURTHER ORDERED that the foregoing authorization is without prejudice to the regulatory authority of this Commission with respect to rates, utility capital structure, service, accounts, evaluation, estimates for determination of cost or any other matter which may come before this Commission pursuant to its jurisdiction and authority as provided by law.

IT IS FURTHER ORDERED that nothing in this Order and no provisions of Title 61, Chapter 9, *Idaho Code*, or any act or deed done or performed in connection therewith shall be

construed to obligate the state of Idaho to pay or guarantee in any manner whatsoever any security authorized, issued, assumed or guaranteed under the provisions of said Title 61, Chapter 9, *Idaho Code*.

DONE BY ORDER of the Idaho Public Utilities Commission at Boise, Idaho this _____ day of _____, 2005.

PAUL KJELLANDER, President

DENNIS S. HANSEN, Commissioner

MARSHA H. SMITH, Commissioner

ATTEST:

Jean D. Jewell
Commission Secretary