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IDAHO PUBLIC UTILITIES COMMISSION

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IDAHO POWER ASKS IPUC FOR AUTHORITY TO INCLUDE NEW POWER PLANT IN RATES

BOISE, Idaho, March 7, 2008 - Idaho Power today filed an application with the Idaho Public Utilities Commission (IPUC) for authorization to place the construction costs of a 170 megawatt (MW) natural gas-fired power plant into the electricity rates paid by Idaho customers. The plant will be available to serve Idaho Power customers in time for this summer's peak irrigation and air conditioning season.

Idaho Power is asking the IPUC for a 1.4 percent increase in rates for all Idaho customers by June 1. As proposed, the increase would be applied uniformly to all customer classes and special contract customers and would produce an estimated \$9 million in additional revenue per year. For a typical residential customer using 1,050 kilowatt-hours per month, the increase represents an additional \$1.04 per month during June, July and August, and 87 cents during non-summer months.

The new plant includes a \$64 million expansion to the Evander Andrews Power Complex near Mountain Home, Idaho. Built by Siemens-Westinghouse, Idaho Power acquires possession of the plant following completion of pre-acceptance testing, being conducted now. Idaho Power expects to take ownership late this month.

The plant produced power for more than four hours under test conditions Feb. 22 and has undergone numerous tests since that time. It is the fourth natural gas-fired peaking resource built for Idaho Power and will augment the two 45-MW Danskin Power Plant units, which are part of the Evander Andrews Power Complex. Idaho Power also owns and operates the 160 MW Bennett Mountain plant in Mountain Home.

Last year Idaho Power was able to supply less than 40 percent of its electricity from its hydroelectric system due to drought conditions. Idaho Power counts on its natural gas-fired plants to meet peak demands during short periods of time when electrical loads exceed base load generation capacities. Peak demand periods typically occur during hot summer afternoons when electrical supplies are short and costs for purchases from the wholesale electricity market are the highest.

The Evander Andrews Power Complex is named after the late Master Sergeant Evander Andrews, the first military casualty of America's war on terrorism. Andrews was stationed at Mountain Home Air Force Base.

The proposal is subject to public review and approval by the IPUC. A copy of the application is available at the offices of the IPUC and Idaho Power, and on the company's "Regulatory Information" Web page at www.idahopower.com/aboutus/default.htm.

IDACORP, Inc. is a holding company formed in 1998. Comprised of regulated and non-regulated businesses, its origins lie with Idaho Power, a regulated electric utility beginning operations in 1916. Today, Idaho Power employs approximately 2000 people throughout the company's service region. At the close of 2007, Idaho Power served 481,651 general business customers in a 24,000 square-mile service area in southern Idaho and eastern Oregon. To learn more about Idaho Power, visit www.idahopower.com.

In addition to Idaho Power, IDACORP consists of IDACORP Financial, an investment company with its primary activities in affordable housing projects, and Ida-West Energy, an operator of independent power projects. IDACORP's common stock is traded on the New York Stock Exchange (NYSE) under the symbol IDA. To learn more about IDACORP and its subsidiaries, visit www.idacorpinc.com.

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