

August 23, 2005

VIA ELECTRONIC MAIL AND US MAIL

Filing Center
Oregon Public Utility Commission
550 Capitol Street NE #215
PO Box 2148
Salem, OR 97308-2148

Re: Idaho Power's Application For An Order Approving Exchange of Property

Dear Sir or Madam:

Enclosed for filing is an original and three copies of Idaho Power Company's Application for an Order Approving the Exchange of Barber Flats and Oxbow Dryland Properties for Riverfront and Raparian Properties to be Used as Public Recreational Property. Please contact me with any questions.

Very truly yours,



Jessica A. Gorham

Enclosures

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 **UF _____**

4 IN THE MATTER OF THE APPLICATION
5 OF IDAHO POWER COMPANY FOR AN
6 ORDER APPROVING THE EXCHANGE OF
7 BARBER FLATS AND OXBOW DRYLAND
8 PROPERTIES FOR RIVERFRONT AND
9 RAPARIAN PROPERTIES TO BE USED AS
10 PUBLIC RECREATIONAL PROPERTY

APPLICATION

11 Pursuant to ORS 757.480 and in accordance with OAR 860-27-025 Idaho Power
12 Company (the "Applicant"), hereby applies to the Public Utility Commission of Oregon (the
13 "Commission") for an Order authorizing the exchange of certain properties as set forth in this
14 application.

15 The Application of Idaho Power Company respectfully alleges:

16 (a) The exact name of Applicant and the address of its principal business office are:
17 Idaho Power Company, 1221 W. Idaho Street, P.O. Box 70, Boise, Idaho 83707-0070.

18 (b) The Applicant was incorporated under the laws of the State of Maine on the 6th
19 day of May, 1915, and migrated its state of incorporation from the State of Maine to the State of
20 Idaho effective June 30, 1989. It is qualified as a foreign corporation to do business in the States
21 of Oregon, Nevada, Montana and Wyoming in connection with its utility business.

22 (c) The name and address of the person authorized on behalf of Applicant to receive
23 notices and communications in respect to this Application is:

24 Patrick A. Harrington
25 Attorney
26 Idaho Power Company
P.O. Box 70
Boise, ID 83707

(d) The names, titles and addresses of the principal officers of the Applicant are as
follows:

1	Jan B. Packwood	Chief Executive Officer
2	J. LaMont Keen	President & Chief Operating Officer
3	Darrel T. Anderson	Senior Vice President - Administrative Services and
4		Chief Financial Officer
5	James C. Miller	Senior Vice President - Power Supply
6	Dan B. Minor	Senior Vice President – Delivery
7	Thomas R. Saldin	Sr. Vice President, General Counsel & Secretary
8	John R. Gale	Vice President - Regulatory Affairs
9	Dennis C. Gribble	Vice President and Treasurer
10	A. Bryan Kearney	Vice President & Chief Information Officer
11	Luci K. McDonald	Vice President - Human Resources
12	Greg W. Panter	Vice President - Public Affairs
13	Lori D. Smith	Vice President - Finance and Chief Risk Officer
14		

15 The address of all of the above officers is:

16 1221 W. Idaho Street
17 P. O. Box 70
18 Boise, ID 83707-0070

19 (e) The Applicant is an electric public utility engaged principally in the generation,
20 purchase, transmission, distribution and sale of electric energy in an approximately 24,000
21 square mile area over southern Idaho, and in the counties of Baker, Harney and Malheur in
22 eastern Oregon. A map showing Applicant's service territory is on file with the Commission as
23 Exhibit H to Applicant's application in Case No. UF 4063.

24 (f) The following statement as to each class of the capital stock of Applicant is as of
25 March 31, 2005, the date of the balance sheet submitted with this application:

26 Common Stock

- (1) Description - Common Stock, \$2.50 par value; 1 vote per share
- (2) Amount authorized - 50,000,000 shares (\$125,000,000 par value)

- (3) Amount outstanding - 39,150,812 shares
- (4) Amount held as reacquired securities - None
- (5) Amount pledged by applicant - None
- (6) Amount owned by affiliated corporations – All
- (7) Amount held in any fund - None

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

Preferred Stock

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

(g) The following statement as to funded debt of Applicant is as of December 31, 2004, the date of the balance sheet submitted with this application.

First Mortgage Bonds

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

1
2 785,000,000

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

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

16 Pollution Control Revenue Bonds

17 (A) Variable Rate Series 2000 due 2027:

- 18 (1) Description - Pollution Control Revenue Bonds, Variable Rate Series due
19 2027, Port of Morrow, Oregon, dated as of May 17, 2000, due February 1,
20 2027.
21 (2) Amount authorized - \$4,360,000
(3) Amount outstanding - \$4,360,000
(4) Amount held as reacquired securities - None
(5) Amount pledged - None
(6) Amount owned by affiliated corporations - None
(7) Amount in sinking or other funds - None

22 (B) Variable Auction Rate Series 2003 due 2024:

- 23 (1) Description - Pollution Control Revenue Refunding Bonds, Variable Auction
24 Rate Series 2003 due 2024, County of Humboldt, Nevada, dated as of October
25 22, 2003 due December 1, 2024 (secured by First Mortgage Bonds)
26 (2) Amount authorized - \$49,800,000
(3) Amount outstanding - \$49,800,000
(4) Amount held as reacquired securities - None
(5) Amount pledged - None
(6) Amount owned by affiliated corporations - None
(7) Amount in sinking or other funds - None

1 (C) 6.05% Series 1996A due 2026:

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

11 (D) Variable Rate Series 1996B due 2026:

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

21 (E) Variable Rate Series 1996C due 2026:

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

18 For a full statement of the terms and provisions relating to the outstanding Pollution
19 Control Revenue Bonds above referred to, reference is made to (A) copies of Trust Indenture by
20 Port of Morrow, Oregon, to the Bank One Trust Company, N. A., Trustee, and Loan Agreement
21 between Port of Morrow, Oregon and Idaho Power Company, both dated May 17, 2000, under
22 which the Variable Rate Series 2000 bonds were issued, (B) copies of Loan Agreement between
23 Idaho Power Company and Humboldt County, Nevada dated October 1, 2003; Trust Indenture
24 between Humboldt County, Nevada and Union Bank of California dated October 1, 2003;
25 Escrow Agreement between Humboldt County, Nevada and Bank One Trust Company and
26 Idaho Power Company dated October 1, 2003; Purchase Contract dated October 21, 2003 among

1 Humboldt County, Nevada and Bankers Trust Company; Auction Agreement, dated as of
2 October 22, 2003 among Idaho Power Company, Union Bank of California and Deutsche Bank
3 Trust Company; Insurance Agreement, dated as of October 1, 2003 between AMBAC and Idaho
4 Power Company; Broker-Dealer agreements dated October 22, 2003 among the Auction Agent,
5 Banc One Capital Markets, Banc of America Securities and Idaho Power Company, under which
6 the Auction Rate Series 2003 bonds were issued, and (C) (D) (E) copies of Indentures of Trust
7 by Sweetwater County, Wyoming, to the First National Bank of Chicago, Trustee, and Loan
8 Agreements between Idaho Power Company and Sweetwater County, Wyoming, all dated July
9 15, 1996, under which the 6.05% Series 1996A bonds, Variable Rate Series 1996B bonds and
10 Variable Rate Series 1996C bonds were issued.

11 (h) Applicant is requesting authority from the Commission to exchange three parcels
12 of unimproved real property near the Hells Canyon hydroelectric project for two other parcels of
13 real property also in the vicinity of the Hells Canyon project.

14 (i) The three parcels of real property to be exchanged by the Applicant (the “Existing
15 Properties”) are identified as (1) a 640-acre parcel, more commonly know as the Barber Flat
16 property, located in Section 36, T19N, R4W, B.M; (2) an approximately 15- acre dryland graze
17 property located in Lots 3 and 6, Section 17, T19N, R4W, B.M.; and (3) an approximately 15-
18 acre parcel of land described as the Blue Creek Road right-of-way located in Sections 9, 16, &
19 17, T19N, R4W, B.M. The Exchange Properties will be exchanged for two other parcels of
20 property (the “New Properties”) in the vicinity of the Hells Canyon hydroelectric project -
21 approximately 15.7 acres of riverfront property located in Lot 2, Sec 36, T18N, R5W, B.M. and
22 approximately 40 acres of riparian property in NE¼SE¼, Sec 36, T18N, R5W, B.M.

23 (j) Applicant’s cost of the facilities is broken down as follows:

24 **Barber Flats Land:**

25 101000 – Electric Plant in Service 265,115.67

26 **Blue Creek Road Land:**

101000 – Electric Plant in Service 425.10

Land Received from OX Ranch:

101000 – Electric Plant in Service 265,540.77

(k) Applicant has received the approval of the Idaho Public Utilities Commission for the exchange of the Existing Properties. No other applications or reporting is required with any other state or federal regulatory body.

(l) Applicant believes that the exchange of the Existing Properties is consistent with the public interest because the New Properties to be acquired in the exchange will better serve Applicant’s objectives at the Hells Canyon Project by allowing for the future expansion of McCormick Park as part of Applicant’s relicensing of the Hells Canyon Project as the properties are not necessary or useful in the performance of Applicant’s service to its customers, and are no longer appropriately included in Applicant’s rate base.

(m) As indicated above, Applicant determined these properties are not necessary for Applicant’s ongoing operations in the Hell’s Canyon Complex, and therefore are available for disposal.

(n) Not applicable.

(o) Applicant is incorporated under the laws of the State of Idaho and is qualified to do business as a foreign corporation in the States of Oregon, Nevada, Montana and Wyoming in connection with its utility operations. Applicant holds municipal franchises in approximately 80 incorporated cities in which it distributes electrical energy in the states of Idaho and Oregon, and such franchises or permits in or from the counties in which Applicant operates, and certificates of public convenience and necessity from state regulatory authorities as are required.

PRAYER

WHEREFORE, Applicant respectfully requests that the Public Utility Commission of Oregon issue its Order herein approving Applicant’s exchange of the three properties that are identified as the 640 acre parcel more commonly know as the Barber Flat property located in Section 36, T19N, R4W, B.M; approximately 15 acres of dryland graze property located in Lot 3 and 6, Section 17, T19N, R4W, B.M.; and approximately 15 acres of land described as the Blue

1 Creek Road right-of-way located in Sections 9, 16, & 17, T19N, R4W, B.M. **in return for**
2 approximately 15.7 acres of riverfront property located in Lot 2, Sec 36, T18N, R5W, B.M. and
3 approximately 40 acres of riparian property in NE¹/₄SE¹/₄, Sec 36, T18N, R5W, B.M. as
4 described in this application.

5 Respectfully submitted this 4th day of August, 2005.

6 ATER WYNNE, LLP

7
8 /s/ Lisa F. Rackner

9 Lisa Rackner

10 Ater Wynne, LLP

11 222 SW Columbia, Suite 1800

12 Portland, OR 97201

13 Telephone: (503) 226-8693

14 FAX: (503) 226-0079

15 E-mail: lfr@aterwynne.com

16 IDAHO POWER COMPANY

17 Patrick A. Harrington

18 Senior Attorney

19 Idaho Power Company

20 P.O. Box 70

21 Boise, ID 83707-0070

22 Telephone: (208) 388-2878\

23 FAX: (208) 388-6936

24 E-mail: pharrington@idahopower.com

EXHIBITS

1
2 **Exhibit A.** A copy of Applicant's Articles of Incorporation has heretofore been filed
3 with the Commission in Case No. UF 4214.

4 **Exhibit B.** A certified copy of Applicant's By-laws, as amended January 20, 2005,
5 has heretofore been filed with the Commission in Case No. UF 4214.

6 **Exhibit C.** Certified copy of the resolutions of Applicant's Board of Directors
7 authorizing the sale of the Boise Bench Property and the State Street Property are attached
8 hereto.

9 **Exhibit D-1.** Copies of Mortgage and Deed of Trust, including First Supplemental
10 Indenture, are on file with the Commission in Case UF-795; Second Supplemental Indenture in
11 Case UF-1102; Third Supplemental Indenture in Case UF-1247; Fourth Supplemental Indenture
12 in Case UF-1351; Fifth Supplemental Indenture in Case UF-1467; Sixth Supplemental Indenture
13 in Case UF-1608; Seventh Supplemental Indenture of Case UF-2000; Eighth and Ninth
14 Supplemental Indentures in Case UF-2068; Tenth Supplemental Indenture in Case UF-2146;
15 Eleventh Supplemental Indenture in Case UF-2159; Twelfth Supplemental Indenture in Case
16 UF-2188; Thirteenth Supplemental Indenture in Case UF-2253; Fourteenth Supplemental
17 Indenture in Case UF-2304; Fifteenth Supplemental Indenture in Case UF-2466; Sixteenth
18 Supplemental Indenture in Case UF-2545; Seventeenth Supplemental Indenture in Case UF-
19 2596; Eighteenth Supplemental Indenture in Case UF-2944; Nineteenth Supplemental Indenture
20 in Case UF-3063; Twentieth Supplemental Indenture and Twenty-first Supplemental Indentures
21 in Case UF-3110; Twenty-second Supplemental Indenture in Case UF-3274; Twenty-third
22 Supplemental Indenture in Case UF-3457; and Twenty-fourth Supplemental Indenture in Case
23 UF-3614; Twenty-fifth Supplemental Indenture in Case UF-3758; Twenty-sixth Supplemental
24 Indenture in Case UF-3782; Twenty-seventh Supplemental Indenture in Case UF-3947; Twenty-
25 eighth Supplemental Indenture in Case UF-4022; Twenty-ninth Supplemental Indenture in Case
26 UF-4014; Thirtieth Supplemental Indenture in Case UF-4033; Thirty-first Supplemental

1 Indenture in Case UF-4033; Thirty-second Supplemental Indenture in Case UF-4053; Thirty-
2 third Supplemental Indenture in Case No. UF-4088; and Thirty-fourth Supplemental Indenture in
3 Case No. UF-4111, reference to which is hereby made.

4 **Exhibit D-2.** A copy of Guaranty Agreement between Idaho Power Company and U.S.
5 Bank of Idaho, successor to The Idaho First National Bank, as Trustee, for \$21,055,000 of Bonds
6 under and pursuant to Indenture relating to \$21,055,000 American Falls Replacement Dam
7 Bonds of American Falls Reservoir district, Idaho, has heretofore been filed with the
8 Commission in Case NO. UF-4028, reference to which is hereby made.

9 **Exhibit D-3.** A copy of the Equipment Lease and Sublease Agreement between Idaho
10 Power Company and Sweetwater County, Wyoming, dated September 1, 1973, has heretofore
11 been filed with the Commission in Case No. UF-3013, reference to which is hereby made.

12 **Exhibit D-4.** A copy of the Applicant's Guaranty Agreement representing a one-third
13 contingent liability for lease charges for certain equipment leased to the Bridger Coal Company,
14 in connection with the operation of the Company's Jim Bridger Plant, along with an Order dated
15 July 30, 1974, from the Federal Power Commission waiving jurisdiction over this transaction,
16 has heretofore been filed with the Commission in Case NO. UF-2977, reference to which is
17 hereby made.

18 **Exhibit D-5.** A copy of Applicant's Guaranty Agreement, dated April 1, 1977,
19 guaranteeing payment of the principal and interest on \$24,000,000 of Pollution Control Revenue
20 Bonds issued by Sweetwater County, Wyoming, for certain pollution control facilities installed
21 on the Jim Bridger coal-fired steam electric generating plant, has heretofore been filed with the
22 Commission in Case No. UF-3321, reference to which is hereby made.

23 **Exhibit D-6.** A copy of Applicant's Guaranty Agreement, dated August 17, 1978,
24 guaranteeing payment of the principal and interest on \$4,360,000 of Pollution Control Revenue
25 bonds issued by the Port of Morrow Oregon, for certain pollution control facilities installed on
26 the Boardman coal-fired steam electric generating plant, has heretofore been filed with the

1 Commission in Case No. UF-3450, reference to which is hereby made.

2 **Exhibit D-7.** A copy of the Participation Agreement which includes as exhibits the
3 Facilities Agreement and the Assumption and Option Agreement along with copies of the
4 Bargain and Sale Deed, Bill of Sale and Assignment, and the Amendment to the Agreement for
5 Construction, Ownership and Operation of the Number One Boardman Station on Carty
6 Reservoir, as supplemented, with respect to the sale and leaseback of the Coal Handling
7 Facilities at the Number One Boardman Station has heretofore been filed with the Commission
8 in Docket No, UF-3520, reference to which is hereby made.

9 **Exhibit D-8.** A copy of Applicant's Loan Agreement, dated December 1, 1984,
10 providing for payment of the principal and interest on \$49,800,000 of Pollution Control Revenue
11 Bonds issued by Humboldt County, Nevada, for certain pollution control facilities installed on
12 the Valmy Coal-Fired Steam Electric Generating Plant, has heretofore been filed with the
13 Commission in Case No. UF-3947, reference to which is hereby made. A copy of the
14 Agreement dated May 20, 1986, among Applicant, Goldman, Sachs & Co., Kidder, Peabody &
15 Co. and Banker's Trust Company, and the Pledge Agreement, dated May 1, 1986, between
16 Applicant and Morgan Guaranty Trust Company of New York, providing for the offering of said
17 Pollution Control Revenue Bonds, and the fixing of the interest rate thereon, have heretofore
18 been filed with the Commission in Case No. UF-3947, reference to which is hereby made.

19 **Exhibit D-9.** A copy of Applicant's Guaranty Agreement, dated February 10, 1992,
20 guaranteeing payment of the principal and interest on \$11, 700,000 of Notes issued by Milner
21 Dam, Inc., for construction of the Milner Dam in Twin Falls County, Idaho, has heretofore been
22 filed with the Commission in Case No. UF-4063, reference to which is hereby made.

23 **Exhibit D-10.** A copy of Applicant's Assumption Agreement, dated May 1, 1992,
24 providing for Applicant's assumption of certain Rural Electrification Administration notes, in the
25 combined principal amount outstanding of approximately \$1.9 million, has heretofore been filed
26 with the Commission in Case No. 4072.

1 **Exhibit D-11.** A copy of Applicant’s Loan Agreements regarding Applicant’s payments
2 to Sweetwater County, Wyoming, as Issuer of the Pollution Control Revenue Bonds, Series
3 1996A-C, dated as of July 15, 1996, with respect to the Jim Bridger Coal-Fired Steam Electric
4 Generating Plant, have heretofore been filed with the Commission in Case No. UF-4144,
5 reference to which is hereby made. A copy of the Contract of Purchase, dated July 25, 1996,
6 among Applicant, Goldman, Sachs & Co., and Morgan Stanley & Co. Incorporated, providing
7 for the offering of said Pollution Control Revenue Bonds, has also heretofore been filed with the
8 Commission in Case No. UF 4144.

9 **Exhibit E.** Balance Sheet of Applicant with supporting fixed capital or plant
10 schedules as of March 31, 2005.

11 **Exhibit F.** Statement of Applicant’s Commitments and Contingent Liabilities as
12 March 31, 2005.

13 **Exhibit G.** Income Statement of Applicant for the 12 months ended March 31, 2005

14 **Exhibit H.** Statement of Retained Earnings of Applicant for the 12 months ended
15 March 31, 2005.

Amended Bylaws
of
Idaho Power Company
January 20, 2005

Article 1

Office

Section 1.1. *Principal Office.* The Company shall maintain its principal office in Boise, Idaho.

Section 1.2. *Registered Office.* The Company shall maintain a registered office in the State of Idaho, as required by the Idaho Business Corporation Act (the "Act").

Article 2

Shareholders


Section 2.1. *Annual Meeting of Shareholders.* An annual meeting of the shareholders shall be held on the first Wednesday of May or such other time as may be designated by the Board of Directors.

Section 2.2. *Special Meetings.* A special meeting of the shareholders may be called at any time by the President, a majority of the Board of Directors or the Chairman of the Board. A special meeting of the shareholders also may be called by the holders of not less than twenty percent (20%) of all the shares entitled to vote on any issue proposed to be considered at the proposed special meeting if such holders sign, date and deliver to the Secretary of the Company one (1) or more written demands for the meeting describing the purpose or purposes for which it is to be held. Upon receipt of one (1) or more written demands for such proposed special meeting by the holders of not less than twenty percent (20%) of all the shares entitled to vote on any issue proposed to be considered at the proposed special meeting, the Secretary of the Company shall be responsible for determining whether such demand or demands conform to the requirements of the Act, the Restated Articles of Incorporation and these Bylaws. After making an affirmative determination, the Secretary shall prepare, sign and deliver the notices required for such meeting. The shareholders' demand may suggest a time and place for the meeting but the Board of Directors shall, by resolution, determine the time and place of any such meeting.

Section 2.3. *Place of Meetings.* All meetings of the shareholders shall be held at the Company's principal office or at such other place as shall be designated in the notice of such meetings.

Section 2.4. *Notice of Shareholders' Meeting.* Written notice of the time and place of a meeting of the shareholders shall be mailed to each shareholder entitled to receive notice under the Act: (a) not less than 10 days nor more than 60 days prior to the date of an annual or special meeting of the shareholders; or (b) if applicable, within 30 days after the date

I, THOMAS R. SALDIN, Sr. Vice President, General Counsel and Secretary of Idaho Power Company, hereby certify that the attached are a true and correct copy of the Bylaws of Idaho Power Company.


Thomas R. Saldin

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

I, THOMAS R. SALDIN, the undersigned, Secretary of Idaho Power Company, do hereby certify that the following constitutes a full, true and correct copy of the resolution adopted at the Regular Meeting of the Board of Directors held July 13, 1995, relating to purchases, disposals and exchanges of real and personal property, and that said resolutions have not been amended or rescinded and are in full force and effect on the date hereof.

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



/s/ Thomas R. Saldin

Secretary

(CORPORATE SEAL)

RESOLVED, That the Chairman of the Board, or the Chief Executive Officer, or the President or any Vice President, and the Secretary or any Assistant Secretary of Idaho Power Company, or such other employees of the Company as may be so designated by them in writing, are authorized on behalf of the Company to purchase or otherwise acquire by bequest, gift, devise, or other means, and to sell, convey, exchange, option or otherwise dispose of real and personal property of every class and description and any estate or interest therein, as may be necessary or convenient for the proper conduct of the affairs of the Company without limitation as to amount or value, in any and all states, subject to the laws of any such state; provided, however, that the Chairman of the Board, or the Chief Executive Officer, or the President or any Vice President, and the Secretary or any Assistant Secretary of Idaho Power Company, or such other employees of the Company as may be so designated by them in writing, are authorized on behalf of the Company to acquire from others or to grant to others easements, permits and licenses as may be necessary or convenient for the proper conduct of the affairs of the Company without limitation as to the extent or cost, in any and all states, subject to the laws of any such state; and be it

FURTHER RESOLVED, That the Chairman of the Board, or the Chief Executive Officer, or the President or any Vice President, and the Secretary or any Assistant Secretary of Idaho Power Company, or such other employees of the Company as may be so designated by them in writing, are authorized on behalf of the Company to lease real and personal property of the Company to or from others, as may be necessary or convenient for the proper conduct of the affairs of the Company without limitation as to the extent or cost, in any and all states, subject to the laws of any such state; and be it

FURTHER RESOLVED, That the Chairman of the Board, or the Chief Executive Officer, or the President or any Vice President, and the Secretary or any Assistant Secretary of Idaho Power Company, or such other employees of the Company as may be so designated by them in writing, are hereby authorized on behalf of the Company to file for all permits, licenses or other authorizations with state, federal or other entities owning or controlling lands as may be necessary or convenient for the proper conduct of the affairs of the Company without limitation with respect to the construction of power lines, structures, buildings or other facilities.

Exhibit E
IDAHO POWER COMPANY
BALANCE SHEET
As of March 31, 2005
ASSETS

	<u>Actual</u>
Electric Plant :	
In service (at original cost).....	\$ 3,400,764,014
Accumulated provision for depreciation.....	<u>(1,334,095,557)</u>
In service - Net.....	2,066,668,457
Construction work in progress.....	109,080,236
Held for future use.....	<u>2,610,977</u>
Electric plant - Net.....	<u>2,178,359,670</u>
 Investments and Other Property:	
Nonutility property.....	828,002
Investment in subsidiary companies	38,562,580
Auction rate securities.....	
Other.....	<u>27,800,003</u>
 Total investments and other property.....	<u>67,190,585</u>
 Current Assets:	
Cash and cash equivalents.....	55,736,713
Receivables:	
Customer.....	47,094,353
Allowance for uncollectible accounts.....	(885,882)
Notes.....	3,151,060
Employee notes	3,252,632
Related party.....	405,141
Other.....	1,798,778
Accrued unbilled revenues.....	24,907,720
Materials and supplies (at average cost).....	28,467,690
Fuel stock (at average cost).....	12,919,366
Prepayments.....	19,587,628
Regulatory assets	<u>3,395,851</u>
 Total current assets.....	<u>199,831,050</u>
 Deferred Debits:	
American Falls and Milner water rights.....	31,585,000
Company owned life insurance.....	35,738,411
Regulatory assets associated with income taxes.....	339,042,220
Regulatory assets - PCA.....	61,219,892
Regulatory assets - other.....	37,620,206
Employee notes.....	3,490,369
Other.....	<u>40,295,710</u>
 Total deferred debits.....	<u>548,991,808</u>
 Total.....	<u>\$ 2,994,373,113</u>

IDAHO POWER COMPANY
BALANCE SHEET
As of March 31,2005

CAPITALIZATION AND LIABILITIES

	Common Shares Authorized	Common Shares Outstanding	Actual
Equity Capital:	50,000,000	39,150,812	
Common stock.....			\$ 97,877,030
Preferred stock			
Premium on capital stock.....			483,707,552
Capital stock expense.....			(2,096,925)
Retained earnings.....			347,628,616
Accumulated other comprehensive income.....			<u>(1,775,516)</u>
Total equity capital.....			<u>925,340,758</u>
Long-Term Debt:			
First mortgage bonds			725,000,000
Pollution control revenue bonds			170,460,000
Other long-term debt.....			
American Falls bond and Milner note guarantees			31,585,000
Unamortized discount on long-term debt (Dr).....			<u>(3,081,895)</u>
Total long-term debt.....			<u>923,963,105</u>
Current Liabilities:			
Long-term debt due within one year.....			60,000,000
Notes payable.....			-
Accounts payable			48,153,462
Notes and accounts payable to related parties.....			20,970,937
Taxes accrued.....			61,728,133
Interest accrued.....			21,453,649
Deferred income taxes.....			3,395,851
Other.....			<u>23,652,886</u>
Total current liabilities.....			<u>239,354,918</u>
Deferred Credits:			
Regulatory liabilities associated with accumulated deferred investment tax credits			67,205,800
Deferred income taxes.....			537,272,009
Regulatory liabilities associated with income taxes			40,670,990
Regulatory liabilities-other.....			169,291,329
Other.....			<u>91,274,204</u>
Total deferred credits.....			<u>905,714,332</u>
Total.....			<u>\$ 2,994,373,113</u>

Exhibit F

COMMITMENTS AND CONTINGENCIES:

Off-Balance Sheet Arrangements

The federal Surface Mining Control and Reclamation Act of 1977 and similar state statutes establish operational, reclamation and closure standards that must be met during and upon completion of mining activities. These obligations mandate that mine property be restored consistent with specific standards and the approved reclamation plan. The mining operations at the Bridger Coal Company are subject to these reclamation and closure requirements.

IPC has agreed to guarantee the performance of reclamation activities at Bridger Coal Company, of which Idaho Energy Resources Co., a subsidiary of IPC, owns a one-third interest. This guarantee, which is renewed each December, was \$60 million at March 31, 2005. Bridger Coal has a reclamation trust fund set aside specifically for the purpose of paying these reclamation costs and expects that the fund will be sufficient to cover all such costs. Because of the existence of the fund, the estimated fair value of this guarantee is minimal.

In August 2003, IE sold its forward book of electricity trading contracts to Sempra Energy Trading. As part of the sale of the forward book of electricity trading contracts IE entered into an Indemnity Agreement with Sempra Energy Trading, guaranteeing the performance of one of the counterparties through 2009. The maximum amount payable by IE under the Indemnity Agreement is \$20 million. The indemnity agreement has been accounted for in accordance with FIN 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others," and did not have a significant effect on IDACORP's financial statements.

Legal Proceedings

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

Alves Dairy: On May 18, 2004, Herculano and Frances Alves, dairy operators from Twin Falls, Idaho, brought suit against IPC in Idaho State District Court, Fifth Judicial District, Twin Falls County. The plaintiffs seek unspecified monetary damages for negligence and nuisance (allegedly allowing electrical current to flow in the earth, injuring the plaintiffs' right to use and enjoy their property and adversely affecting their dairy herd). On July 16, 2004, IPC filed an answer to Mr. and Mrs. Alves' complaint, denying all liability to the plaintiffs, and asserting certain affirmative defenses. The parties have begun discovery in the case. No trial date has been scheduled. On December 14, 2004, IPC filed a motion with the District Court for permission to appeal the court's denial of IPC's Motion to Disqualify the trial judge, for cause. The District Court granted the motion for permissive appeal. On February 16, 2005, IPC filed a motion for permissive appeal with the Idaho Supreme Court. On March 7, 2005, the Idaho Supreme Court denied IPC's Application to Appeal the District Court's refusal to disqualify the trial judge for cause.

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

On March 28, 2005, the Stray Current and Voltage Remediation Act was signed into law by the Governor of Idaho. IPC believes the new legislation to be a positive development in a number of respects. Among other things, the act specifies levels of "stray voltage" below which no remedial action must be taken by a utility, and confers exclusive initial jurisdiction upon the Idaho Public Utilities Commission (IPUC) to determine whether a utility has properly investigated and, if necessary, remedied, a dairy producer's complaint of stray voltage. The act provides that any party to such an administrative proceeding at the IPUC may, after exhausting its administrative remedies at the IPUC, file a civil action in any appropriate Idaho court, with the express statutory proviso that the IPUC's determination shall be admissible as evidence in the civil action. The act will not preclude the Alves case from proceeding in the District Court as set forth above, but will require that any future Idaho stray voltage claimants first exhaust their administrative remedies at the IPUC.

Public Utility District No. 1 of Grays Harbor County, Washington: On October 15, 2002, Public Utility District No. 1 of Grays Harbor County, Washington (Grays Harbor) filed a lawsuit in the Superior Court of the State of Washington, for the County of Grays Harbor, against IDACORP, IPC and IE. On March 9, 2001, Grays Harbor entered into a 20 megawatt

Exhibit F

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

IDACORP, IPC and IE removed this action from the state court to the U.S. District Court for the Western District of Washington at Tacoma. On November 12, 2002, the companies filed a motion to dismiss Grays Harbor's complaint, asserting that the U.S. District Court lacked jurisdiction because the FERC has exclusive jurisdiction over wholesale power transactions and thus the matter is preempted under the Federal Power Act and barred by the filed-rate doctrine. The court ruled in favor of the companies' motion to dismiss and dismissed the case with prejudice on January 28, 2003. On February 25, 2003, Grays Harbor filed a Notice of Appeal, appealing the final judgment of dismissal to the U.S. Court of Appeals for the Ninth Circuit. On August 10, 2004, the Ninth Circuit affirmed the dismissal of Grays Harbor's complaint, finding that Grays Harbor's claims were preempted by federal law and were barred by the filed-rate doctrine. The court also remanded the case to allow Grays Harbor leave to amend its complaint to seek declaratory relief only as to contract formation, and held that Grays Harbor could seek monetary relief, if at all, only from the FERC, and not from the courts. IDACORP, IPC and IE sought rehearing from the Ninth Circuit arguing that the court erred in granting leave to amend the complaint as such a declaratory relief claim would be preempted and would be barred by the filed-rate doctrine. The Ninth Circuit denied the rehearing request on October 25, 2004, and the decision became final on November 12, 2004. On that same date, the companies took steps to have the case transferred and consolidated with other similar cases arising out the California energy crisis currently pending before the Honorable Robert H. Whaley, sitting by designation in the Southern District of California and presiding over Multidistrict Litigation Docket No. 1405, regarding California Wholesale Electricity Antitrust Litigation. On November 18, 2004, Grays Harbor filed an amended complaint alleging that the contract was formed under circumstances of "mistake" as to an "artificial . . . power shortage." Grays Harbor asks that the contract therefore be declared "unenforceable" and found "unconscionable." On December 23, 2004, the Judicial Panel on Multidistrict Litigation conditionally transferred the case to Judge Whaley. Grays Harbor sought to vacate the transfer; however, on April 18, 2005, the Judicial Panel on Multidistrict Litigation ordered the case transferred. IDACORP, IPC and IE have not responded to the amended complaint as a response is not yet required. The companies plan to file a motion to dismiss the amended complaint. The companies intend to vigorously defend their position on remand and believe this matter will not have a material adverse effect on their consolidated financial positions, results of operations or cash flows.

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

All defendants, including IPC and IDACORP, moved to dismiss the complaint in lieu of answering it. The motions were based on the ground that the complaint seeks to set alternative electrical rates, which are exclusively within the jurisdiction of the FERC and are barred by the filed-rate doctrine. A hearing on the motion to dismiss was heard on March 26, 2004. On May 28, 2004, the court granted IPC's and IDACORP's motion to dismiss. In June 2004, the Port of Seattle appealed the court's decision to the U.S. Court of Appeals for the Ninth Circuit. The appeal has been fully briefed, however no date has yet been set for oral argument. The companies intend to vigorously defend their position in this proceeding and believe these matters will not have a material adverse effect on their consolidated financial positions, results of operations or cash flows.

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

On September 8, 2004, this case was transferred and consolidated with other similar cases currently pending before the Honorable Robert H. Whaley, sitting by designation in the Southern District of California and presiding over Multidistrict

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Litigation Docket No. 1405, regarding California Wholesale Electricity Antitrust Litigation.

The companies' motion to dismiss the complaint was granted on February 11, 2005. Wah Chang appealed to the Ninth Circuit on March 10, 2005. The Ninth Circuit recently set a briefing schedule on the appeal, requiring Wah Chang's opening brief to be filed by July 6, 2005, with the companies' and other defendants' opposition brief to be filed by August 5, 2005. Wah Chang will have 14 days from the date of service of the companies' opposition brief to file an optional reply brief. The companies intend to vigorously defend their position in this proceeding and believe these matters will not have a material adverse effect on their consolidated financial positions, results of operations or cash flows.

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

On September 8, 2004, this case was transferred and consolidated with other similar cases currently pending before the Honorable Robert H. Whaley, sitting by designation in the Southern District of California and presiding over Multidistrict Litigation Docket No. 1405, regarding California Wholesale Electricity Antitrust Litigation. The companies' motion to dismiss the complaint was granted on February 11, 2005. The City of Tacoma appealed to the Ninth Circuit on March 10, 2005. The Ninth Circuit recently set a briefing schedule on the appeal, requiring the City of Tacoma's opening brief to be filed by June 27, 2005, with the companies' and other defendants' opposition brief to be filed by July 26, 2005. The City of Tacoma will have 14 days from the date of service of the companies' opposition brief to file an optional reply brief. The companies intend to vigorously defend their position in this proceeding and believe these matters will not have a material adverse effect on their consolidated financial positions, results of operations or cash flows.

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

On April 22, 2002, more than a year after the initial complaints were filed, two of the original defendants, Duke and Reliant, filed separate cross-complaints against IPC and IE, and approximately 30 other cross-defendants. Duke and Reliant's cross-complaints seek indemnity from IPC, IE and the other cross-defendants for an unspecified share of any amounts they must pay in the underlying suits because, they allege, other market participants like IPC and IE engaged in the same conduct at issue in the Plaintiffs' Master Complaint. Duke and Reliant also seek declaratory relief as to the respective liability and conduct of each of the cross-defendants in the actions alleged in the Plaintiffs' Master Complaint. Reliant also asserted a claim against IPC for alleged violations of the California Unfair Competition Law, Business and Professions Code Section 17200. As a buyer of electricity in California, Reliant seeks the same relief from the cross-defendants, including IPC, as that sought by plaintiffs in the Plaintiffs' Master Complaint as to any power Reliant purchased through the California markets.

Some of the newly added defendants (foreign citizens and federal agencies) removed that litigation to federal court. IPC and IE, together with numerous other defendants added by the cross-complaints, have moved to dismiss these claims, and those motions were heard in September 2002, together with motions to remand the case back to state court filed by the original plaintiffs. On December 13, 2002, the U.S. District Court granted Plaintiffs' Motion to Remand to state court, but did not issue a ruling on IPC and IE's motion to dismiss. The U.S. Court of Appeals for the Ninth Circuit granted certain Defendants and Cross-Defendants' Motions to Stay the Remand Order while they appeal the order. The briefing on the appeal was completed in December 2003. On December 8, 2004, the Ninth Circuit issued its opinion in *People of California v. NRG Energy, Inc.*, et al., which affirmed the district court's remand of these cases to state court and dismissed certain federal government defendants

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due to their sovereign immunity from suit.

On March 10, 2005, the Ninth Circuit's mandate, remanding *People of California v. NRG Energy, Inc.* to state court was issued. On March 15, 2005, however, cross-defendant, Powerex Corp., filed a motion to recall mandate until a petition for certiorari seeking review of this case by the U.S. Supreme Court is filed and ruled upon by the Supreme Court. Powerex Corp. has not yet filed a petition for certiorari. On April 6, 2005, the Ninth Circuit denied Powerex Corp.'s motion to recall mandate.

Upon remand, IPC and IE intend to refile their motion to dismiss, which had been filed previously in federal court, as a demurrer in state court. The companies believe these matters will not have a material adverse effect on their consolidated financial positions, results of operations or cash flows.

Western Energy Proceedings at the FERC:

California Power Exchange Chargeback:

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

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

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

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

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

The FERC issued an order on April 6, 2001 requiring the CalPX to rescind all chargeback actions related to Pacific Gas and Electric Company's and Southern California Edison's liabilities. Shortly after the issuance of that order, the CalPX segregated the CalPX chargeback amounts it had collected in a separate account. The CalPX claimed it was awaiting further orders from the FERC and the bankruptcy court before distributing the funds that it collected under its chargeback tariff mechanism. On October 7, 2004, the FERC issued an order determining that it would not require the disbursement of chargeback funds until the completion of the California refund proceedings. On November 8, 2004, IE, along with a number of other parties, sought rehearing of that order. On March 15, 2005, the FERC issued an order on rehearing confirming that the CalPX is to continue to hold the chargeback funds, but solely to offset seller-specific shortfalls in the seller's CalPX account at the conclusion of the California refund proceeding. Balances are to be returned to the respective sellers at the conclusion of a seller's participation in

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the refund proceeding.

California Refund:

In April 2001, the FERC issued an order stating that it was establishing price mitigation for sales in the California wholesale electricity market. Subsequently, in a June 19, 2001 order, the FERC expanded that price mitigation plan to the entire western United States electrically interconnected system. That plan included the potential for orders directing electricity sellers into California since October 2, 2000 to refund portions of their spot market sales prices if the FERC determined that those prices were not just and reasonable, and therefore not in compliance with the Federal Power Act. The June 19 order also required all buyers and sellers in the Cal ISO market during the subject time frame to participate in settlement discussions to explore the potential for resolution of these issues without further FERC action. The settlement discussions failed to bring resolution of the refund issue and as a result, the FERC's Chief Administrative Law Judge submitted a Report and Recommendation to the FERC recommending that the FERC adopt the methodology set forth in the report and set for evidentiary hearing an analysis of the Cal ISO's and the CalPX's spot markets to determine what refunds may be due upon application of that methodology.

On July 25, 2001, the FERC issued an order establishing evidentiary hearing procedures related to the scope and methodology for calculating refunds related to transactions in the spot markets operated by the Cal ISO and the CalPX during the period October 2, 2000 through June 20, 2001 (Refund Period).

The Administrative Law Judge issued a Certification of Proposed Findings on California Refund Liability on December 12, 2002.

The FERC issued its Order on Proposed Findings on Refund Liability on March 26, 2003. In large part, the FERC affirmed the recommendations of its Administrative Law Judge. However, the FERC changed a component of the formula the Administrative Law Judge was to apply when it adopted findings of its staff that published California spot market prices for gas did not reliably reflect the prices a gas market, that had not been manipulated, would have produced, despite the fact that many gas buyers paid those amounts. The findings of the Administrative Law Judge, as adjusted by the FERC's March 26, 2003 order, are expected to increase the offsets to amounts still owed by the Cal ISO and the CalPX to the companies. Calculations remain uncertain because the FERC has required the Cal ISO to correct a number of defects in its calculations and because the FERC has stated that if refunds will prevent a seller from recovering its California portfolio costs during the Refund Period, it will provide an opportunity for a cost showing by such a respondent. As a result, IE is unsure of the impact this ruling will have on the refunds due from California. However, as to potential refunds, if any, IE believes its exposure is likely to be offset by amounts due from California entities.

IE, along with a number of other parties, filed an application with the FERC on April 25, 2003 seeking rehearing of the March 26, 2003 order. On October 16, 2003, the FERC issued two orders denying rehearing of most contentions that had been advanced and directing the Cal ISO to prepare its compliance filing calculating revised Mitigated Market Clearing Prices and refund amounts within five months. The Cal ISO has since, on a number of occasions, requested additional time to complete its compliance filings. This Cal ISO compliance filing has been delayed until at least August 2005. The Cal ISO is required to update the FERC on its progress monthly. After receipt of the compliance filing, the FERC will consider cost-based filings from sellers to reduce their refund exposure.

On December 2, 2003, IE petitioned the U.S. Court of Appeals for the Ninth Circuit for review of the FERC's orders, and since that time, dozens of other petitions for review have been filed. The Ninth Circuit consolidated IE's and the other parties' petitions with the petitions for review arising from earlier FERC orders in this proceeding, bringing the total number of consolidated petitions to more than 100. The Ninth Circuit held the appeals in abeyance pending the disposition of the market manipulation claims discussed below and the development of a comprehensive plan to brief this complicated case. Certain parties also sought further rehearing and clarification before the FERC. On September 21, 2004, the Ninth Circuit convened case management proceedings, a procedure reserved to help organize complex cases. On October 22, 2004, the Ninth Circuit severed a subset of the stayed appeals in order that briefing could commence regarding limited issues of: (1) which parties are subject to the FERC's refund jurisdiction under section 201(f) of the Federal Power Act; (2) the temporal scope of refunds under section 206 of the Federal Power Act; and (3) which categories of transactions are subject to refunds. Oral argument was held on April 12-13, 2005.

On May 12, 2004, the FERC issued an order clarifying portions of its earlier refund orders and, among other things, denying a proposal made by Duke Energy North America and Duke Energy Trading and Marketing (and supported by IE) to lodge as

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evidence a contested settlement in a separate complaint proceeding, California Public Utilities Commission (CPUC) v. El Paso, et al. The CPUC's complaint alleged that the El Paso companies manipulated California energy markets by withholding pipeline transportation capacity into California in order to drive up natural gas prices immediately before and during the California energy crisis in 2000-2001. The settlement will result in the payment by El Paso of some \$1.69 billion. Duke claimed that the relief afforded by the settlement was duplicative of the remedies imposed by the FERC in its March 26, 2003 order changing the gas cost component of its refund calculation methodology. IE, along with other parties, has sought rehearing of the May 12, 2004 order. On November 23, 2004, the FERC denied rehearing and within the statutory time allowed for petitions, a number of parties, including IE, filed petitions for review of the FERC's order with the Ninth Circuit. These petitions have since been consolidated with the larger number of review petitions in connection with the California refund proceeding.

In June 2001, IPC transferred its non-utility wholesale electricity marketing operations to IE. Effective with this transfer, the outstanding receivables and payables with the CalPX and the Cal ISO were assigned from IPC to IE. At March 31, 2005, with respect to the CalPX chargeback and the California refund proceedings discussed above, the CalPX and the Cal ISO owed \$14 million and \$30 million, respectively, for energy sales made to them by IPC in November and December 2000. IE has accrued a reserve of \$42 million against these receivables. This reserve was calculated taking into account the uncertainty of collection given the California energy situation. Based on the reserve recorded as of March 31, 2005, IDACORP believes that the future collectibility of these receivables or any potential refunds ordered by the FERC would not have a material adverse effect on its consolidated financial position, results of operations or cash flows.

On March 20, 2002, the California Attorney General filed a complaint with the FERC against various sellers in the wholesale power market, including IE and IPC, alleging that the FERC's market-based rate requirements violate the Federal Power Act, and, even if the market-based rate requirements are valid, that the quarterly transaction reports filed by sellers do not contain the transaction-specific information mandated by the Federal Power Act and the FERC. The complaint stated that refunds for amounts charged between market-based rates and cost-based rates should be ordered. The FERC denied the challenge to market-based rates and refused to order refunds, but did require sellers, including IE and IPC, to refile their quarterly reports to include transaction-specific data. The Attorney General appealed the FERC's decision to the U.S. Court of Appeals for the Ninth Circuit. The Attorney General contends that the failure of all market-based rate authority sellers of power to have rates on file with the FERC in advance of sales is impermissible. The Ninth Circuit issued its decision on September 9, 2004, concluding that market-based tariffs are permissible under the Federal Power Act, but remanded the matter to the FERC to consider whether the FERC should exercise remedial power (including some form of refunds) when a market participant failed to submit reports that the FERC relies on to confirm the justness and reasonableness of rates charged. Certain parties to the litigation have sought rehearing. The companies cannot predict whether rehearing will be granted or what action the FERC might take if the matter is remanded.

Market Manipulation:

In a November 20, 2002 order, the FERC permitted discovery and the submission of evidence respecting market manipulation by various sellers during the western power crises of 2000 and 2001.

On March 3, 2003, the California Parties (certain investor owned utilities, the California Attorney General, the California Electricity Oversight Board and the CPUC) filed voluminous documentation asserting that a number of wholesale power suppliers, including IE and IPC, had engaged in a variety of forms of conduct that the California Parties contended were impermissible. Although the contentions of the California Parties were contained in more than 11 compact discs of data and testimony, approximately 12,000 pages, IE and IPC were mentioned in limited contexts with the overwhelming majority of the claims of the California Parties relating to the conduct of other parties.

The California Parties urged the FERC to apply the precepts of its earlier decision, to replace actual prices charged in every hour starting May 1, 2000 through the beginning of the existing Refund Period with a Mitigated Market Clearing Price, seeking approximately \$8 billion in refunds to the Cal ISO and the CalPX. On March 20, 2003, numerous parties, including IE and IPC, submitted briefs and responsive testimony.

In its March 26, 2003 order, discussed above in "California Refund," the FERC declined to generically apply its refund determinations to sales by all market participants, although it stated that it reserved the right to provide remedies for the market against parties shown to have engaged in proscribed conduct.

On June 25, 2003, the FERC ordered over 50 entities that participated in the western wholesale power markets between

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January 1, 2000 and June 20, 2001, including IPC, to show cause why certain trading practices did not constitute gaming or anomalous market behavior in violation of the Cal ISO and the CalPX Tariffs. The Cal ISO was ordered to provide data on each entity's trading practices within 21 days of the order, and each entity was to respond explaining their trading practices within 45 days of receipt of the Cal ISO data. IPC submitted its responses to the show cause orders on September 2 and 4, 2003. On October 16, 2003, IPC reached agreement with the FERC Staff on the two orders commonly referred to as the "gaming" and "partnership" show cause orders. Regarding the gaming order, the FERC Staff determined it had no basis to proceed with allegations of false imports and paper trading and IPC agreed to pay \$83,373 to settle allegations of circular scheduling. IPC believed that it had defenses to the circular scheduling allegation but determined that the cost of settlement was less than the cost of litigation. In the settlement, IPC did not admit any wrongdoing or violation of any law. With respect to the "partnership" order, the FERC Staff submitted a motion to the FERC to dismiss the proceeding because materials submitted by IPC demonstrated that IPC did not use its "parking" and "lending" arrangement with Public Service Company of New Mexico to engage in "gaming" or anomalous market behavior ("partnership"). The "gaming" settlement was approved by the FERC on March 3, 2004. Eight parties have requested rehearing of the FERC's March 3, 2004 order, but the FERC has not yet acted on those requests. The motion to dismiss the "partnership" proceeding was approved by the FERC in an order issued on January 23, 2004 and rehearing of that order was not sought within the time allowed by statute. Some of the California Parties and other parties have petitioned the U.S. Court of Appeals for the Ninth Circuit and the District of Columbia Circuit for review of the FERC's orders initiating the show cause proceedings. Some of the parties contend that the scope of the proceedings initiated by the FERC was too narrow. Other parties contend that the orders initiating the show cause proceedings were impermissible. Under the rules for multidistrict litigation, a lottery was held and although these cases were to be considered in the District of Columbia Circuit by order of February 10, 2005, the District of Columbia Circuit transferred the proceedings to the Ninth Circuit. The FERC had moved the District of Columbia Circuit to dismiss these petitions on the grounds of prematurity and lack of ripeness and finality. The transfer order was issued before a ruling from the District of Columbia Circuit and the motions, if renewed, will be considered by the Ninth Circuit. IPC is not able to predict the outcome of the judicial determination of these issues.

On June 25, 2003, the FERC also issued an order instituting an investigation of anomalous bidding behavior and practices in the western wholesale power markets. In this investigation, the FERC was to review evidence of alleged economic withholding of generation. The FERC determined that all bids into the CalPX and the Cal ISO markets for more than \$250 per MWh for the time period May 1, 2000 through October 1, 2000 would be considered prima facie evidence of economic withholding. The FERC Staff issued data requests in this investigation to over 60 market participants including IPC. IPC responded to the FERC's data requests. In a letter dated May 12, 2004, the FERC's Office of Market Oversight and Investigations advised that it was terminating the investigation as to IPC. In March 2005, the California Attorney General, the CPUC, California Electricity Oversight Board and Pacific Gas and Electric Company sought judicial review in the Ninth Circuit of the FERC's termination of this investigation as to IPC and approximately 30 other market participants. IPC has moved to intervene in these proceedings. On April 25, 2005, Pacific Gas and Electric Company sought review in the Ninth Circuit of another FERC order in the same docketed proceeding confirming the agency's earlier decision not to allow the participation of the California Parties in what the FERC characterized as its non-public investigative proceeding.

Pacific Northwest Refund:

On July 25, 2001, the FERC issued an order establishing another proceeding to explore whether there may have been unjust and unreasonable charges for spot market sales in the Pacific Northwest during the period December 25, 2000 through June 20, 2001. The FERC Administrative Law Judge submitted recommendations and findings to the FERC on September 24, 2001. The Administrative Law Judge found that prices should be governed by the Mobile-Sierra standard of the public interest rather than the just and reasonable standard, that the Pacific Northwest spot markets were competitive and that no refunds should be allowed. Procedurally, the Administrative Law Judge's decision is a recommendation to the commissioners of the FERC. Multiple parties submitted comments to the FERC with respect to the Administrative Law Judge's recommendations. The Administrative Law Judge's recommended findings had been pending before the FERC, when at the request of the City of Tacoma and the Port of Seattle on December 19, 2002, the FERC reopened the proceedings to allow the submission of additional evidence related to alleged manipulation of the power market by Enron and others. As was the case in the California refund proceeding, at the conclusion of the discovery period, parties alleging market manipulation were to submit their claims to the FERC and responses were due on March 20, 2003. Grays Harbor, whose civil litigation claims were dismissed, as noted above, intervened in this FERC proceeding, asserting on March 3, 2003 that its six-month forward contract, for which performance had been completed, should be treated as a spot market contract for purposes of the FERC's consideration of refunds and is requesting refunds from IPC of \$5 million. Grays Harbor did not suggest that there was any misconduct by IPC or IE. The companies submitted responsive testimony defending vigorously against Grays Harbor's refund claims.

Exhibit F

In addition, the Port of Seattle, the City of Tacoma and the City of Seattle made filings with the FERC on March 3, 2003 claiming that because some market participants drove prices up throughout the west through acts of manipulation, prices for contracts throughout the Pacific Northwest market should be re-set starting in May 2000 using the same factors the FERC would use for California markets. Although the majority of these claims are generic, they named a number of power market suppliers, including IPC and IE, as having used parking services provided by other parties under FERC-approved tariffs and thus as being candidates for claims of improperly having received congestion revenues from the Cal ISO. On June 25, 2003, after having considered oral argument held earlier in the month, the FERC issued its Order Granting Rehearing, Denying Request to Withdraw Complaint and Terminating Proceeding, in which it terminated the proceeding and denied claims that refunds should be paid. The FERC denied rehearing on November 10, 2003, triggering the right to file for review. The Port of Seattle, the City of Tacoma, the City of Seattle, the California Attorney General, the CPUC and Puget Sound Energy, Inc. filed petitions for review in the Ninth Circuit. These petitions have been consolidated. Grays Harbor did not file a petition for review, although it has sought to intervene in the proceedings initiated by the petitions of others. On July 21, 2004, the City of Seattle submitted to the Ninth Circuit in the Pacific Northwest refund petition for review a motion requesting leave to offer additional evidence before the FERC in order to try to secure another opportunity for reconsideration by the FERC of its earlier rulings. The evidence that the City of Seattle seeks to introduce before the FERC consisted of audio tapes of what purports to be Enron trader conversations containing inflammatory language that have been the subject of coverage in the press. Under Section 313(b) of the Federal Power Act, a court is empowered to direct the introduction of additional evidence if it is material and could not have been introduced during the underlying proceeding. The City of Seattle also requested that the current briefing schedule, which required briefs to be filed by August 5, 2004, be delayed. On September 29, 2004, the Ninth Circuit denied the City of Seattle's motion for leave to adduce evidence, without prejudice to renewing the request for remand in the briefing in the Pacific Northwest refund case. Briefing is currently scheduled to be completed on May 25, 2005. A date for oral argument has not yet been set.

The companies are unable to predict the outcome of these matters.

Shareholder Lawsuits: On May 26, 2004 and June 22, 2004, respectively, two shareholder lawsuits were filed against IDACORP and certain of its directors and officers. The lawsuits, captioned Powell, et al. v. IDACORP, Inc., et al. and Shorthouse, et al. v. IDACORP, Inc., et al., raise largely similar allegations. The lawsuits are putative class actions brought on behalf of purchasers of IDACORP stock between February 1, 2002 and June 4, 2002, and were filed in the U.S. District Court for the District of Idaho. The named defendants in each suit, in addition to IDACORP, are Jon H. Miller, Jan B. Packwood, J. LaMont Keen and Darrel T. Anderson.

The complaints alleged that, during the purported class period, IDACORP and/or certain of its officers and/or directors made materially false and misleading statements or omissions about the company's financial outlook in violation of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended, and Rule 10b-5, thereby causing investors to purchase IDACORP's common stock at artificially inflated prices. More specifically, the complaints alleged that IDACORP failed to disclose and misrepresented the following material adverse facts which were known to defendants or recklessly disregarded by them: (1) IDACORP failed to appreciate the negative impact that lower volatility and reduced pricing spreads in the western wholesale energy market would have on its marketing subsidiary, IE; (2) IDACORP would be forced to limit its origination activities to shorter-term transactions due to increasing regulatory uncertainty and continued deterioration of creditworthy counterparties; (3) IDACORP failed to discount for the fact that IPC may not recover from the lingering effects of the prior year's regional drought and (4) as a result of the foregoing, defendants lacked a reasonable basis for their positive statements about IDACORP and their earnings projections. The Powell complaint also alleged that the defendants' conduct artificially inflated the price of IDACORP's common stock. The actions seek an unspecified amount of damages, as well as other forms of relief. By order dated August 31, 2004, the court consolidated the Powell and Shorthouse cases for pretrial purposes, and ordered the plaintiffs to file a consolidated complaint within 60 days. On November 1, 2004, IDACORP and the directors and officers named above were served with a purported consolidated complaint captioned Powell, et al. v. IDACORP, Inc., et al., which was filed in the U.S. District Court for the District of Idaho.

The new complaint alleges that during the class period IDACORP and/or certain of its officers and/or directors made materially false and misleading statements or omissions about its business operations, and specifically the IE financial outlook, in violation of Rule 10b-5, thereby causing investors to purchase IDACORP's common stock at artificially inflated prices. The new complaint alleges that IDACORP failed to disclose and misrepresented the following material adverse facts which were known to it or recklessly disregarded by it: (1) IDACORP falsely inflated the value of energy contracts held by IE in order to report higher revenues and profits; (2) IDACORP permitted IPC to inappropriately grant native load priority

Exhibit F

for certain energy transactions to IE; (3) IDACORP failed to file 13 ancillary service agreements involving the sale of power for resale in interstate commerce that it was required to file under Section 205 of the Federal Power Act; (4) IDACORP failed to file 1,182 contracts that IPC assigned to IE for the sale of power for resale in interstate commerce that IPC was required to file under Section 203 of the Federal Power Act; (5) IDACORP failed to ensure that IE provided appropriate compensation from IE to IPC for certain affiliated energy transactions; and (6) IDACORP permitted inappropriate sharing of certain energy pricing and transmission information between IPC and IE. These activities allegedly allowed IE to maintain a false perception of continued growth that inflated its earnings. In addition, the new complaint alleges that those earnings press releases, earnings release conference calls, analyst reports and revised earnings guidance releases issued during the class period were false and misleading. The action seeks an unspecified amount of damages, as well as other forms of relief. IDACORP and the other defendants filed a consolidated motion to dismiss on February 9, 2005, and the plaintiffs filed their opposition to the consolidated motion to dismiss on March 28, 2005. IDACORP and the other defendants filed their response to the plaintiff's opposition on April 29, 2005 and oral argument on the motion is scheduled for May 19, 2005.

IDACORP and the other defendants intend to defend themselves vigorously against the allegations. IDACORP cannot, however, predict the outcome of these matters.

Powerex: On August 31, 2004, Powerex Corp., the wholly owned power marketing subsidiary of BC Hydro, a Crown Corporation of the province of British Columbia, Canada, filed a lawsuit against IE and IDACORP in the U.S. District Court for the District of Idaho. Powerex Corp. alleges that IE breached an oral and written contract regarding the assignment of transmission capacity for electric power by IE to Powerex Corp. for a 14 month period and for intentional interference with Powerex Corp.'s alleged contract with IE. Powerex Corp. seeks unspecified general and special damages. On November 29, 2004, the companies filed an answer to Powerex Corp.'s complaint, denying all liability to the plaintiffs, and asserting certain affirmative defenses. The companies intend to vigorously defend their position in this proceeding but cannot predict the outcome of this matter.

Other Legal Issues

Idaho Power Company Transmission Line Rights-of-Way Across Fort Hall Indian Reservation: IPC has multiple transmission lines that cross the Shoshone-Bannock Tribes' Fort Hall Indian Reservation near the city of Pocatello in southeastern Idaho. IPC has been working since 1996 to renew four of the right-of-way permits (for five of the transmission lines), which have stated permit expiration dates between 1996 and 2003. IPC filed applications with the U.S. Department of the Interior, Bureau of Indian Affairs, to renew the four rights-of-way for 25 years, including payment of the independently appraised value of the rights-of-way to the tribes (and the tribal allottees who own portions of the rights-of-way). Due to the lack of definitive legal guidelines for valuation of the permit renewals, IPC is in the process of negotiating mutually acceptable renewal terms with the tribes and allottees. The parties are pursuing a possible 23-year renewal of the permits (including all pre-renewal periods) for a total payment of approximately \$7 million to the tribes and allottees. IPC, the tribes and the Bureau of Indian Affairs are currently working through the process of finalizing the agreement, including obtaining the requisite consents from the allottees. The parties believe it is likely that the required consents will be obtained during the second quarter of 2005. On December 27, 2004, IPC filed an application with the IPUC seeking an accounting order regarding the capitalization and amortization of the easement grant costs. On February 28, 2005, the IPUC issued an order approving IPC's application.

Exhibit G

IDAHO POWER COMPANY STATEMENT OF INCOME For the Twelve Months Ended March 31, 2005

	Actual
Operating Revenues.....	826,643,356
Operating Expenses:	
Purchased power.....	221,215,782
Fuel.....	100,853,655
Power cost adjustment.....	22,203,129
Other operation and maintenance expense.....	244,618,928
Depreciation expense.....	91,550,411
Amortization of limited-term electric plant.....	9,333,542
Taxes other than income taxes.....	18,751,890
Income taxes - Federal.....	11,235,156
Income taxes - Other.....	5,438,833
Provision for deferred income taxes.....	32,423,558
Provision for deferred income taxes - Credit.....	(42,741,018)
Investment tax credit adjustment.....	(483,829)
Total operating expenses.....	714,400,037
Operating Income.....	112,243,319
Other Income and Deductions:	
Allowance for equity funds used during construction.....	4,356,816
Income taxes.....	3,438,692
Other - Net.....	2,885,892
Net other income and deductions.....	10,681,400
Income Before Interest Charges.....	122,924,719
Interest Charges:	
Interest on first mortgage bonds.....	45,437,642
Interest on other long-term debt.....	5,719,897
Interest on short-term debt.....	902,295
Amortization of debt premium, discount and expense - Net.....	2,373,018
Other interest expense.....	893,631
Total interest charges.....	55,326,483
Allowance for borrowed funds used during construction - Credit.....	2,933,574
Net interest charges.....	52,392,909
Net Income.....	\$ 70,531,810

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

Exhibit H

IDAHO POWER COMPANY
STATEMENT OF RETAINED EARNINGS
AND
UNDISTRIBUTED SUBSIDIARY EARNINGS
For the Twelve Months Ended March 31, 2005

Retained Earnings

Retained earnings (at the beginning of period)	328,678,701
Balance transferred from income.....	70,531,810
Dividends received from subsidiary.....	
Total.....	<u>399,210,511</u>
Dividends:	
Preferred Stock	3,969,716
Common Stock	47,612,179
Total.....	<u>51,581,895</u>
Retained earnings (at end of period).....	<u>\$ 347,628,616</u>

Undistributed Subsidiary Earnings

Balance (at beginning of period).....	25,126,289
Equity in earnings for the period.....	8,419,504
Dividends paid (Debit).....	<u>-</u>
Balance (at end of period).....	<u>\$ 33,545,793</u>