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NEWS RELEASE

Annual Fixed Cost Adjustment is a Small Decrease for Idaho Power Customers

BOISE, Idaho, March 15, 2013 -- Idaho Power today filed its annual Fixed Cost Adjustment (FCA) with the Idaho Public Utilities Commission (IPUC). If the FCA proposal is approved as filed, the monthly bill impact for an average Idaho Power residential customer in Idaho using 1,050 kilowatt-hours of energy a month will be a decrease of \$0.27 per month beginning June 1.

A summary of the proposed change to Idaho rates is shown below.

Revenue Impact By Class: Percentage Change from Current Billed Rates

	Residential	Small General Service	Large General Service	Large Power	Irrigation	Overall Change
Fixed Cost Adjustment (FCA)	-0.30%	-0.31%	N/A	N/A	N/A	-0.30%

"The FCA helps the company pursue demand-side management programs and energy efficiency education," stated Greg Said, Idaho Power Vice President of Regulatory Affairs. "The mechanism allows for a robust energy efficiency portfolio, which is a key component in our ability to provide responsible, fair-priced electric service to our customers."

The FCA is a true-up mechanism that "decouples," or separates, energy sales from revenue, and is intended to provide for the recovery of the Commission-authorized level of fixed costs. This removes financial disincentives for the company to promote and invest in energy efficiency activities, which over the long run helps keep costs down for our customers.

The FCA annually adjusts electric rates for Idaho Residential and Small General Service customers based on changes in energy use during the previous year. If, because of reduced energy use per customer during the prior year, Idaho Power under-collects the authorized level of fixed costs, we recover the difference through a surcharge. If we collect more than the authorized level of fixed costs, we refund the difference to customers through a credit.

In the past six years, both scenarios have occurred. In 2012, Idaho Power under-collected its authorized level of fixed costs.

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For 2012 the FCA requests a surcharge of \$8.9 million, which is less than the 2011 FCA surcharge. This year's FCA filing proposes to collect \$1.3 million or 0.30 percent less than current rates for one year, resulting in a small decrease for Residential and Small General Service customers.

Opportunities for Public Review

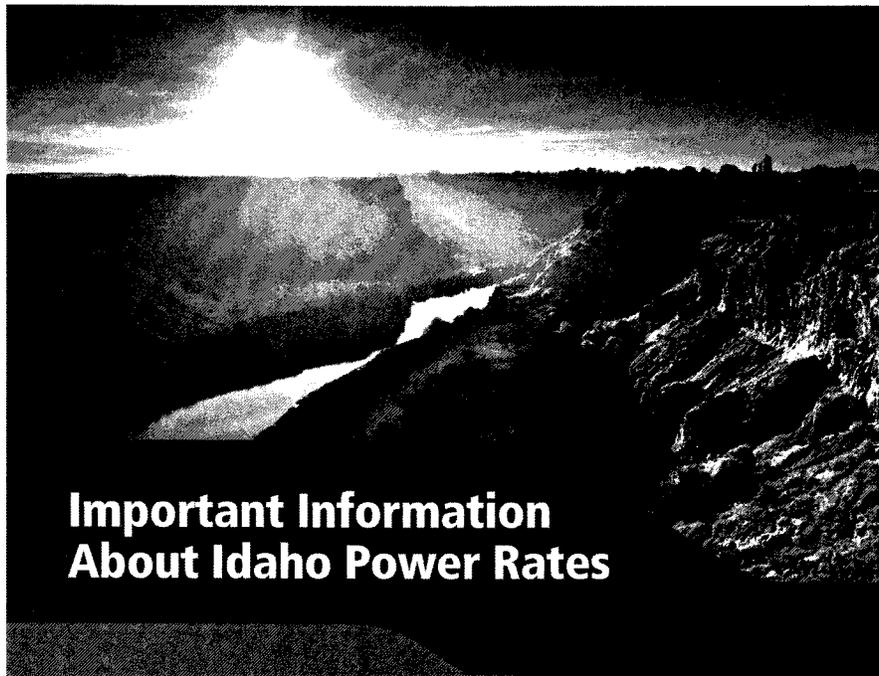
Idaho Power's filing is a proposal that is subject to public review and approval by the IPUC. Copies of the application are available to the public at the IPUC offices (472 W. Washington, Boise, Idaho, 83702), Idaho Power offices or on Idaho Power's website, www.idahopower.com or the IPUC website, www.puc.idaho.gov. You can view additional, related materials on the filing at www.idahopower.com/rates.

About Idaho Power Company:

Idaho Power began operations in 1916. Today, the electric utility employs approximately 2,000 people who serve more than 500,000 customers throughout a 24,000-square-mile area in southern Idaho and eastern Oregon. With 17 low-cost hydroelectric projects as the core of its generation portfolio, Idaho Power's residential, business and agricultural customers pay among the nation's lowest rates for electricity. IDACORP, Inc. (NYSE: IDA) is the investor-owned utility's parent company based in Boise, Idaho. To learn more, visit www.idahopower.com or www.idacorpinc.com.

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IDAHO PUBLIC
UTILITIES COMMISSION

Important Information About Idaho Power Rates

On March 15, Idaho Power filed its annual Fixed Cost Adjustment (FCA) with the Idaho Public Utilities Commission (IPUC).

The proposed change, a small rate decrease in the current FCA rate, would be effective June 1 if approved.

The FCA is a true-up mechanism that “decouples,” or separates, energy sales from revenue, and is intended to provide for the recovery of the Commission-authorized level of fixed costs. This removes financial disincentives for the company to promote and invest in energy efficiency activities, which over the long run helps keep costs down for our customers.

The FCA annually adjusts electric rates for Idaho Residential and Small General Service customers based on changes in energy use during the previous year. If, because of reduced energy use per customer during the prior year, Idaho Power under-collects the authorized level of fixed costs, we recover the difference through a surcharge. If we collect more than the authorized level of fixed costs, we refund the difference to customers through a credit. In the past six years, both scenarios have occurred. In 2012, Idaho Power under-collected its authorized level of fixed costs.

If approved, for 2012 the FCA will be a surcharge of \$8.9 million, which is less than the 2011 FCA surcharge. This year’s FCA filing proposes to collect \$1.3 million or 0.30 percent less than current rates for one year, resulting in a small decrease in the FCA rate for Residential and Small General Service customers.

Overall Impact

A summary of the proposed change to Idaho rates is shown below.

2013 FCA REVENUE IMPACT BY CLASS					
Percentage Change from Current Billed Rates					
Residential	Small General Service	Large General Service	Large Power	Irrigation	Overall Change
-0.30%	-0.31%	N/A	N/A	N/A	-0.30%

If the FCA proposal is approved as filed, the monthly bill impact for an average Idaho Power residential customer in Idaho using 1,050 kilowatt-hours of energy a month will be a bill decrease of \$0.27 per month beginning June 1.

Opportunities for Public Review

Idaho Power's filing is a proposal that is subject to public review and approval by the IPUC. Copies of the application are available to the public at the IPUC offices (472 W. Washington St., Boise, Idaho, 83702), Idaho Power offices or on Idaho Power's website, www.idahopower.com or the IPUC website, www.puc.idaho.gov. You can view additional, related materials, including a news release on the filing at www.idahopower.com/rates.

We value your business and appreciate you taking the time to read this notice. Thank you.