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IDACORP INC  
Form DEF 14A  
April 11, 2005

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

SCHEDULE 14A  
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934

Filed by the Registrant [X]  
Filed by a Party other than the Registrant [ ]

Check the appropriate box:

[ ] Preliminary Proxy Statement [ ] Confidential, For Use of the Commission  
[X] Definitive Proxy Statement Only (as permitted by Rule 14a-6(e)(2))  
[ ] Definitive Additional Materials  
[ ] Soliciting Material Pursuant to Rule 14a-12

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IDACORP, Inc.  
(Name of Registrant as Specified in its Charter)

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(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.  
[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
May 19, 2005, AT BOISE, IDAHO

April 11, 2005

TO THE SHAREHOLDERS OF IDACORP, INC.:

Notice is hereby given that the Annual Meeting of Shareholders of IDACORP, Inc. ("IDACORP") will be held on May 19, 2005 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 four Directors of IDACORP for a three year term;
2. to ratify the selection of Deloitte & Touche LLP as independent registered public accounting firm for IDACORP for the fiscal year ending December 31, 2005;
3. to re-approve the material terms of the performance goals under the IDACORP 2000 Long-Term Incentive and Compensation Plan;
4. to approve the IDACORP 2000 Long-Term Incentive and Compensation Plan, as amended, including the authorization of additional shares; and
5. 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 31, 2005, are entitled to vote at the meeting.

All shareholders are cordially invited to attend the Annual Meeting in person. Shareholders interested in attending in person must make a reservation 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 prior to or at the meeting.

By Order of the Board of Directors  
Thomas R. Saldin  
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.

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

GENERAL INFORMATION

This Proxy Statement and the accompanying form of proxy will first be sent to shareholders on or about April 11, 2005 and are provided to the shareholders of IDACORP in connection with the solicitation of proxies on behalf of the Board of Directors of IDACORP for use at the 2005 Annual Meeting of Shareholders (the "Annual Meeting") and any adjournment or adjournments thereof. The Annual Meeting is scheduled to be held on May 19, 2005, at 10:00 a.m., local time, at the Idaho Power Company Corporate Headquarters Building, 1221 West Idaho Street, Boise, Idaho.

COST AND METHOD OF SOLICITATION

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The cost of soliciting proxies will be paid by IDACORP. In order to be assured that a quorum of outstanding shares will be represented at the meeting, proxies may be solicited by officers and regular employees of IDACORP, personally or by telephone, telegraph, fax, mail or other electronic means, without extra compensation. In addition, the solicitation of proxies from brokers, banks, nominees and institutional investors will be made by Georgeson Shareholder Communications, Inc. at a cost of approximately \$4,000 plus out-of-pocket expenses. IDACORP will reimburse banks, brokerage firms and other custodians, nominees and fiduciaries for their expenses in sending proxy materials to beneficial owners.

### MATTERS TO BE VOTED UPON

As of April 11, 2005, the only known business to be presented at the Annual Meeting is as follows: (1) the election of four Directors, (2) the ratification of the appointment of Deloitte & Touche LLP as independent registered public accounting firm for 2005, (3) the re-approval of the material terms of the performance goals under the IDACORP 2000 Long-Term Incentive and Compensation Plan and (4) the approval of the IDACORP 2000 Long-Term Incentive and Compensation Plan, as amended, including the authorization of additional shares. See "Other Business."

### RECORD DATE

The Board of Directors has fixed March 31, 2005 as the date for the determination of shareholders of IDACORP entitled to notice of and to vote at the Annual Meeting. Only shareholders of record at the close of business on March 31, 2005 will be entitled to vote at the Annual Meeting.

### OUTSTANDING VOTING SECURITIES

The outstanding voting securities of IDACORP as of the record date for the Annual Meeting are 42,394,236 shares of common stock, without par value, each share being entitled to one vote.

### VOTING

Shareholders of record may vote their proxies by telephone, through the Internet or by marking, signing, dating and returning the proxy card in the enclosed postage-prepaid envelope.

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Shareholders whose shares are held by a bank or broker may be able to vote by telephone or through the Internet. Follow the instructions you receive from your bank or broker.

Shareholders voting through the Internet should understand that there may be costs associated with electronic access, such as usage charges from Internet service providers and telephone companies; such charges must be paid by the shareholder.

IDACORP has been advised by counsel that the procedures for Internet and telephone voting are consistent with the requirements of applicable law.

Under the Idaho Business Corporation Act, a majority of the votes entitled to be cast on a matter by a voting group constitutes a quorum of that voting group for action on that matter. Assuming a quorum is present, the following votes are required for approval of each proposal at the Annual Meeting:

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(i) Proposal No. 1 - Directors of IDACORP are elected by the affirmative vote of 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; votes that are withheld will have no effect on the results.

(ii) Proposal No. 2 - the ratification of the selection of an independent registered public accounting firm for IDACORP for 2005 is approved if the votes cast in favor exceed the votes cast opposing ratification.

(iii) Proposal No. 3 - the re-approval of the material terms of the performance goals under the IDACORP 2000 Long-Term Incentive and Compensation Plan, for Internal Revenue Code Section 162(m) purposes, requires the affirmative vote of a majority of the votes cast. Under the laws of the State of Idaho, the matter is approved if the votes cast in favor exceed the votes cast opposing re-approval. Abstentions and broker non-votes will have no effect on the results.

(iv) Proposal No. 4 - the approval of the IDACORP 2000 Long-Term Incentive and Compensation Plan, as amended, including the authorization of additional shares, for New York Stock Exchange purposes, requires the affirmative vote of a majority of the votes cast provided that the total votes cast represent over 50% in interest of all securities entitled to vote on the matter. Under the laws of the State of Idaho, the Plan as amended is approved if the votes cast in favor of the Plan as amended exceed the votes cast opposing the Plan as amended. Abstentions and broker non-votes will have no effect on the results, provided that the total votes cast represent over 50% in interest of all securities entitled to vote on the Plan as amended.

Broker non-votes occur if brokers are given no voting instructions from their customers with respect to Proposals No. 3 and 4 since the New York Stock Exchange rules prohibit discretionary voting on equity compensation plans.

If no direction is given by a shareholder, properly executed proxies received will be voted FOR Proposal No. 1, election of the nominees for Directors, FOR Proposal No. 2, ratification of the selection of Deloitte & Touche LLP as independent registered public accounting firm for 2005, FOR Proposal No. 3, re-approval of the material terms of the performance goals under the IDACORP 2000 Long-Term Incentive and Compensation Plan, and FOR Proposal No. 4, approval of the IDACORP 2000 Long-Term Incentive and Compensation Plan, as amended, including the authorization of additional shares.

A proxy may be revoked at any time before it is voted at the meeting. Any shareholder who attends the meeting and wishes to vote in person may revoke his or her proxy by oral notice at that time. Otherwise, revocation of a proxy must be mailed to the Secretary of IDACORP at 1221 West Idaho Street, Boise, Idaho 83702-5610, and received prior to the meeting.

SECRET BALLOT

It is the policy of IDACORP that all proxies for the Annual Meeting that identify shareholders, including employees, are to be kept secret, and no such document shall be available for examination nor shall the identity and vote of any shareholder be disclosed to IDACORP representatives or to any third party. Proxies are returned to the independent tabulator who receives, inspects and tabulates the proxies. Individual voted proxies and ballots are not seen by or reported to IDACORP except (i) as necessary to meet applicable legal requirements, (ii) to allow the independent election inspectors to certify the

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results of the shareholder vote, (iii) 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 (iv) to respond to shareholders who have written comments on their proxies.

### 1. ELECTION OF DIRECTORS

IDACORP's Board of Directors consists of 11 members. IDACORP's 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 four Directors standing for election for the IDACORP Board of Directors at the Annual Meeting are identified below as nominees for election with terms to expire in the year 2008. All nominees are currently Directors of IDACORP. Christopher L. Culp, who served as a Director since 2002, resigned from the Board of Directors effective January 20, 2005 because of ongoing business scheduling conflicts. The Board thanks Dr. Culp for his distinguished service to IDACORP. Jack K. Lemley retired from the Board on January 2, 2005, having reached the mandatory retirement age of 70. On January 20, 2005, IDACORP amended its Bylaws to raise the mandatory retirement age to 72. Following this amendment, Mr. Lemley was invited to rejoin the Board, and did so, effective February 1, 2005.

Unless otherwise instructed, proxies received will be voted in favor of the election of the Director nominees. While it is not expected that any of the nominees will be unable to qualify for or 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.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE NOMINEES LISTED BELOW.

#### NOMINEES FOR ELECTION - TERMS EXPIRE 2008

JACK K. LEMLEY ..... Director of Lemley & Associates, Inc. (management consulting company) (since 1987); formerly Chairman of the Board and Chief Executive Officer and a director of American Ecology Corp. (provider of environmental services to producers and handlers of hazardous, toxic and radioactive wastes) (1995-2001); director of the following IDACORP subsidiaries: Idaho Power Company since 1995 and IDACORP Technologies, Inc. since 2000; director of IDACORP since 1998. Age 70

RICHARD G. REITEN .... Former Chairman of the Board of Northwest Natural (provider of natural gas in Oregon and southwest Washington) (2000-2005); formerly President and Chief Executive Officer (1997-2000) and President and Chief Operating Officer (1995-1997); former President and Chief Operating Officer of Portland General Electric (electric public

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General Corp. (1989-1992); director of NW Natural (provider of natural gas) (since 2000); U.S. Bancorp (banking services) (since 1998); Building Materials Holding Corp. (provider of construction services, manufactured building components and materials to professional residential builders and contractors) (since 2001) and National Fuel Gas (a diversified energy company providing interstate natural gas transmission and storage) (since 2004); director of the following IDACORP subsidiaries: Idaho Power Company since 2004 and IDACORP Technologies, Inc. since 2004; director of IDACORP since 2004. Age 65

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 (a public consulting organization) (since 2003); director of the following IDACORP subsidiaries: Idaho Power Company since 2004 and IDACOMM since 2004; director of IDACORP since 2004. Age 62

THOMAS J. WILFORD .... President of Alscott, Inc. (real estate development and other investments) (since 1993); Chief Executive Officer of J.A. and Kathryn Albertson Foundation, Inc. (a family foundation committed and striving to be a catalyst for positive educational change) (since 2003) and formerly President (1995-2003); director of the following IDACORP subsidiaries: Idaho Power Company since 2004; director of IDACORP since 2004. Age 62

### CONTINUING DIRECTORS - TERMS EXPIRE 2007

ROTCHEFORD L. BARKER .. Private Investor; Director, American Ecology Corporation (provider of environmental services to producers and handlers of hazardous, toxic and radioactive wastes) (since 1996); Member and former director Chicago Board of Trade (since 1964); director of the following IDACORP subsidiaries: Idaho Power Company since 1999; director of IDACORP since 1999. Age 68

J. LaMONT KEEN ..... Executive Vice President, IDACORP, Inc. (since 2002) and President and Chief Operating Officer, Idaho Power Company (since 2002); formerly Senior Vice President - Administration and Chief Financial Officer (1999-2002); Senior Vice President - Administration, Chief Financial Officer and Treasurer (1999); Vice President, Chief Financial Officer and Treasurer (1996-1999); Vice President and Chief Financial Officer (1991-1996); Controller (1988-1991); director of the following IDACORP subsidiaries: Idaho Power Company since 2004, IDACORP Technologies, Inc. since 2004 and Idaho Energy Resources Company since 1991; director of IDACORP since 2004. Age 52

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

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Cascade Corporation (distributor of office products and building materials and an integrated manufacturer and

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distributor of paper, packaging and wood products); director of the following IDACORP subsidiaries: Idaho Power Company since 1988; director of IDACORP since 1998. Age 67

ROBERT A. TINSTMAN ... Executive Chairman of James Construction Group (construction services) (since 2002); former President and Chief Executive Officer (1995-1999) and director (1995-1999) of Morrison Knudsen Corporation (general contractor providing global mining, engineering and construction services); former Chairman of Contractorhub.com (e-marketplace for contractors, subcontractors and suppliers) (2000-2001); director of the Home Federal Bancorp (banking services) (since 1999); CNA Surety (surety company offering contract and commercial surety bonds) (since 2004); director of the following IDACORP subsidiaries: Idaho Power Company and IDACORP Technologies, Inc. since 1999; director of IDACORP since 1999. Age 58

CONTINUING DIRECTORS - TERMS EXPIRE 2006

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); Harrah's Entertainment, Inc. (casino entertainment) (since 2001); Questar, Inc. (integrated natural gas company) (since 1994); Graham Packaging Company (a designer and manufacturer of customized plastic containers) (Advisory Board) (since 2002); director of the following IDACORP subsidiaries: Idaho Power Company since 2001; director of IDACORP since 2001. Age 64

PETER S. O'NEILL ..... Chairman and Chief Executive Officer of O'Neill Enterprises L.L.C. (developer of planned communities) (since 1990); 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 68

JAN B. PACKWOOD ..... President and Chief Executive Officer of IDACORP (since



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1999) and Chief Executive Officer of Idaho Power (since 2002); formerly President and Chief Executive Officer (1999-2002); President and Chief Operating Officer (1997-1999); Executive Vice President (1996-1997) and Vice President - Bulk Power (1989-1996) of Idaho Power; director of the following IDACORP subsidiaries: Idaho Power Company since 1997, Idaho Energy Resources Company since 1990, IDACORP Financial Services, Inc. since 1997, Ida-West Energy Company since 1999, IDACOMM since 2002, IDACORP Technologies, Inc. since 1999; director of IDACORP since 1998. Age 62

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### THE BOARD OF DIRECTORS AND COMMITTEES

The IDACORP Board of Directors held six meetings in 2004. The average attendance during 2004 at all meetings of the Board and all meetings of the committees of the Board was 100 percent.

#### Independence

IDACORP currently has 11 members on its Board of Directors. All are non-employees, except for Jan B. Packwood, President and Chief Executive Officer and J. LaMont Keen, Executive Vice President. Rotchford L. Barker, Jack K. Lemley, Gary G. Michael, Jon H. Miller, Peter S. O'Neill, Richard G. Reiten, Joan H. Smith, Robert A. Tinstman and Thomas J. Wilford have been determined by the Board of Directors to be "independent" based on all relevant facts and circumstances and under the New York Stock Exchange listing standards and the Corporate Governance Guidelines, which contain the policy and categorical standards on director independence. The independence standards used by the Board of Directors to determine whether members are independent are set forth in IDACORP's Corporate Governance Guidelines and are included as Exhibit A to this Proxy Statement. The office of the Chairman of the Board and the Chief Executive Officer has been separated since June 1999. The non-management 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-management directors.

#### Committees

The standing committees of the Board are the Executive Committee, the Audit Committee, the Compensation Committee and the Corporate Governance Committee. The Committee of Outside Directors was eliminated effective July 15, 2004. Board committees, their membership during 2004 and a brief statement of their principal responsibilities are presented below.

##### Executive Committee

The Executive Committee acts on behalf of the Board of Directors when the Board is not in session, except on those matters which require action of the full Board. Members of the Committee are Jan B. Packwood (Chairman), Gary G. Michael, Jon H. Miller, Peter S. O'Neill and Robert A. Tinstman. Mr. Lemley served on the Executive Committee until January 2, 2005. During 2004, the Executive Committee met one time.

##### Audit Committee

The Audit Committee was established as a separately-designated standing

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committee in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended, and is comprised of three independent directors, 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), Rotchford L. Barker and Thomas J. Wilford. Mr. Lemley served as Chairman until January 2, 2005 and Dr. Culp served as a member of the Audit Committee until his resignation from the Board of Directors on January 20, 2005. All members are "financially literate" as the Board of Directors interprets that term, and Messrs. Michael, Barker and Wilford have been determined to be "audit committee financial experts."

Mr. Michael serves on the audit committee of three other publicly registered companies in addition to IDACORP. The Board of Directors of IDACORP has determined that such service does not impair Mr. Michael's ability to serve on the Audit Committee.

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The Audit Committee assists the Board of Directors in the oversight of the integrity of the IDACORP financial statements; compliance with legal and regulatory requirements; the qualifications, independence and performance of the independent auditors; and the performance of the internal audit function. The Committee also prepares the Audit Committee Report as required by the Securities and Exchange Commission to be included in the proxy statement for the annual meeting of shareholders. During 2004, the Audit Committee met twelve times.

### Compensation Committee

The Compensation Committee has direct responsibility to review and approve corporate goals and objectives relevant to Chief Executive Officer compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives, and, either as a committee or together with the other independent directors (as directed by the Board), determine and approve the Chief Executive Officer's compensation level based on this evaluation. The Compensation Committee also makes recommendations to the Board with respect to non-Chief Executive Officer compensation and incentive-compensation plans and equity-based plans that are subject to Board approval; produces the Compensation Committee report on executive officer compensation as required by the Securities and Exchange Commission to be included in the proxy statement for the annual meeting of shareholders; and oversees the compensation and employee benefit plans and practices. Members of the Compensation Committee are Robert A. Tinstman (Chairman), Jack K. Lemley (effective February 1, 2005), Peter S. O'Neill and Richard G. Reiten. Mr. Wilford served as a member until January 1, 2005. Each member is independent as that term is defined in the applicable New York Stock Exchange listing standards. During 2004, the Compensation Committee met six times.

### Corporate Governance Committee

The Corporate Governance Committee, which is also the nominating committee, identifies individuals qualified to become directors, consistent with criteria approved by the Board, and selects, or recommends that the Board select, the candidates for all directorships to be filled by the Board or by the shareholders; develops and recommends to the Board a set of corporate governance guidelines applicable to IDACORP; oversees the evaluation of the Board and management; reviews the compliance programs including the Code of Business Conduct and Ethics; and takes a leadership role in shaping the corporate governance of IDACORP. Members of the Corporate Governance Committee are Peter S. O'Neill (Chairman), Jon H. Miller and Joan H. Smith. Mr. Michael served as Chairman until January 1, 2005 and Dr. Culp served as a member until his resignation from the Board of Directors on January 20, 2005. Each member is

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independent as that term is defined in the applicable New York Stock Exchange listing standards. During 2004, the Corporate Governance Committee met four times.

### Attendance at Annual Meetings

Pursuant to the Corporate Governance Guidelines, all Directors are expected to attend the annual meeting of shareholders and be available, when requested by the chair, to answer any questions shareholders may have. All members of the Board of Directors attended the 2004 annual meeting.

## CORPORATE GOVERNANCE

### Background

IDACORP has adopted corporate governance and disclosure requirements under the Sarbanes-Oxley Act of 2002, the Securities and Exchange Commission's rules interpreting and implementing the Sarbanes-Oxley Act, the listing standards of the New York Stock Exchange and Securities and

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Exchange Commission disclosure requirements on expanded nominating committee processes. This includes (1) written charters for the Audit Committee, Corporate Governance Committee and Compensation Committee and (2) 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. The written committee charters and the Corporate Governance Guidelines of IDACORP are available on IDACORP's website and may be accessed by following the hypertext links listed at <http://www.idacorpinc.com/corpgov/default.cfm>. Printed copies may be obtained without charge by writing to the Secretary of IDACORP at 1221 West Idaho Street, Boise, Idaho 83702-5610.

### Code of Ethics

IDACORP's principal subsidiary, Idaho Power Company, had for many years a Code of Business Conduct and Ethics, which applied to all directors, officers and employees of Idaho Power Company, including the principal executive officer and senior financial and accounting officers. IDACORP adopted a new Code of Business Conduct and Ethics in July 2003, which applies to all directors, officers, including the chief executive officer, principal financial and accounting officers, and employees of IDACORP and its subsidiaries. The Code of Conduct may be accessed at the IDACORP website referred to above. Printed copies may be obtained without charge by writing to the Secretary, IDACORP, 1221 West Idaho Street, Boise, Idaho 83702-5610.

Amendments to the Code or waivers of the Code as required by Regulation S-K, Item 406 or the New York Stock Exchange listing standards will be posted on the IDACORP website referred to above.

### Process for Shareholders to Recommend Nominees for Directors

IDACORP has processes in place which permit shareholders to recommend directors in accordance with the Bylaws and Corporate Governance Guidelines. Shareholders wishing to recommend a candidate to be considered by the Corporate Governance Committee for nomination as a Director must submit recommendations in writing to the Secretary of IDACORP no later than 120 days prior to the first anniversary of the date on which IDACORP first mailed proxy materials for the preceding year. In the event of a special meeting of shareholders to elect one

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or more directors, recommendations must be submitted in writing no later than the close of business on the tenth day after the day of the public announcement of such meeting and of director nominees proposed by the Board of Directors. The written recommendations must include all information with respect to the candidate required to be disclosed in the solicitation of proxies pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, and the rules thereunder, including the recommended candidate's consent. The shareholder submitting the recommendations must provide his or her name, address and class and number of shares of voting stock owned beneficially and of record including a statement as to how long the shareholder has held such stock. The 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 the shareholders. They must also have an inquisitive and objective perspective, practical wisdom and mature judgment. IDACORP endeavors 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 the company's activities. At least one Director shall meet the requirements of the definition of an "audit committee financial expert" as that term is defined in Item 401(h) of Regulation S-K. Directors are required to retire upon reaching age 72.

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

### Process for Determining Director Nominees

The Corporate Governance Committee follows the procedures set forth below when identifying new Director nominees, including any recommendations submitted by shareholders in compliance with the Bylaws and the policies set forth herein:

- o the Corporate Governance Committee identifies the need to fill a vacancy on the Board or, if approved by the Board, to add new Board member(s);
- o the Chairman of the Corporate Governance Committee initiates the search,
  - soliciting advice from the Chairman of the Board, the lead independent director, the Chief Executive Officer, other directors, management and any other persons he or she deems appropriate,
  - reviewing any candidates submitted by shareholders in compliance with the Bylaws and the policies set forth herein, and
  - hiring a search firm, if he or she chooses;
- o an initial group of candidates is identified and presented to the Corporate Governance Committee;
- o the Corporate Governance Committee gathers any additional information it deems appropriate, including information necessary to determine if the candidate(s)

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- are "independent" under applicable laws, regulations and rules,
  - do not violate any requirements applicable to IDACORP or any federal or state laws, rules or regulations, including federal and state regulatory agencies, the New York Stock Exchange, the Securities and Exchange Commission and the Sarbanes-Oxley Act of 2002, and
  - meet all requirements under the Corporate Governance Guidelines, committee charters, the Bylaws, the Codes and any other applicable corporate document or policy;
- o the Corporate Governance Committee evaluates any potential conflicts, including financial or business relationships;
  - o the Corporate Governance Committee evaluates whether the candidates would likely represent a special interest or single issue;
  - o the Corporate Governance Committee meets to narrow the list of candidates;
  - o the Chairman of the Board, the Corporate Governance Committee and the Chief Executive Officer interview any or all of the candidates, if they deem it appropriate;
  - o the Corporate Governance Committee meets to consider and approve the final candidate(s);
  - o the Corporate Governance Committee seeks full Board approval of the selected candidate(s).

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The Chairman keeps the full Board informed of the Committee's progress.

Mr. Reiten, Ms. Smith and Mr. Wilford were appointed to the Board of Directors in 2004 and are standing for election for the first time. Mr. Reiten was recommended to the Corporate Governance Committee by the Chief Executive Officer, Ms. Smith by an executive officer and Mr. Wilford by a non-management director. The Chairman of the Corporate Governance Committee did not retain a search firm to identify or evaluate any nominees.

How to Contact the Board and the Audit Committee

The Board of Directors has developed a process by which shareholders and other interested parties can send communications to members of the Board. If you have a concern that you believe warrants the attention of the Board of Directors, including the Chairman of the Board or non-management directors as a group, you may call a toll-free helpline at 1-866-384-4277. If your concern is of an ethical nature, you may log on to [www.ethicspoint.com](http://www.ethicspoint.com), and follow the instructions for filing a report. All reports will be routed to the General Counsel who then forwards the report directly to the Chairman of the Board. Any report regarding questionable accounting practices, internal accounting controls or auditing matters will be routed by the General Counsel to the Chairman of the Board and the Chairman of the Audit Committee.

### 2. RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

At the Annual Meeting, the shareholders will be asked to ratify the

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selection by the Audit Committee of Deloitte & Touche LLP as the firm of independent registered public accountants to audit the financial statements of IDACORP for the fiscal year 2005. This firm has conducted consolidated annual audits of IDACORP since its formation in 1998 and is one of the world's largest firms of independent certified public accountants. A representative of Deloitte & Touche LLP is expected to be present at the meeting and will have an opportunity to make a statement and to respond to appropriate questions.

The shareholders' ratification vote will not have any effect on the appointment or retention of Deloitte & Touche LLP as IDACORP's independent registered public accounting firm for the current fiscal year. However, the Audit Committee will consider the shareholders' vote as a factor in determining its appointment of IDACORP's independent registered public accounting firm for 2006. 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 IDACORP and its shareholders.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" DELOITTE & TOUCHE LLP AS INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF IDACORP FOR 2005.

The ratification of the selection of the independent registered public accounting firm for IDACORP is approved if the votes cast in favor exceed the votes cast opposing ratification.

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### REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The Audit Committee of the IDACORP Board of Directors is composed of three directors, who are independent as defined in the applicable NYSE listing standards. The Committee has a written charter adopted by the Board of Directors. The charter is posted on the IDACORP website and may be accessed by following the hypertext link listed at <http://www.idacorpinc.com/corpgov/default.cfm>.

The Committee has reviewed and discussed the audited consolidated financial statements of IDACORP with management and the independent registered public accountants. The Committee discussed with the independent registered public accountants the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees), as modified or supplemented.

The independent registered public accountants also provided to the Committee the written disclosures and the letter required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), as modified or supplemented, and the Committee discussed with the independent registered public accountants that firm's independence.

Based on the Committee's review and discussions referred to above, the Committee recommended to the Board of Directors that the audited consolidated financial statements of IDACORP be included in its Annual Report on Form 10-K for the year ended December 31, 2004 for filing with the Securities and Exchange Commission.

Gary G. Michael (Chairman)  
Rotchford L. Barker  
Thomas J. Wilford

INDEPENDENT ACCOUNTANT BILLINGS

Aggregate fees billed to IDACORP for the fiscal years ended December 31, 2004 and 2003 by IDACORP's principal independent registered public accounting firm, Deloitte & Touche LLP, the member firms of Deloitte Touche Tohmatsu, and their respective affiliates (collectively, the "Deloitte Entities") are:

Fees Billed	2004	2003
-----	----	---
Audit Fees .....	\$ 1,047,623	\$ 5,000,000
Audit-Related Fees (1) .....	162,890	3,000,000
Tax Fees (2) .....	229,183	1,000,000
All Other Fees .....	-0-	-
	-----	---
Total Fees: .....	\$ 1,439,696	\$ 9,000,000
	=====	====

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- (1) Includes fees for audits of IDACORP's benefit plans, stand alone audits of subsidiaries, Sarbanes-Oxley Section 404 readiness assistance and work in connection with regulatory inquiries.
- (2) Includes fees for tax compliance and tax consulting in connection with Internal Revenue Service account analysis.

Policy on Audit Committee Pre-Approval. IDACORP and the Audit Committee are committed to ensuring the independence of the independent auditor, both in fact and in appearance. In this regard, the Audit Committee has established a pre-approval policy in accordance with applicable securities rules. The Audit Committee's Policy for the Pre-Approval of Independent Auditor Services is included as Exhibit B to this Proxy Statement. All fees were pre-approved by the Audit Committee in 2004.

3. RE-APPROVAL OF MATERIAL TERMS  
OF IDACORP 2000 LONG-TERM INCENTIVE  
AND COMPENSATION PLAN PERFORMANCE GOALS

The Board of Directors recommends that shareholders re-approve the material terms of the performance goals for performance-based incentives under the IDACORP 2000 Long-Term Incentive and Compensation Plan (the "Plan") to preserve IDACORP's ability to deduct compensation associated with future performance-based incentive awards to be made under the Plan.

Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code") places a limit of \$1,000,000 on the amount IDACORP may deduct in any one year for compensation paid to its CEO and each of its other four most highly-compensated executive officers. There is, however, an exception to this limit for certain performance-based compensation. Awards made pursuant to the Plan may constitute performance-based compensation not subject to the deductibility limitation of Section 162(m) of the Code. However, in order to continue to qualify for this exception, the shareholders must reapprove, every five years, the material terms of the performance goals of the Plan under which compensation will be paid. Shareholder re-approval must also be obtained if the

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material terms of the Plan's performance goals are changed. Shareholders last approved the Plan's performance goals in 2000. The Board is now submitting the Plan's performance goals for re-approval at the 2005 Annual Meeting. The material terms of the performance goals being submitted for re-approval for purposes of Section 162(m) of the Code are outlined below.

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### Eligibility and Participation

Persons eligible to participate in the Plan include all officers, directors and key employees of IDACORP and its subsidiaries, as determined by the Compensation Committee. The approximate number of persons who are currently eligible to participate under the Plan is 70, which includes nine non-employee directors.

### Performance Goals

Performance goals, which are established by the Compensation Committee, will be based on one or more of the following measures: sales or revenues, earnings per share, shareholder return and/or value, funds from operations, operating income, gross income, net income, cash flow, return on equity, return on capital, earnings before interest, operating ratios, stock price, customer satisfaction, accomplishment of mergers, acquisitions, dispositions or similar extraordinary business transactions, profit returns and margins, financial return ratios, budget achievement, performance against budget, and/or market performance. Budget achievement and performance against budget have been added to the list of available performance measures under the Plan. Performance goals may be measured solely on a corporate, subsidiary or business unit basis, or a combination thereof. Performance goals may reflect absolute entity performance or a relative comparison of entity performance to the performance of a peer group of entities or other external measure.

### Maximum Grants under the Plan

Grants under the Plan may be made in the form of stock, stock options, stock appreciation rights ("SARs"), performance units, performance shares, dividend equivalents, restricted stock, restricted stock units and "other awards" defined under Article 10 of the Plan. Except in the case of adjustments or grants made under the Plan's adjustment provision described below, and replacement grants made in connection with mergers, acquisitions, reorganizations or similar transactions, the per share exercise price of stock options and the grant price of SARs awarded under the Plan will not be less than the fair market value of IDACORP's common stock on the date of grant. The value of a performance unit intended to qualify as performance-based compensation under Section 162(m) of the Code shall not exceed the value of a share of common stock.

Subject to adjustment pursuant to the antidilution provisions of the Plan, the total number of shares with respect to which options or SARs may be granted in any calendar year to any covered employee under Section 162(m) of the Code shall not exceed 250,000 shares; (ii) the total number of shares of restricted stock or restricted stock units that are intended to qualify as performance-based compensation under Section 162(m) of the Code that may be granted in any calendar year to any covered employee shall not exceed 250,000 shares or units, as the case may be; (iii) the total number of performance shares or performance units that may be granted in any calendar year to any covered employee shall not exceed 250,000 shares or units, as the case may be; (iv) the total number of shares that are intended to qualify as performance-based compensation under Section 162(m) of the Code granted pursuant



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to Article 10 of the Plan in any calendar year to any covered employee shall not exceed 250,000 shares; (v) the total cash award that is intended to qualify as performance-based compensation under Section 162(m) of the Code that may be paid pursuant to Article 10 of the Plan in any calendar year to any covered employee shall not exceed \$500,000 and (vi) the aggregate amount of dividend equivalents that are intended to qualify as performance-based compensation under Section 162(m) of the Code that a covered employee may receive in any calendar year shall not exceed \$1,000,000.

A "covered employee" means a person specified in Section 162(m) of the Code--generally the chief executive officer and the next four most highly-compensated executive officers.

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The Board of Directors believes that it is in the best interests of IDACORP and its shareholders to receive the full income tax deduction for performance-based compensation paid under the Plan. The Board is therefore asking the shareholders to re-approve, for purposes of Section 162(m) of the Code, the material terms of the performance goals set forth above.

The complete text of the Plan is set forth as Exhibit C hereto. A summary of the material terms of the Plan and the Regulation S-K, Item 201(d) table appear under Item 4 below.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THIS PROPOSAL.

Re-approval of the material terms of the performance goals under the Plan for purposes of Section 162(m) of the Code requires the affirmative vote of a majority of votes cast. Under the laws of the State of Idaho, the matter is approved if the votes cast in favor exceed the votes cast opposing re-approval. Abstentions and broker non-votes will have no effect on the results.

#### 4. APPROVAL OF THE IDACORP 2000 LONG-TERM INCENTIVE AND COMPENSATION PLAN, AS AMENDED

The IDACORP 2000 Long-Term Incentive and Compensation Plan (the "Plan") was approved by the Board of Directors on January 20, 2000 and became effective upon approval by the shareholders at the 2000 Annual Meeting. The Plan was amended in 2001 by the Board of Directors and approved by the shareholders at the 2001 Annual Meeting to increase the number of shares available under the Plan and to increase the Code Section 162(m) limits.

The Board of Directors approved a 1,050,000 increase in the number of shares subject to the Plan and other amendments at its March 17, 2005 meeting, subject to shareholder approval at the 2005 Annual Meeting.

The following is a summary of the material terms of the Plan, as amended. For the complete text of the Plan, please see Exhibit C hereto.

#### Purpose of the Plan

The purpose of the Plan is to promote the success and enhance the value of IDACORP by linking the personal interests of officers, key employees and directors to those of IDACORP's shareholders and customers. The Plan is further intended to assist IDACORP in its ability to motivate, attract and retain the services of participants upon whose judgment, interest and special effort the successful conduct of its operations is largely dependent.

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### Effective Date and Duration

The Plan became effective upon approval by shareholders at the 2000 Annual Meeting, and shall remain in effect, subject to the right of the Board of Directors to terminate the Plan at any time, until all shares subject to the Plan shall have been purchased or acquired.

### Amendments

The Board may, at any time and from time to time, alter, amend, suspend or terminate the Plan in whole or in part, subject to certain restrictions as stated in the Plan.

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### Administration of the Plan

The Plan is administered by the Compensation Committee or such other committee as the Board of Directors shall select consisting solely of two or more members of the Board of Directors (the "Committee"). Subject to the terms of the Plan, the Committee has full power under the Plan to determine persons to receive awards, the type of awards and the terms thereof. The Committee may amend outstanding awards, subject to certain restrictions as stated in the Plan.

### Shares Subject to the Plan

When it became effective, the Plan authorized the grant of up to 750,000 shares of IDACORP common stock, without par value. In 2001, the Board of Directors and shareholders approved an increase of 1,300,000 in the number of shares that may be granted under the Plan. On March 1, 2005, 554,737 shares remained available for issuance. On March 17, 2005, the Board of Directors amended the Plan to increase the number of shares subject to the Plan by 1,050,000 to 3,100,000, subject to shareholder approval. Shares underlying awards that lapse, are forfeited or are not paid in shares may be reused for subsequent awards. If the option exercise price is satisfied by tendering shares, only the net number of shares shall be deemed issued under the Plan. Shares may be authorized but unissued shares of common stock, treasury stock or shares purchased on the open market. The last reported sale price of a share of IDACORP common stock on the New York Stock Exchange on February 28, 2005 was \$28.91.

If a merger, reorganization, consolidation, recapitalization, liquidation, split-up, spin-off, share combination, share exchange, stock split, reverse stock split, stock dividend or other change in the corporate structure of IDACORP affecting the common stock occurs, the Committee shall make such adjustments to outstanding awards, the number and/or kind of shares of stock that may be delivered under the Plan, including the annual limits for Section 162(m) of the Code, and the number and kind and/or price of shares of common stock subject to outstanding awards under the Plan, as it deems appropriate and equitable to prevent dilution or enlargement of participants' rights. The Committee may not amend an outstanding option for the sole purpose of reducing the exercise price thereof.

### Eligibility and Participation

Persons eligible to participate in the Plan include all officers, directors and key employees of IDACORP and its subsidiaries, as determined by the Committee. The approximate number of persons who are currently eligible to participate under the Plan is 70, which includes nine non-management directors.

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### Grants Under the Plan

Internal Revenue Code Section 162(m). The Committee may grant awards under the Plan that are intended to qualify as performance-based compensation under Section 162(m) of the Code.

Subject to adjustment pursuant to the antidilution provisions of the Plan, the total number of shares with respect to which options or SARs may be granted in any calendar year to any covered employee under Section 162(m) of the Code shall not exceed 250,000 shares; (ii) the total number of shares of restricted stock or restricted stock units that are intended to qualify as performance-based compensation under Section 162(m) of the Code that may be granted in any calendar year to any covered employee shall not exceed 250,000 shares or units, as the case may be; (iii) the total number of performance shares or performance units that may be granted in any calendar year to any covered employee shall not exceed 250,000 shares or units, as the case may be; (iv) the total number of shares that are intended to

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qualify as performance-based compensation under Section 162(m) of the Code granted pursuant to Article 10 of the Plan in any calendar year to any covered employee shall not exceed 250,000 shares; (v) the total cash award that is intended to qualify as performance-based compensation under Section 162(m) of the Code that may be paid pursuant to Article 10 of the Plan in any calendar year to any covered employee shall not exceed \$500,000 and (vi) the aggregate amount of dividend equivalents that are intended to qualify as performance-based compensation under Section 162(m) of the Code that a covered employee may receive in any calendar year shall not exceed \$1,000,000. A covered employee means those persons specified in Section 162(m) of the Code, generally the chief executive officer and the next four most highly-compensated executive officers. The value of a performance unit intended to qualify as performance-based compensation under Section 162(m) of the Code shall not exceed the value of a share of common stock.

Stock Options. The Committee may grant incentive stock options ("ISOs") and nonqualified stock options ("NQSOs"). Except in the case of adjustments or grants made under the Plan's adjustment provision (described above under the heading "Shares Subject to the Plan"), and replacement grants made in connection with mergers, acquisitions, reorganizations or similar transactions, the exercise price for each such award shall be not less than the fair market value of a share of IDACORP common stock on the date of grant. Options shall expire at such times and shall have such other terms and conditions as the Committee may determine. Dividend equivalents may also be granted.

The option exercise price is payable in cash or its equivalent, in shares of IDACORP common stock having a fair market value equal to the exercise price, by broker-assisted cashless exercise, by other methods that the Committee may prescribe or any combination of the foregoing.

Stock Appreciation Rights. The Committee may grant SARs with such terms and conditions as the Committee may determine. SARs granted under the Plan may be in the form of freestanding SARs or tandem SARs. Except in the case of adjustments or grants made under the Plan's adjustment provision (described above under the heading "Shares Subject to the Plan"), and replacement grants made in connection with mergers, acquisitions, reorganizations or similar transactions, the base value of a freestanding SAR shall be equal to the fair market value of a share of IDACORP common stock on the date of grant. The base value of a tandem SAR shall be equal to the option exercise price of the related option. Dividend equivalents may also be granted.

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Freestanding SARs may be exercised upon such terms and conditions as are imposed by the Committee. A tandem SAR may be exercised only with respect to the shares of IDACORP common stock for which its related option is exercisable.

Upon exercise of an SAR, a participant will receive the product of the excess of the fair market value of a share of IDACORP common stock on the date of exercise over the base value multiplied by the number of shares with respect to which the SAR is exercised. Payment due to the participant upon exercise may be made in cash, in shares of IDACORP common stock having a fair market value equal to such cash amount, or in a combination of cash and shares, as determined by the Committee.

Restricted Stock and Restricted Stock Units. Restricted stock and restricted stock units may be granted in such amounts and subject to such terms and conditions as determined by the Committee. The Committee may establish performance goals, as described below, for restricted stock and restricted stock units.

Participants holding restricted stock may exercise full voting rights with respect to those shares during the restricted period and, subject to the Committee's right to determine otherwise, will receive regular cash dividends. All other distributions paid with respect to the restricted stock shall be credited,

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subject to the same restrictions on transferability and forfeitability as the shares of restricted stock with respect to which they were paid. Dividend equivalents may be granted on restricted stock units.

Performance Units and Performance Shares. Performance units and performance shares may be granted in such amounts and subject to such terms and conditions as determined by the Committee. The Committee shall set performance goals, which, depending on the extent to which they are met during the performance periods established by the Committee, will determine the number and/or value of performance units/shares that will be paid out to participants. Dividend equivalents may also be granted.

Participants shall receive payment of the value of performance units/shares earned after the end of the performance period. Payment of performance units/shares shall be made in cash and/or shares of common stock which have an aggregate fair market value equal to the value of the earned performance units/shares at the end of the applicable performance period, in such combination as the Committee determines. Shares may be granted subject to any restrictions deemed appropriate by the Committee.

Other Awards. The Committee may make other awards which may include, without limitation, the grant of shares of common stock based upon attainment of performance goals established by the Committee as described below, the payment of shares in lieu of cash or cash based on performance goals and the payment of shares in lieu of cash under other IDACORP incentive or bonus programs.

Taxes. Awards, and amounts distributed pursuant to awards, under the Plan may result in tax withholding obligations. Share withholding for taxes is permitted.

Performance Goals. Performance goals, which are established by the Committee, shall be based on one or more of the following measures: sales or revenues, earnings per share, shareholder return and/or value, funds from

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operations, operating income, gross income, net income, cash flow, return on equity, return on capital, earnings before interest, operating ratios, stock price, customer satisfaction, accomplishment of mergers, acquisitions, dispositions or similar extraordinary business transactions, profit returns and margins, financial return ratios, budget achievement, performance against budget and/or market performance. Budget achievement and performance against budget achievement were added to the list of available performance measures under the Plan pursuant to the Plan amendments approved by the Board of Directors at its March 17, 2005 meeting. Performance goals may be measured solely on a corporate, subsidiary or business unit basis, or a combination thereof. Performance goals may reflect absolute entity performance or a relative comparison of entity performance to the performance of a peer group of entities or other external measure.

### Termination of Employment or Board Service

Each award agreement shall set forth the participant's rights with respect to each award following termination of employment with the Company or service on the Board of Directors.

### Transferability

Except as otherwise determined by the Committee and subject to the provisions of the Plan, awards may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution, and a participant's rights shall be exercisable only by the participant or the participant's legal representative during his or her lifetime.

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### Change in Control

Upon a change in control, as defined below,

- (a) Any and all options and SARs granted under the Plan shall become immediately vested and exercisable;
- (b) Any restriction periods and restrictions imposed on restricted stock, restricted stock units, qualified restricted stock and qualified restricted stock units shall be deemed to have expired; any performance goals shall be deemed to have been met at the target level; restricted stock and qualified restricted stock shall become immediately vested in full and restricted stock units and qualified restricted stock units shall be paid out in cash; and
- (c) The target payout opportunity attainable under all outstanding awards of performance units and performance shares and any other awards not described above shall be deemed to have been fully earned for the entire performance period(s) as of the effective date of the change in control. All such awards shall become immediately vested. All performance shares and other awards granted pursuant to Article 10 that are denominated in shares shall be paid out in shares, and all performance units and other awards granted pursuant to Article 10 shall be paid out in cash.

For purposes of the above, a change in control of IDACORP means the earliest of the following events to occur: (i) the announcement of an acquisition by a party or certain related parties of 20% or more of IDACORP's outstanding voting stock; (ii) the commencement of a tender or exchange offer

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which would result in a person owning 30% or more of IDACORP's outstanding voting stock; (iii) the announcement of a transaction required to be described under Item 6(e) of the proxy rules; (iv) a proposed change in a majority of the Board of Directors within a two-year period without the approval of two-thirds of the Board; (v) entry into a merger or similar agreement, after which IDACORP's shareholders would hold less than two-thirds of the voting power of the surviving entity; (vi) Board approval of a plan of liquidation or sale of all or substantially all of IDACORP's assets and (vii) any other event deemed by the Executive Committee to be a change in control.

### Award Information

#### Option Grants Under IDACORP 2000 Long-Term Incentive and Compensation Plan

Name and Position	Number of Securities Underlying Options Granted	Exercise Price Per Share	Expi
Jan B. Packwood	100,000	\$35.810	7
President & Chief	60,000	\$40.310	1
Executive Officer	91,000	\$39.500	1
	136,000	\$22.920	3
	33,800	\$31.210	1
J. LaMont Keen	40,000	\$35.810	7
Executive Vice President	30,000	\$40.310	1
	44,000	\$39.500	1
	65,000	\$22.920	3
	16,600	\$31.210	1

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Name and Position	Number of Securities Underlying Options Granted	Exercise Price Per Share	Expi
Darrel T. Anderson	4,000	\$40.310	1
Sr. Vice President -	6,000	\$39.500	1
Administrative Services and	1,000	\$38.680	2
Chief Financial Officer	35,000	\$22.920	3
	9,900	\$31.210	1
Robert W. Stahman	4,000	\$40.310	1
Vice President, General Counsel	6,000	\$39.500	1
and Secretary	9,000	\$22.920	3
(Retired)	3,900	\$31.210	1
A. Bryan Kearney	4,000	\$40.310	1
Vice President and Chief	6,000	\$39.500	1
Information Officer	9,000	\$22.920	3
	3,600	\$31.210	1
Gregory W. Panter	4,000	\$39.500	1

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Vice President - Public Affairs	6,000	\$22.920	3
	2,700	\$31.210	1
All current IDACORP executive officers as a group	140,000	\$35.810	7
	102,000	\$40.310	1
	159,000	\$39.500	1
	1,000	\$38.680	2
	264,000	\$22.920	3
	72,900	\$31.210	1
All current directors who are not executive officers as a group	18,000	\$39.500	1
	21,000	\$31.210	1
	3,000	\$30.480	3
	13,500	\$30.460	3
	3,000	\$26.490	6
Each nominee for election as a director			
Jack K. Lemley	3,000	\$39.500	1
	3,000	\$31.210	1
	2,250	\$30.460	3
Richard G. Reiten	3,000	\$31.210	1
Joan H. Smith	3,000	\$26.490	6
Thomas J. Wilford	3,000	\$30.480	3
Each associate of such persons	0		

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Name and Position	Number of Securities Underlying Options Granted	Exercise Price Per Share	Expi
Each other person who received 5% of such options	0		
All employees, including all current officers who are not executive officers, as a group	220,000	\$35.810	7
	174,000	\$40.310	1
	100,000	\$37.730	6
	324,000	\$39.500	1
	1,000	\$38.680	2
	412,000	\$22.920	3
	14,000	\$25.000	4
	5,000	\$24.800	5
	142,100	\$31.210	1

It is not possible to determine awards that will be made in the future pursuant to the Plan.

Federal Income Tax Consequences

The following is a brief summary of the principal federal income tax consequences relating to options awarded under the Plan. This summary is based

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on IDACORP's understanding of present federal income tax law and regulations. The summary does not purport to be complete or applicable to every specific situation.

Capitalized terms not defined herein, which are defined in the Plan, shall have the meanings set forth in the Plan.

### Consequences to the Optionholder

**Grant.** There are no federal income tax consequences to the optionholder solely by reason of the grant of ISOs or NQSOs under the Plan.

**Exercise.** The exercise of an ISO is not a taxable event for regular federal income tax purposes if certain requirements are satisfied, including the requirement that the optionholder generally must exercise the ISO no later than three months following the termination of the optionholder's employment. However, such exercise may give rise to alternative minimum tax liability (see "Alternative Minimum Tax" below).

Upon the exercise of a NQSO, the optionholder will generally recognize ordinary income in an amount equal to the excess of the fair market value of the shares of IDACORP common stock at the time of exercise over the amount paid therefor by the optionholder as the exercise price. The ordinary income, if any, recognized in connection with the exercise by an optionholder of a NQSO will be subject to both wage and employment tax withholding.

The optionholder's tax basis in the shares acquired pursuant to the exercise of an option will be the amount paid upon exercise plus, in the case of a NQSO, the amount of ordinary income, if any, recognized by the optionholder upon exercise thereof.

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**Qualifying Disposition.** If an optionholder disposes of shares of IDACORP common stock acquired upon exercise of an ISO in a taxable transaction, and such disposition occurs more than two years from the date on which the option was granted and more than one year after the date on which the shares were transferred to the optionholder pursuant to the exercise of the ISO, the optionholder will recognize long-term capital gain or loss equal to the difference between the amount realized upon such disposition and the optionholder's adjusted basis in such shares (generally the option exercise price).

**Disqualifying Disposition.** If the optionholder disposes of shares of IDACORP common stock acquired upon the exercise of an ISO (other than in certain tax-free transactions) within two years from the date on which the ISO was granted or within one year after the transfer of shares to the optionholder pursuant to the exercise of the ISO, at the time of disposition the optionholder will generally recognize ordinary income equal to the lesser of (i) the excess of each such share's fair market value on the date of exercise over the exercise price paid by the optionholder or (ii) the optionholder's actual gain (i.e., the excess, if any, of the amount realized on the disposition over the exercise price paid by the optionholder). If the total amount realized in a taxable disposition (including return of capital and capital gain) exceeds the fair market value on the date of exercise of the shares of IDACORP common stock purchased by the optionholder under the option, the optionholder will recognize a capital gain in the amount of such excess. If the optionholder incurs a loss on the disposition (i.e., if the total amount realized is less than the exercise price paid by the optionholder), the loss will be a capital loss.



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Other Disposition. If an optionholder disposes of shares of IDACORP common stock acquired upon exercise of a NQSO in a taxable transaction, the optionholder will recognize capital gain or loss in an amount equal to the difference between the optionholder's basis (as discussed above) in the shares sold and the total amount realized upon disposition. Any such capital gain or loss (and any capital gain or loss recognized on a disqualifying disposition of shares of IDACORP common stock acquired upon exercise of ISOs as discussed above) will be short-term or long-term depending on whether the shares of IDACORP common stock were held for more than one year from the date such shares were transferred to the optionholder.

Alternative Minimum Tax. Alternative minimum tax ("AMT") is payable if and to the extent the amount thereof exceeds the amount of the taxpayer's regular tax liability, and any AMT paid generally may be credited against future regular tax liability (but not future AMT liability). AMT applies to alternative minimum taxable income.

For AMT purposes, the spread upon exercise of an ISO (but not a NQSO) will be included in alternative minimum taxable income, and the taxpayer will receive a tax basis equal to the fair market value of the shares of IDACORP common stock at such time for subsequent AMT purposes. However, if the optionholder disposes of the ISO shares in the year of exercise, the AMT income cannot exceed the gain recognized for regular tax purposes, provided that the disposition meets certain third-party requirements for limiting the gain on a disqualifying disposition. If there is a disqualifying disposition in a year other than the year of exercise, the income on the disqualifying disposition is not considered alternative minimum taxable income.

### Consequences to IDACORP

There are no federal income tax consequences to IDACORP by reason of the grant of ISOs or NQSOs or the exercise of an ISO (unless the exercise involves a disqualifying disposition).

At the time the optionholder recognizes ordinary income from the exercise of a NQSO, IDACORP will be entitled to a federal income tax deduction in the amount of the ordinary income so recognized (as described above), provided that IDACORP satisfies its reporting obligations described below. To the

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extent the optionholder recognizes ordinary income by reason of a disqualifying disposition of the stock acquired upon exercise of an ISO, IDACORP will be entitled to a corresponding deduction in the year in which the disposition occurs.

IDACORP will be required to report to the Internal Revenue Service any ordinary income recognized by any optionholder by reason of the exercise of a NQSO. IDACORP will be required to withhold income and employment taxes (and pay the employer's share of employment taxes) with respect to ordinary income recognized by the optionholder upon the exercise of NQSOs.

### Other Tax Consequences

The foregoing discussion is not a complete description of the federal income tax aspects of options granted under the Plan. In addition, administrative and judicial interpretations of the application of the federal income tax laws are subject to change. Furthermore, the foregoing discussion does not address state or local tax consequences.

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THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THIS PROPOSAL.

Approval of the Plan as amended for New York Stock Exchange purposes requires the affirmative vote of a majority of the votes cast, provided that the total votes cast represent over 50% in interest of all securities entitled to vote on the matter. Under the laws of the State of Idaho, the Plan, as amended, will be approved if the votes cast in favor exceed the votes cast opposing the matter. Abstentions and broker non-votes will have no effect on the results, provided that the total votes cast represent over 50% in interest of all securities entitled to vote on the matter.

### Equity Compensation Plan Information:

The following table includes information as of December 31, 2004 with respect to equity compensation plans where equity securities of IDACORP may be issued. These plans are the 1994 Restricted Stock Plan (RSP), the IDACORP 2000 Long-Term Incentive and Compensation Plan (LTICP) and the Non-Employee Director Stock Compensation Plan (DSP).

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance of equity compensation plans (excluding those reflected in column (a))
Equity compensation plans approved by shareholders (1)	1,238,050	\$32.581	862,106 (2) (3)
Equity compensation plans not approved by shareholders (4)	-	-	65,066
<b>Total</b>	<b>1,238,050</b>	<b>\$32.581</b>	<b>927,172</b>

(1) Consists of the RSP and the LTICP.

(2) In addition to being available for future issuance upon exercise of options, 800,050 shares under the LTICP may instead be issued in connection with stock appreciation rights, restricted stock, restricted stock units, performance units, performance shares or other equity-based awards.

(3) 62,056 shares remain available for future issuance under the RSP.

(4) Consists of shares available for future issuance under the DSP.

### Equity Compensation Plans Not Approved by IDACORP Shareholders

The DSP was adopted by the Board of Directors effective May 17, 1999. The purpose of the DSP is to increase Directors stock ownership through stock-based director compensation. The DSP initially provided for an annual stock grant in June of each year valued at \$6,000 with a maximum number of shares available under the plan of 10,500. Effective January 1, 2000, the DSP was amended to increase the annual grant to stock valued at \$8,000. Effective April 1, 2002,

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the number of shares available under the plan was increased to 100,000 and the annual grant was increased to \$16,000 in part to offset the termination of the directors non-qualified deferred compensation plan. On January 20, 2005, the annual grant was increased to stock valued at \$40,000 and the grant date changed to February of each year. The plan provides for a total of 100,000 shares that may be granted from treasury stock or stock purchased on the open market.

### 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 discussed below, they have not been informed that any other matter will be presented to the meeting by others. One shareholder submitted a proposal for inclusion in the proxy statement, which IDACORP has omitted pursuant to Rule 14a-8 of the Securities and Exchange Commission's proxy rules. Shareholders entitled to vote who comply with the Company's advance notice bylaw provisions may present proposals at the annual meeting. If this shareholder complies with the advance notice bylaw provisions and properly presents his proposal at the Annual Meeting, it is the intention of the persons named in the proxy to vote against such proposal. 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.

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### SECURITY OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth the number of shares of IDACORP common stock beneficially owned on March 1, 2005, by the Directors and nominees, by those Executive Officers named in the Summary Compensation Table and by the Directors and Executive Officers of IDACORP as a group:

Title of Class	Name of Beneficial Owner	Amount of Beneficial Ownership(1)	Stock Options(2)
Common Stock	Rotchford L. Barker	17,817	3,300
Common Stock	J. LaMont Keen(3)	154,727	111,720
Common Stock	Jack K. Lemley(4)	9,317	3,300
Common Stock	Gary G. Michael	10,408	3,300
Common Stock	Jon H. Miller	8,317	3,300
Common Stock	Peter S. O'Neill	9,592	3,300
Common Stock	Jan B. Packwood	341,188	243,760
Common Stock	Richard G. Reiten	3,536	600
Common Stock	Joan H. Smith	1,936	-0-
Common Stock	Robert A. Tinstman	10,817	3,300
Common Stock	Thomas J. Wilford	3,236	600
Common Stock	Robert W. Stahman(5)	24,605	6,600
Common Stock	Darrel T. Anderson	37,624	23,380
Common Stock	A. Bryan Kearney	19,386	11,120
Common Stock	Gregory W. Panter	11,610	5,340
Common Stock	All Directors and Executive Officers of IDACORP as a group (19 persons)	684,242	426,200

\*Less than 1 percent.

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- (1) Includes shares of common stock subject to forfeiture and restrictions on transfer granted pursuant to the 1994 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. Keen disclaims all beneficial ownership of the 197 shares owned by his wife.
- (4) Mr. Lemley disclaims all beneficial ownership of the 2,500 shares owned by his wife.
- (5) Mr. Stahman disclaims all beneficial ownership of the 27 shares held by his wife for children.

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

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### SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

IDACORP's directors and executive officers are required to file initial reports of ownership and reports of changes of ownership of IDACORP common stock with the Securities and Exchange Commission. Based solely upon a review of these filings furnished to IDACORP for 2004 or written representations from IDACORP directors and executive officers that no Form 5 was required, IDACORP believes that all required filings were timely made in 2004, except for Lori D. Smith for whom an amended Form 3 was filed. The initial Form 3 filed by Ms. Smith did not include shares of IDACORP common stock held by her spouse in his 401-k plan or those of her spouse's mother held by her spouse as conservator.

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### COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

#### REPORT OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS ON EXECUTIVE COMPENSATION

#### GENERAL

The Compensation Committee (the "Committee") of IDACORP (the "Company") established all components of 2004 compensation for the Chief Executive Officer and the executive officers of the Company. The Company's executive officers also serve as executive officers of Idaho Power Company, the Company's primary subsidiary. Compensation paid to the executive officers and discussed here is for their services to the Company and all subsidiaries. The Committee is composed of three non-employee Directors who qualify as independent under the listing standards of the New York Stock Exchange. The Committee operates under a written charter which is posted at the Company's website at [www.idacorpinc.com](http://www.idacorpinc.com).

As part of its function, the Committee discharges the responsibilities of

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the Board of Directors relating to compensation of the Chief Executive Officer and the executive officers and oversight of the Company's compensation and employee benefit plans and practices. The Committee has the direct responsibility to (1) review and approve corporate goals and objectives relevant to Chief Executive Officer compensation, (2) evaluate the Chief Executive Officer's performance in light of those goals and objectives, (3) either as a committee or together with the other independent directors (as directed by the Board), determine and approve the Chief Executive Officer's compensation level based on this evaluation, (4) make recommendations to the Board with respect to non-Chief Executive Officer compensation and incentive-compensation plans and equity-based plans that are subject to Board approval, (5) produce the Compensation Committee report on executive officer compensation as required by the Securities and Exchange Commission to be included in the Company's proxy statement for the annual meeting of shareholders and (6) oversee the Company's compensation and employee benefit plans and practices. Following the development of recommendations by the Committee, all issues related to executive compensation are submitted to the other independent directors of the Board of Directors for approval. The independent directors approved, without modification, all executive compensation recommendations of the Committee for 2004. The Committee retains an outside consultant specializing in executive compensation to provide expertise on the Committee's various responsibilities and other matters coming before the Committee. The outside consultant does not do other work for the Company.

### COMPENSATION PHILOSOPHY

The Company's compensation philosophy is designed to:

1. manage employee compensation as an investment with the expectation that employees will contribute to the Company's overall success;
2. be competitive with respect to those companies in the markets in which we compete for employees, allowing the Company to successfully attract and retain the qualified employees necessary for long-term success;
3. recognize individuals for their demonstrated ability to perform their responsibilities and create long-term shareholder value; and
4. balance total compensation with the Company's ability to pay.

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### COMPENSATION MARKET FOR 2004

As required by its charter, the Committee reviewed the Company's executive compensation program for 2004, including the goals and objectives of the program, general and utility industry compensation surveys and compensation levels at the peer group of companies used for comparison purposes. The previous peer group of companies was fourteen electric utility holding companies with similar business lines and average annual revenues of \$2.2 billion. After review, the Committee determined that with the 2003 wind-down of IDACORP Energy L.P., the IDACORP energy marketing subsidiary, this peer group of companies did not appropriately reflect the size and complexity of the Company. In July 2003, the Committee selected twelve comparable electric utility holding companies with median annual revenues of \$1.2 billion as the appropriate group for future compensation purposes. While this group is different from the EEI 100 Electric Utilities Index used in the performance graph, the Committee believes this group is representative of the Company's size, complexity and diversity and is appropriate for compensation purposes.

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### 2004 BASE SALARIES

The Committee reviews salary ranges for the Chief Executive Officer and the executive officers annually, using salary comparisons for similar positions in general and utility industry compensation surveys and in the twelve comparable electric utility holding companies referred to above. However, in January 2004, the Committee decided that because 2003 had been a difficult financial year, the dividend had been reduced to provide funding for future growth and drought conditions were expected to continue into 2004, 2003 base salary levels for management would not be adjusted. Therefore, the Chief Executive Officer and the named executive officers, except for one executive officer who had been recently promoted, received no base salary increases for 2004.

### SHORT-TERM INCENTIVE COMPENSATION

The Executive Incentive Plan ties a portion of the annual compensation of the Chief Executive Officer and each executive officer to achieving a specified financial goal. For 2004, the established financial goal was pre-incentive earnings on common stock for IDACORP with a threshold, target and maximum level. The threshold level for earnings on common stock was set at \$67.5 million, with the target at \$75.1 million and the maximum set at \$82.1 million. The award opportunities varied by position as a percentage of base salary with the award opportunities for the Chief Executive Officer and the executive officers ranging from the threshold level of 15 percent to a maximum of 100 percent. The Executive Incentive Plan does not permit the payment of awards unless there is payment of awards under the Employee Incentive Plan. The performance levels within the financial goal were established based upon forecasted performance for 2004. In 2004, IDACORP's pre-incentive earnings on common stock were \$81.76 million and, as a result, executive officers received an award equal to 97.6 percent of their maximum award opportunity permitted under the Executive Incentive Plan. Awards under the Executive Incentive Plan are reflected in the bonus column of the Summary Compensation Table.

### LONG-TERM INCENTIVE COMPENSATION

Long-term incentive grants are intended to develop and retain strong management through share ownership, recognize future performance and maximize shareholder value. Restricted stock, performance shares and stock options were granted to the Chief Executive Officer and the other executive officers in 2004.

The value of each grant is set by the Committee based on a comparison by position with general and utility industry compensation surveys and compensation levels at the comparison group and is targeted near the median level.

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#### 1. Restricted Stock Plan

##### a. 2002 Performance Share Grant

In January 2002, a grant of performance shares was made to the executive officers including the Chief Executive Officer under the 1994 Restricted Stock Plan. That grant was for a three year restricted period through December 31, 2004, with a target Cumulative Earnings Per Share ("CEPS") of \$9.25. The total CEPS for the three-year restricted period was \$4.75 resulting in these shares being forfeited.

##### b. 2004 Restricted Stock/Performance Share Grants

###### (i) Restricted Stock

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In January 2004, a grant of restricted stock under the Restricted Stock Plan was made. These shares vest on December 31, 2007. To receive a final share award, the Chief Executive Officer and each executive officer must remain employed (with certain exceptions) with the Company during the entire restricted period. Dividends are paid on the shares during the restricted period and are not subject to forfeiture.

### (ii) Performance Shares

A grant of performance shares under the Restricted Stock Plan was made in January 2004, with a three-year restricted period beginning January 1, 2004 and ending December 31, 2006, with a single financial performance goal of CEPS. To receive a final share award, the Chief Executive Officer and each executive officer must remain employed, as an officer, during the entire restricted period (with certain exceptions), and IDACORP must achieve the CEPS performance goal established by the Committee. Dividends are paid on the performance shares at the target level during the restricted period and are not subject to forfeiture.

The restricted stock and performance share grants (expressed as a percentage of base salary converted into shares of stock based upon the closing stock price for a share of IDACORP common stock on December 31 of the year preceding the grant) varied by position. The restricted stock percentage for the Chief Executive Officer is targeted at 45 percent. For all other executive officers, the target percentages range from 15 percent to 37 percent. The performance share percentages for the Chief Executive Officer range from 23 percent if CEPS are earned at the threshold level to a maximum of 68 percent if CEPS are earned at the maximum level. For all other executive officers, the percentages range from a threshold level of 8 percent to a maximum of 55 percent. The Committee established the grant percentages for restricted stock and performance share grants as part of its annual executive compensation review, and the 2004 grants when combined with other forms of long-term incentive were at a level above the median target levels among the comparison group.

## 2. Stock Options

In January 2004, stock options were granted to the Chief Executive Officer and the executive officers under the IDACORP 2000 Long-Term Incentive and Compensation Plan. The exercise price of these options is equal to the fair market value of IDACORP's common stock on the date of grant. The options vest ratably over five years (20% per year). The size of each award was determined based on the criteria for awarding long-term incentives discussed above and ranged from 2,700 to 9,900 options for each of the Vice Presidents and Senior Vice Presidents, to 16,600 options for the Executive Vice President to 33,800 options for the Chief Executive Officer.

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The 2004 compensation paid to IDACORP executive officers qualified as fully deductible under federal tax laws. The Committee continues to review the impact of federal tax laws on executive compensation, including Section 162(m) of the Internal Revenue Code.

### CHIEF EXECUTIVE OFFICER COMPENSATION - 2004

As discussed above, the Committee determined not to increase Mr. Packwood's base salary for 2004. His 2004 total compensation package (base salary and the opportunity at the target level in the short-term and long-term incentive

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compensation components) was approximately 21.7 percent above the median level of the total compensation packages for Chief Executive Officers for the new comparison group. The Committee determined that based upon Mr. Packwood's experience in the Chief Executive Officer position and the leadership he had provided the Company in the successful wind down of IDACORP Energy, working through the Western energy crisis and transitioning the Company from a trading environment back to a traditional utility environment merited a total compensation package at a level above the median in the comparison group.

### 1. Executive Incentive Plan

Mr. Packwood is a participant in the Executive Incentive Plan with a 2004 award opportunity that ranged from a threshold level of 25 percent to a maximum of 100 percent of base salary. This award level was established based upon the executive officer compensation review referenced above. In 2004, the Company achieved 97.6 percent of the IDACORP pre-incentive earnings on common stock goal, and as a result, Mr. Packwood received an award under the Executive Incentive Plan of 97.6 percent of his base salary. This award is reflected in the bonus column of the Summary Compensation Table.

### 2. Long Term Incentive

#### a. 2002 Performance Share Grant

In January 2002, a target grant of 5,000 performance shares was made to Mr. Packwood under the Restricted Stock Plan for a three-year restricted period through December 31, 2004. As discussed above, the Company did not achieve the minimum level of performance for the three-year restricted period and as a result, those shares were forfeited.

#### b. 2004 Restricted Stock/Performance Share Grants

##### (i) Restricted Stock

Mr. Packwood received a grant of restricted stock equal to 45 percent of his base salary in 2004. These shares vest on December 31, 2007 if he remains continuously employed (with certain exceptions) with the Company during the entire restricted period. Dividends are paid on the shares during the restricted period and are not subject to forfeiture.

##### (ii) Performance Shares

Mr. Packwood received a grant of performance shares at the target level of 45 percent of his base salary in 2004 and will receive a final share award after the restricted period ends in December 2006 if he remains employed by the Company as an officer during the entire restricted period (with certain exceptions) and IDACORP achieves its CEPS performance goal established by the Committee. The performance share percentages for Mr. Packwood range from a threshold level of 23 percent to a maximum of 68 percent. Dividends are paid on the performance shares at the target level during the restricted period and are not subject to forfeiture.

In addition, Mr. Packwood received a stock option grant of 33,765 shares in January 2004 under the IDACORP 2000 Long-Term Incentive and Compensation Plan with an exercise price set at fair market value on the date of grant. The stock options vest ratably over a five-year period (20% per year) contingent upon Mr. Packwood's continued employment with the Company.



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Robert A. Tinstman, Chairman  
 Peter S. O'Neill  
 Richard G. Reiten

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SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION	YEAR	ANNUAL COMPENSATION		LONG-TERM COMPENSATION	
		SALARY (\$)	BONUS (\$)	RESTRICTED STOCK AWARD (\$)	SECURITIES UNDERLYING STOCK OPTIONS/SARs (#)
Jan B. Packwood President and Chief Executive Officer	2004	580,000	566,138	261,000 (1)	33,800
	2003	580,000	-0-	203,000	136,000
	2002	580,000	-0-	203,000	91,000
J. LaMont Keen Executive Vice President	2004	350,000	273,315	128,100 (1)	16,600
	2003	350,000	-0-	105,000	65,000
	2002	350,000	-0-	105,000	44,000
Darrel T. Anderson Senior Vice President - Administrative Services and Chief Financial Officer	2004	210,000	163,989	76,900 (1)	9,900
	2003	185,000	-0-	55,500	35,000
	2002	185,000	-0-	55,500	7,000
Robert W. Stahman Vice President, General Counsel and Secretary (Retired)	2004	200,000	117,140	30,000 (1)	3,900
	2003	200,000	-0-	50,000	9,000
	2002	200,000	-0-	50,000	6,000
A. Bryan Kearney Vice President & Chief Information Officer	2004	183,000	107,183	27,500 (1)	3,600
	2003	183,000	-0-	45,750	9,000
	2002	183,000	-0-	45,750	6,000
Gregory W. Panter Vice President, Public Affairs	2004	138,000	80,827	20,700 (1)	2,700
	2003	138,000	-0-	34,500	6,000
	2002	138,000	-0-	34,500	4,000

(1) Includes restricted stock that vests on December 31, 2007 and performance shares at target level with a three-year performance period. Dividends are paid on the restricted stock and on the performance shares at target level when and as paid on the IDACORP common stock and are included in the "All Other Compensation" column. The aggregate restricted stock holdings as of December 31, 2004 are as follows: Mr. Packwood - 30,622 (\$936,114); Mr.

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Keen - 15,377 (\$470,074); Mr. Anderson - 8,742 (\$267,242); Mr. Stahman - 5,252 (\$160,553); Mr. Kearny - 4,808 (\$146,980) and Mr. Panter 3,623 (\$110,755).

- (2) Represents the Company's contribution to the Employee Savings Plan (401-k plan) and dividends paid on restricted stock and performance shares, as follows:

	401-k -----	Dividends -----
Mr. Packwood	8,030	32,582
Mr. Keen	8,200	16,434
Mr. Anderson	7,831	9,185
Mr. Stahman	7,999	5,975
Mr. Kearney	7,039	5,470
Mr. Panter	5,281	4,123

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### OPTION / SAR GRANTS IN FISCAL YEAR 2004

Name -----	Number of Securities Underlying Options / SARs Granted (#) (1) -----	% of Total Options / SARs Granted to Employees in Fiscal Year 2004 -----	Exercise or Base Price (\$ / Share) -----	Expiration Date -----
Jan B. Packwood	33,800	23.8	31.21	January 14, 2014
J. LaMont Keen	16,600	11.7	31.21	January 14, 2014
Darrel T. Anderson	9,900	7.0	31.21	January 14, 2014
Robert W. Stahman	3,900	2.7	31.21	January 14, 2014
A. Bryan Kearney	3,600	2.5	31.21	January 14, 2014
Gregory W. Panter	2,700	1.9	31.21	January 14, 2014

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- (1) Options were granted pursuant to the 2000 Long-Term Incentive and Compensation Plan. The options vest 20% per year and accelerate upon a change in control.
- (2) The grant date values were calculated using a binomial option-pricing model. Options were assumed to be exercised seven years after the date of grant. A risk-free interest rate of 3.97%, stock price volatility of 29% and a dividend yield of 3.84% were used in the calculation of the fair value of the option grant. The actual value of the options will depend on the market value of the Company's common stock on the dates the options are exercised. No realization of value from the options is possible without an increase in the price of the Company's common stock, which would benefit all shareholders commensurately.

### AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR AND FISCAL YEAR-END OPTION/SAR VALUES

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Name	Shares Acquired On Exercise	Value Realized (\$)	Number Of Securities Underlying Unexercised Options/SARs At Fiscal Year-End (1)		Value Of
			(#) Exercisable	(#) Unexercisable	In-The-Mone At Fisca (\$) Exercisable
Jan B. Packwood	-	-	179,600	241,200	208,080
J. LaMont Keen	-	-	80,600	115,000	99,450
Darrel T. Anderson	-	-	12,200	43,700	53,550
Robert W. Stahman	-	-	6,600	16,300	13,770
A. Bryan Kearney	-	-	6,600	16,000	13,770
Gregory W. Panter	-	-	2,800	9,900	9,180

(1) Vesting is accelerated upon a change in control.

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DIRECTOR COMPENSATION

All Directors of IDACORP also serve as directors of Idaho Power Company. The compensation discussed in this section is for service on both boards. During 2004, each Director who was not an employee of IDACORP received \$1,000 for each Board meeting and for each committee meeting attended (this amount has increased to \$1,250 in 2005). Non-employee Directors who are chairmen of Board committees received monthly retainers in excess of other non-employee directors. The Chairman of the Audit Committee received \$2,295 per month (this amount has increased to \$3,125 in 2005). The Chairman of the Compensation Committee received \$2,295 per month (this amount has increased to \$2,916 in 2005) and the Chairman of the Corporate Governance Committee received \$1,962 per month (this amount has increased to \$2,583 in 2005); other non-employee Directors received \$1,670 per month (this amount has increased to \$2,083 in 2005). In addition, each non-employee Director including the non-executive Chairman received an annual stock grant under the Non-Employee Director Compensation Plan of IDACORP common stock equal to approximately \$16,000, or 611 shares, in June of 2004 (this amount has increased to \$40,000 in 2005). Each non-employee Director including the non-executive Chairman received a regularly scheduled grant under the IDACORP 2000 Long-Term Incentive and Compensation Plan in January of 2004 of 3,000 stock options vesting ratably over five years (there will be no stock options granted to Directors in 2005). Mr. Miller, as non-executive Chairman of the Board, received a monthly retainer of \$6,500 (this amount has increased to \$7,000 in 2005). Mr. Miller does not receive meeting fees for either Board or committee meetings.

Some of the IDACORP Directors serve on subsidiary boards. During 2004, each Director on a subsidiary board (other than Idaho Power) who was not an employee of IDACORP or any of its subsidiaries received meeting fees and a monthly retainer. Messrs. Lemley, Reiten and Tinstman serve on the IDACORP Technologies, Inc. board of directors. During 2004, they received \$600 for each board meeting attended and a monthly retainer of \$750. IDACORP Technologies held four meetings in 2004. Mr. O'Neill serves on the IDACORP Financial Services board of directors. During 2004, he received \$600 for each board meeting attended and a monthly retainer of \$750. IDACORP Financial Services held four meetings in 2004. Ms. Smith serves on the IDACOMM, Inc. board of directors. During 2004, she received \$600 for each board meeting and a monthly retainer of \$750 which was

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first paid in July of 2004. Ms. Smith attended three meetings in 2004.

Directors may defer all or a portion of any retainers and meeting fees under a deferred compensation plan. Under the plan, at retirement, Directors may elect to receive one lump-sum payment of all amounts deferred with interest (the interest rate is equal to the Moody's Long-Term Corporate Bond Yield Average rate, plus three percent), or a series of up to 10 equal annual payments, depending upon the specific deferral arrangement. A special account is maintained on the books showing the amounts deferred and the interest accrued thereon.

### EMPLOYMENT CONTRACTS AND CHANGE OF CONTROL AGREEMENTS

On January 3, 2005, IDACORP, Inc. and all subsidiaries and affiliates, entered into a Consulting Agreement with Robert W. Stahman. Mr. Stahman, formerly Vice President, General Counsel and Secretary for the Company, retired on December 31, 2004. The Consulting Agreement is for a two year term commencing January 3, 2005 and is subject to automatic one year extensions on each anniversary following January 3, 2006, unless either party gives 90 days prior written notice not to extend. The Consulting Agreement provides that Mr. Stahman will provide legal services that may be required by the Company from time to time during the term and that the Company will compensate him at the rate of \$200 per hour. Mr. Stahman will not work more than 100 hours per month or more than 1,000 hours prior to January 3, 2007 without prior written consent. IDACORP may terminate the Consulting Agreement for cause.

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IDACORP has entered into Change of Control Agreements with the Named Executive Officers, except Mr. Stahman. The Agreements become effective for a three-year period upon a change of control of IDACORP. If a change of control occurs, the Agreements provide that specified payments and benefits would be paid in the event of termination of the Executive's employment (i) by IDACORP, other than for cause, death or disability, or (ii) by the Executive for constructive discharge or retirement, at any time when the Agreements are in effect. In such event, each of the Named Executive Officers would receive payment of an amount equal to two and one-half times his or her annual compensation, which shall be the highest combined amount of base salary and bonus received by the Named Executive Officer in any one of the five years preceding termination. In addition, under these Agreements, each of the Named Executive Officers would receive (i) the immediate vesting of restricted stock granted prior to the change in control; (ii) outplacement services for 12 months not to exceed \$12,000 and (iii) all benefits for a period of 24 months under the welfare benefit plans.

For these purposes "cause" means the Executive's fraud or dishonesty which has resulted or is likely to result in material economic damage to IDACORP or a subsidiary of IDACORP, as determined in good faith by a vote of at least two-thirds of the non-employee directors of IDACORP at a meeting of the Board at which the executive is provided an opportunity to be heard. "Constructive discharge" includes material failure by IDACORP to comply with the Agreement, relocation and certain reductions in compensation.

A "change of control" is defined as (i) the acquisition by a party or certain related parties of 20% or more of IDACORP's voting securities; (ii) a purchase by a person of 20% or more of the outstanding stock pursuant to a tender or exchange offer; (iii) shareholder approval of a merger or similar transaction after which IDACORP's shareholders will hold 50% or less of the voting securities of the surviving entity or (iv) a change in a majority of the Board of Directors within a 24-month period without the approval of two-thirds

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of the members of the Board.

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### PERFORMANCE GRAPH

Source: Bloomberg and Edison Electric Institute

Comparison of Cumulative Total Shareholder Return  
\$100 Invested December 31, 1999

[THE FOLLOWING DATA WAS REPRESENTED AS A LINE CHART IN THE PRINTED MATERIAL]

	IDACORP -----	S & P 500 -----	EEI 100 Electric Utilities -----
1999	\$100.00	\$100.00	\$100.00
2000	191.96	90.90	147.97
2001	166.75	80.10	134.96
2002	108.42	62.41	115.08
2003	139.71	80.30	142.10
2004	148.65	89.03	174.56

Periods Ending December 31

The table shows a Comparison of Five-Year Cumulative Total Shareholder Return for IDACORP Common Stock, the S&P 500 Index and the Edison Electric Institute (EEI) 100 Electric Utilities Index. The data assumes that \$100 was invested on December 31, 1999, with beginning-of-period weighting of the peer group indices (based on market capitalization) and monthly compounding of returns.

	IDACORP -----	S & P 500 -----	EEI 100 Electric Utilities -----
1999	\$100.00	\$100.00	\$100.00
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