McDowell & Rackner PC

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March 19, 2007

VIA ELECTRONIC FILING

PUC Filing Center
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97308-2148

Re: Docket UF _____

Enclosed for filing are an original and 4 copies of Idaho Power Company's Application for an Order Authorizing Applicant to Make up to $450,000,000 Aggregate Principal Amount at any One Time, Outstanding of Short-Term Borrowings.

Very truly yours,

Lisa F. Rackner

Enclosures

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UF _____

In the Matter of the Application of IDAHO POWER COMPANY for an Order Authorizing up to $450,000,000 Aggregate Principal Amount at Any One Time Outstanding of Short-Term Borrowings.	**APPLICATION**

IDAHO POWER COMPANY ("Applicant") hereby applies for an Order of the Public Utility Commission of Oregon (the "Commission") authorizing Applicant to make up to $450,000,000 aggregate principal amount at any one time outstanding of short-term borrowings as set forth herein. This Application is filed pursuant to ORS Chapter 757 and OAR 860-27-0030.

The Application of Idaho Power Company respectfully alleges:

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

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

(c) The name and address of the persons authorized on behalf of Applicant to receive notices and communications in respect to this Application are:

Steven R. Keen Vice President and Treasurer Idaho Power Company P.O. Box 70 Boise, ID 83707	Patrick A. Harrington Attorney Idaho Power Company P.O. Box 70 Boise, ID 83707	Lisa F. Rackner McDowell & Rackner PC 520 SW 6th Ave Ste 830 Portland, OR 97204

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

J. LaMont Keen	President & Chief Executive Officer
Darrel T. Anderson	Sr. Vice President – Administrative Services and Chief Financial Officer
James C. Miller	Sr. Vice President – Power Supply
Daniel B. Minor	Sr. Vice President – Delivery
Lisa A. Grow	Vice President – Delivery Engineering and Operations
Warren Kline	Vice President – Customer Service and Regional Operations
Thomas R. Saldin	Sr. Vice President, General Counsel & Secretary
John R. Gale	Vice President – Regulatory Affairs
Steven R. Keen	Vice President and Treasurer
Dennis C. Gribble	Vice President and Chief Information Officer
Luci K. McDonald	Vice President – Human Resources
Greg W. Panter	Vice President – Public Affairs
Lori D. Smith	Vice President – Finance and Chief Risk Officer
Naomi Shankel	Vice President – Audit & Compliance

The address of all of the above officers is:

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

(e) Applicant is an electric public utility engaged principally in the generation, purchase, transmission, distribution and sale of electric energy in an approximately 24,000 square mile area over southern Idaho and in the counties of Baker, Malheur and Harney in eastern Oregon. A map showing Applicant's service territory is on file with the Commission as Exhibit H to Applicant's application in Case UF-4063.

The following statement as to each class of the capital stock of Applicant is as of December 31, 2006, the date of the balance sheet submitted with this application:

<u>Common Stock</u>

(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

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(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.

(g) The following statement as to funded debt of Applicant is as of December 31, 2006, the date of the balance sheet submitted with this application.

First Mortgage Bonds

(1) Description	(3) Amount Outstanding
FIRST MORTGAGE BONDS:	
7.38 % Series due 2007, dated as of Dec 1, 2000, due Dec 1, 2007	80,000,000
7.20 % Series due 2009, dated as of Nov 23, 1999, due Dec 1, 2009	80,000,000
6.60 % Series due 2011, dated as of Mar 2, 2001, due Mar 2, 2011	120,000,000
4.75 % Series due 2012, dated as of Nov 15, 2002, due Nov 15, 2012	100,000,000
4.25 % Series due 2013, dated as of May 13, 2003, due October 1, 2013	70,000,000
6 % Series due 2032, dated as of Nov 15, 2002, due Nov 15, 2032	100,000,000
5.50 % Series due 2033, dated as of May 13, 2003, due April 1, 2033	70,000,000
5.50 % Series due 2034, dated as of March 26, 2004, due March 15, 2034	50,000,000
5.875% Series due 2034, dated as of August 16, 2004, due August 15, 2034	55,000,000
5.30 % Series due 2035, dated as of August 23, 2005, due August 15, 2035	60,000,000
	785,000,000

(2) Amount authorized – Limited within the maximum of $1,500,000,000 (or such other maximum amount as may be fixed by supplemental indenture) and by property, earnings, and other provisions of the Mortgage.
(4) Amount held as reacquired securities – None
(5) Amount pledged – None
(6) Amount owned by affiliated corporations – None
(7) Amount of sinking or other funds – None

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

Pollution Control Revenue Bonds

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

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

(C) Variable Rate Series 2006 due 2026:
(1) Description – Pollution Control Revenue Bonds, Variable Rate Series 2006 due 2026, County of Sweetwater, Wyoming, dated as of October 1, 2006, due July 15, 2026
(2) Amount authorized – $116,300,000
(3) Amount outstanding – $116,300,000
(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

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For a full statement of the terms and provisions relating to the outstanding Pollution Control Revenue Bonds above referred to, reference is made to (A) copies of Trust Indenture by Port of Morrow, Oregon, to the Bank One Trust Company, N. A., Trustee, and Loan Agreement between Port of Morrow, Oregon and Idaho Power Company, both dated May 17, 2000, under which the Variable Rate Series 2000 bonds were issued, (B) copies of Loan Agreement between Idaho Power Company and Humboldt County, Nevada dated October 1, 2003; Trust Indenture between Humboldt County, Nevada and Union Bank of California dated October 1, 2003; Escrow Agreement between Humboldt County, Nevada and Bank One Trust Company and Idaho Power Company dated October 1, 2003; Purchase Contract dated October 21, 2003 among Humboldt County, Nevada and Bankers Trust Company; Auction Agreement, dated as of October 22, 2003 among Idaho Power Company, Union Bank of California and Deutsche Bank Trust Company; Insurance Agreement, dated as of October 1, 2003 between AMBAC and Idaho Power Company; Broker-Dealer agreements dated October 22, 2003 among the Auction Agent, Banc One Capital Markets, Banc of America Securities and Idaho Power Company, under which the Auction Rate Series 2003 bonds were issued, and (C) copies of Indentures of Trust by Sweetwater County, Wyoming, to Union Bank of California, Trustee, and Loan Agreements between Idaho Power Company and Sweetwater County, Wyoming, dated October 1, 2006, under which the Variable Rate Series 2006 bonds were issued.

(h) A description of the securities proposed to be authorized and issued, and for which this Application is made, is as follows:

(1) Description

Applicant's short-term borrowings hereunder will consist of (1) loans issued by financial and other institutions and evidenced by unsecured notes or other evidence of indebtedness of Applicant and (2) unsecured promissory notes and commercial paper of

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Applicant to be issued for public or private placement through one or more commercial paper dealers or agents, or directly by Applicant.

(2) Amount

Applicant's short-term borrowings will not exceed a maximum $450 million aggregate principal amount at any one time outstanding during the term of the Commission's authorization hereunder. Applicant expects that the new Credit Agreement described in paragraph (i) below will initially authorize Applicant to borrow up to $300 million aggregate principal amount at any one time outstanding, with the option of Applicant to increase said borrowing limit to $450 million at Applicant's election during the term of the Credit Agreement. Applicant will provide written notice to the Commission in the event Applicant exercises its right to increase the Credit Agreement borrowing limit above $300 million.

(3) Interest Rate

Applicant anticipates that its short-term borrowings hereunder will include interest rates that may be fixed or variable, and that the rates will be based on LIBOR, the applicable prime rate, or other rate established in the borrowing arrangements, and may vary based upon the ratings of Applicant's first mortgage bonds or Applicant's corporate credit rating.

(4) Date of Issue

Applicant requests authority to make short-term borrowings hereunder for a seven (7) year period, from April 1, 2007 through April 1, 2014. Applicant expects that the Credit Agreement will allow borrowings for an initial five (5) year period, from April 2007 through April 2012, with the option of Applicant to extend the borrowing period for two one-year extensions, up to April 2014. Applicant will notify the Commission in writing if it elects to exercise either of the one-year extensions to the Credit Agreement beyond April 1, 2012. In no event will the term of any Applicant short-term borrowings hereunder extend beyond April 1, 2014.

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Applicant is requesting authorization to make the short-term borrowings as described in this Application during said seven-year period, so long as Applicant maintains at least a BBB- or higher senior secured debt rating, as indicated by Standard & Poor's Ratings Services, and a Baa3 or higher rating as indicated by Moody's Investors' Service, Inc.

(5) Redemption Provisions

Not applicable.

(6) Date of Maturity

The proposed short-term borrowings will have maturities which may be one year or less. Applicant is seeking authorization to make short-term borrowings at any time hereunder so long as the borrowings made or commercial paper issued mature no later than April 1, 2014.

(7) Voting Privileges

Not applicable.

(i) Applicant intends to secure commitments for new unsecured lines of credit, or extensions of existing unsecured lines of credit, for its short-term borrowings hereunder. The unsecured lines of credit may be obtained with several financial or other institutions, directly by the Applicant or through an agent, when and if required by Applicant's then current financial requirements (see paragraph (l)). Each individual line of credit commitment will provide that up to a specific amount at any one time outstanding will be available to Applicant to draw upon for a fee to be determined by a percentage of the credit line available, credit line utilization, compensating balance or combination thereof.

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

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committed and uncommitted line of credit agreements specifying the terms of Applicant's short-term borrowings will be filed with the Commission as Exhibit J.

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

Applicant expects to enter into a new or amended credit agreement in the spring of 2007, providing a committed line of credit for short-term borrowings from participating banks of up to $450 million aggregate principal amount at any one time outstanding, for a period of April 2007 through April 2014 (the "Credit Agreement"). The Credit Agreement is expected to provide reduced fees and expenses as compared with Applicant's current credit agreement. The Credit Agreement would also provide expanded short-term borrowing capacity for Applicant's increasing utility capital expenditure requirements, as well as a longer bank commitment period. Applicant plans to use the Credit Agreement primarily as a backup credit facility to enhance the credit ratings for its commercial paper issuances, but may also borrow directly under the Credit Agreement as it deems necessary or desirable.

(j) Applicant's line of credit arrangements are expected to include one or more lead agents, and a number of additional banks as participating agents. Reference is made to paragraphs (i) and (k), which specify the method of payment of fees to the financial or other institutions pursuant to the line of credit arrangements. With respect to commercial paper issuances, it is expected that the commercial paper dealers or agents will sell such notes at a profit to them of not to exceed 1/8 of 1 percent of the principal amount of each note.

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(k) The Credit Agreement would likely include the following fees for the lead agent(s) and participating agents: an up-front arrangement fee payable to the lead agent(s) totaling approximately $225,000; up-front agent participation fees payable to all participating agents totaling approximately $87,500; annual agent facility fees payable to all participating agents totaling approximately $210,000 per year; and annual administrative fees payable to the lead agent(s) of approximately $15,000 per year. Other expenses relating to the Credit Agreement line of credit facility are estimated to include: Applicant's legal fees of approximately $30,000, agent legal fees of approximately $30,000, and miscellaneous expenses of approximately $5,000. An extension of any existing line of credit syndicated facility would likely involve similar fees. The expected Credit Agreement fees represent a reduction in Applicant's current credit agreement fees. The fees are customary for the market and will offset the agents' costs, including personnel time, travel and administrative costs associated with negotiating and administering the unsecured lines of credit. The Applicant finds these fees are reasonable given the services provided by the agents.

(l) The purpose for which the short-term borrowings are proposed to be made by Applicant as provided herein is to obtain temporary short-term capital for the acquisition of utility property, the construction, extension or improvement of utility facilities, the improvement or maintenance of service, the discharge or lawful refunding of obligations which were made for utility purposes (such as higher cost debt or preferred stock) or the reimbursement of Applicant's treasury for funds used for the foregoing purposes, all as permitted under ORS 757.415(1). If the funds to be reimbursed were used for the discharge or refunding of obligations, those obligations or their precedents were originally made in furtherance of the utility purposes above.

(m) Applications with respect to Applicant's short-term borrowing authorizations have been filed with the Idaho Public Utilities Commission and the Public Service Commission of Wyoming. No Federal Energy Regulatory Commission or other state

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regulatory commission approval is required. No registration statement filing with the Securities and Exchange Commission is required.

(n) Applicant alleges that the refunding transactions described in this Application are (A) for a lawful object, within the corporate purposes of Applicant as described in paragraph (1) above, and (B) compatible with the public interest. The short-term borrowings and the use of proceeds thereof as described in paragraph (1) above are (C) necessary and appropriate for and consistent with the proper performance by Applicant of service as a public utility, (D) will not impair Applicant's ability to perform that service, and (E) are reasonably necessary or appropriate for such purposes.

(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 for 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. This Application will not result in the capitalization of the right to be a corporation, or of any franchise, permit or contract for consolidation, merger or lease in excess of the amount (exclusive of any tax or annual charge) actually paid as the consideration for such right, franchise, permit or contract.

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PRAYER

WHEREFORE, Applicant respectfully requests that the Public Utility Commission of Oregon issue its Order authorizing Applicant to make up to $450,000,000 aggregate principal amount at any one time outstanding of short-term borrowings, for the period from April 1, 2007 through April 1, 2014, under the terms and conditions and for the purposes set forth in this application.

Dated: March 19, 2007.

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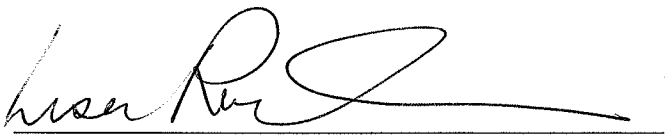

Lisa F. Rackner

IDAHO POWER COMPANY

/s/ Patrick A. Harrington

Patrick A. Harrington

Attorneys for Idaho Power Company

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EXHIBITS

Exhibit A. A copy of Applicant's Restated Articles of Incorporation, as amended, has heretofore been filed with the Commission in Case UF 4214, reference to which is hereby made.

Exhibit B. A copy of Applicant's By-laws, as amended, has been filed with the Commission in Case UF 4214, reference to which is hereby made.

Exhibit C. A certified copy of resolutions of the Board of Directors authorizing the transaction with respect to which this Application is made will be filed with the Commission as Exhibit C promptly after the Board of Directors' next regular meeting to be held March 15, 2007.

Exhibit D-1. Copies of Mortgage and Deed of Trust, including First Supplemental Indenture, are on file with the Commission in Case UF-795; Second Supplemental Indenture in Case UF-1102; Third Supplemental Indenture in Case UF-1247; Fourth Supplemental Indenture in Case UF-1351; Fifth Supplemental Indenture in Case UF-1467; Sixth Supplemental Indenture in Case UF-1608; Seventh Supplemental Indenture of Case UF-2000; Eighth and Ninth Supplemental Indentures in Case UF-2068; Tenth Supplemental Indenture in Case UF-2146; Eleventh Supplemental Indenture in Case UF-2159; Twelfth Supplemental Indenture in Case UF-2188; Thirteenth Supplemental Indenture in Case UF-2253; Fourteenth Supplemental Indenture in Case UF-2304; Fifteenth Supplemental Indenture in Case UF-2466; Sixteenth Supplemental Indenture in Case UF-2545; Seventeenth Supplemental Indenture in Case UF-2596; Eighteenth Supplemental Indenture in Case UF-2944; Nineteenth Supplemental Indenture in Case UF-3063; Twentieth Supplemental Indenture and Twenty-first Supplemental Indentures in Case UF-3110; Twenty-second Supplemental Indenture in Case UF-3274; Twenty-third Supplemental Indenture in Case UF-3457; and Twenty-fourth Supplemental Indenture in Case UF-3614; Twenty-fifth Supplemental Indenture in Case UF-3758; Twenty-sixth Supplemental

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Indenture in Case UF-3782; Twenty-seventh Supplemental Indenture in Case UF-3947; Twenty-eighth Supplemental Indenture in Case UF-4022; Twenty-ninth Supplemental Indenture in Case UF-4014; Thirtieth Supplemental Indenture in Case UF-4033; Thirty-first Supplemental Indenture in Case UF-4033; Thirty-second Supplemental Indenture in Case UF-4053; Thirty-third Supplemental Indenture in Case UF-4088; Thirty-fourth Supplemental Indenture in Case UF-4111; Thirty-fifth Supplemental Indenture in Case UF-4175; Thirty-sixth Supplemental Indenture in Case UF-4181; Thirty-seventh Supplemental Indenture in Case UF-4196; Thirty-ninth Supplemental Indenture in Case UF-4200; Fortieth Supplemental Indenture in Case UF-4211; and Forty-first Supplemental Indenture in Case UF-4227, reference to all of which is hereby made.

Exhibit D-2. A copy of Applicant's Guaranty Agreement, dated April 1, 2000, with Bank One Trust Company, N.A., as Trustee, for $19,885,000 of Bonds under and pursuant to the Indenture relating to the $19,885,000 American Falls Replacement Dam Refunding Bonds, Series 2000, of the American Falls Reservoir District, Idaho, has heretofore been filed with the Commission in Case UF 4169, reference to which is hereby made.

Exhibit D-3. A copy of Applicant's Guaranty Agreement representing a one-third contingent liability for lease charges for certain equipment leased to the Bridger Coal Company, in connection with the operation of the Applicant's Jim Bridger Plant, along with an Order dated July 30, 1974, from the Federal Power Commission waiving jurisdiction over this transaction, has heretofore been filed with the Commission in Case UF 2977, reference to which is hereby made.

Exhibit D-4. A copy of Applicant's Loan Agreement, dated as of May 1, 2000, regarding payment of the principal and interest on $4,360,000 Pollution Control Revenue Refunding Bonds issued by the Port of Morrow Oregon, for certain pollution control and sewage or solid waste disposal facilities installed on the Boardman coal-fired steam electric

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generating plant, has heretofore been filed with the Commission in Case UF 4169, reference to which is hereby made.

Exhibit D-5. A copy of the Participation Agreement which includes as exhibits the Facilities Agreement and the Assumption and Option Agreement along with copies of the Bargain and Sale Deed, Bill of Sale and Assignment, and the Amendment to the Agreement for Construction, Ownership and Operation of the Number One Boardman Station on Carty Reservoir, as supplemented, with respect to the sale and leaseback of the Coal Handling Facilities at the Number One Boardman Station has heretofore been filed with the Commission in Docket No, UF ES79-55, reference to which is hereby made.

Exhibit D-6. A copy of Applicant's Loan Agreements regarding Applicant's payments to Sweetwater County, Wyoming, as Issuer of the $116,300,000 Pollution Control Revenue Refunding Bonds, Series 2006, dated as of October 1, 2006, with respect to the Jim Bridger Coal-Fired Steam Electric Generating Plant, has heretofore been filed with the Commission in Case UF 4227, reference to which is hereby made.

Exhibit D-7. A copy of Applicant's Guaranty Agreement, dated February 10, 1992, guaranteeing payment of the principal and interest on $11,700,000 of Notes issued by Milner Dam, Inc., for construction of the Milner Dam Rehabilitation Project in Twin Falls County, Idaho, has heretofore been filed with the Commission in Case UF 4063, reference to which is hereby made.

Exhibit D-8. A copy of Applicant's Loan Agreement regarding Applicant's payments to Humboldt County, Wyoming, as Issuer of the $49,800,000 Pollution Control Revenue Refunding Bonds (Idaho Power Company Project), Series 2003, dated as of October 1, 2003, with respect to the Valmy Coal-Fired Steam Electric Generating Plant, has heretofore been filed with the Commission in Case UF 4200, reference to which is hereby made.

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Exhibit E. Balance Sheet of Applicant with supporting fixed capital or plant schedules as of December 31, 2006.

Exhibit F. Statement of Applicant's Commitments and Contingent Liabilities as December 31, 2006.

Exhibit G. Income Statement of Applicant for the 12 months ended December 31, 2006.

Exhibit H. Statement of Retained Earnings of Applicant for the 12 months ended December 31, 2006.

Exhibit I. No registration statement filing with the Securities and Exchange Commission is required.

Exhibit J. Copies of the proposed agreements for the committed and uncommitted unsecured Lines of Credit and other agreements evidencing the borrowing arrangements will be filed with the Commission as soon as available.

Exhibit K. See Exhibit J above.

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Exhibit E

IDAHO POWER COMPANY
BALANCE SHEET
As of December 31, 2006

ASSETS

	Actual	Adjustments	After Adjustments
Electric Plant :			
In service (at original cost)	$ 3,583,693,910	$	$ 3,583,693,910
Accumulated provision for depreciation	(1,406,209,951)		(1,406,209,951)
In service - Net	2,177,483,959		2,177,483,959
Construction work in progress	210,094,019		210,094,019
Held for future use	2,809,770		2,809,770
Electric plant - Net	2,390,387,748		2,390,387,748
Investments and Other Property:			
Nonutility property	976,937		976,937
Investment in subsidiary companies	62,223,499		62,223,499
Other	28,043,654		28,043,654
Total investments and other property	91,244,090		91,244,090
Current Assets:			
Cash and cash equivalents	2,404,300	450,000,000	452,404,300
Receivables:			
Customer	54,218,159		54,218,159
Allowance for uncollectible accounts	(968,073)		(968,073)
Notes	514,375		514,375
Employee notes	2,568,452		2,568,452
Related party			
Other	10,591,728		10,591,728
Accrued unbilled revenues	31,365,181		31,365,181
Materials and supplies (at average cost)	39,078,217		39,078,217
Fuel stock (at average cost)	15,173,831		15,173,831
Prepayments	8,952,014		8,952,014
Regulatory assets	1,479,782		1,479,782
Total current assets	165,377,965	450,000,000	615,377,965
Deferred Debits:			
American Falls and Milner water rights	30,542,991		30,542,991
Company owned life insurance	34,055,047		34,055,047
Regulatory assets associated with income taxes	343,572,509		343,572,509
Regulatory assets - PCA	9,559,464		9,559,464
Regulatory assets - other	70,416,373		70,416,373
Employee notes	2,410,706		2,410,706
Other	40,158,230		40,158,230
Total deferred debits	530,715,320		530,715,320
Total	$ 3,177,725,124	$ 450,000,000	$ 3,627,725,124

Exhibit E

IDAHO POWER COMPANY
BALANCE SHEET
As of December 31, 2006

CAPITALIZATION AND LIABILITIES

	Common Shares Authorized	Common Shares Outstanding	Actual	Adjustments	After Adjustments
Equity Capital:	50,000,000	39,150,812			
Common stock			$ 97,877,030		97,877,030
Premium on capital stock			530,757,435		530,757,435
Capital stock expense			(2,096,925)		(2,096,925)
Retained earnings			404,075,976		404,075,976
Accummulated other comprehensive income			(5,737,123)		(5,737,123)
Total equity capital			1,024,876,394		1,024,876,394
Long-Term Debt:					
First mortgage bonds			705,000,000		705,000,000
Pollution control revenue bonds			170,460,000		170,460,000
American Falls bond and Milner note guarantees			30,521,363		30,521,363
Unamortized discount on long-term debt (Dr)			(3,097,272)		(3,097,272)
Total long-term debt			902,884,091		902,884,091
Current Liabilities:					
Long-term debt due within one year			81,063,637		81,063,637
Notes payable			52,200,000	450,000,000	502,200,000
Accounts payable			85,713,626		85,713,626
Notes and accounts payable to related parties			1,110,966		1,110,966
Taxes accrued			41,688,295		41,688,295
Interest accrued			12,324,003		12,324,003
Deferred income taxes			17,145		17,145
Other			24,366,955		24,366,955
Total current liabilities			298,484,627	450,000,000	748,484,627
Deferred Credits:					
Regulatory liabilities associated with accumulated deferred investment tax credits			69,113,142		69,113,142
Deferred income taxes			489,234,243		489,234,243
Regulatory liabilities associated with income taxes			41,825,257		41,825,257
Regulatory liabilities-other			183,905,786		183,905,786
Other			167,401,584		167,401,584
Total deferred credits			951,480,011		951,480,011
Total			$ 3,177,725,124	$ 450,000,000	$ 3,627,725,124

IDAHO POWER COMPANY
STATEMENT OF ADJUSTING JOURNAL ENTRIES
As of December 31, 2006
Giving Effect to the Proposed issuance of
Short-term notes

Entry No. 1

Cash	$ 450,000,000	
Notes payable		$ 450,000,000

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

COMMITMENTS AND CONTINGENCIES:

Purchase Obligations:
As of December 31, 2006, IPC had agreements to purchase energy from 92 cogeneration and small power production (CSPP) facilities with contracts ranging from one to 30 years. Under these contracts IPC is required to purchase all of the output from the facilities inside the IPC service territory. For projects outside the IPC service territory, IPC is required to purchase the output that it has the ability to receive at the facility's requested point of delivery on the IPC system. IPC purchased 911,132 megawatt-hours (MWh) at a cost of $54 million in 2006, 715,209 MWh at a cost of $46 million in 2005 and 677,868 MWh at a cost of $40 million in 2004.

At December 31, 2006, IPC had the following long-term commitments relating to purchases of energy, capacity, transmission rights and fuel:

	2007	2008	2009	2010	2011	Thereafter
			(thousands of dollars)			
Cogeneration and small power production	$ 45,130	$ 76,538	$ 76,538	$ 79,830	$ 79,830	$ 1,064,718
Power and transmission rights	80,175	16,351	7,390	2,781	2,754	13,315
Fuel	54,395	30,035	28,885	2,941	3,821	11,005

In addition, IDACORP has the following long-term commitments for lease guarantees, maintenance and services, and industry related fees.

	2007	2008	2009	2010	2011	Thereafter
			(thousands of dollars)			
Operating leases	$ 4,531	$ 4,666	$ 3,008	$ 2,059	$ 1,008	$ 8,991
Maintenance and service agreements	36,550	7,552	3,240	1,490	1,320	7,523
FERC and other industry related fees	3,970	4,008	4,008	3,970	3,970	19,926

IPC's expense for operating leases was approximately $4 million, $4 million and $5 million in 2006, 2005 and 2004, respectively.

Guarantees
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 December 31, 2006. Bridger Coal Company has a reclamation trust fund set aside specifically for the purpose of paying these reclamation costs. Bridger Coal Company and IPC expect 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.

Legal Proceedings
From time to time IDACORP and IPC are a party to 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, taking into account existing reserves, will not have a material adverse effect on IDACORP's or IPC's 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 U.S. District Court for the Southern District of California. The companies' filed a motion to dismiss the complaint which the court granted on February 11, 2005. Wah Chang appealed the dismissal to the U.S. Court of Appeals for the Ninth Circuit on March 10, 2005. The Ninth Circuit set a briefing schedule on the appeal, requiring Wah Chang's opening brief to be filed by July 6, 2005. On May 18, 2005, Wah Chang filed a motion to stay the appeal or in the alternative to voluntarily dismiss the appeal without prejudice to reinstatement. The companies opposed the motion and filed a cross-motion asking the Court to summarily affirm the district court's order of dismissal. On July 8, 2005, the Ninth Circuit denied Wah Chang's motion and also denied the companies' motion for summary affirmance without prejudice to renewal following the filing of Wah Chang's opening brief. Wah Chang's opening brief was filed on September 21, 2005. On October 11, 2005 the companies, along with the other defendants, filed a motion to consolidate this appeal with Wah Chang v. Duke Energy Trading and Marketing currently pending before the Ninth Circuit. On October 18, 2005, the Ninth Circuit granted the motion to consolidate and established a revised briefing schedule. The companies filed an answering brief on November 30, 2005. Wah Chang's reply brief was filed on January 6, 2006. The appeal has been fully briefed and oral argument is scheduled for April 10, 2007. The companies intend to vigorously defend their position in this proceeding and believe this matter will not have a material adverse effect on their consolidated financial positions, results of operations or cash flows.

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 U.S. District Court for the Southern District of California. The companies' filed a motion to dismiss the complaint which the court granted on February 11, 2005. The City of Tacoma appealed to the U.S. Court of Appeals for the Ninth Circuit on March 10, 2005.

On August 9, 2005, the companies moved for summary affirmance of the district court's order dismissing the City of Tacoma's complaint. The City of Tacoma filed a response to the companies' motion for summary affirmance on August 24, 2005. The Ninth Circuit denied the companies' motion for summary affirmance on November 3, 2005. The appeal has been fully briefed and oral argument is scheduled for April 10, 2007. The companies intend to vigorously defend their position in this proceeding and believe this matter will not have a material adverse effect on their consolidated financial positions, results of operations or cash flows.

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. The CalPX owed 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 believed that the default invoices were not proper and that IPC owed no further amounts to the CalPX. IPC 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.

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 would await 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 was 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 were to be returned to the respective sellers at the conclusion of a seller's participation in the refund proceeding.

Based upon the Offer of Settlement filed with the FERC on February 17, 2006 between the California Parties and IE and IPC discussed below in "California Refund," the California Parties supported a motion filed by IE and IPC with the FERC seeking an Order Directing Return of Chargeback Amounts then held by the CalPX totaling $2.27 million. In the May 22, 2006 order approving the Settlement, the FERC granted the IE and IPC motion for return of chargeback funds held by the CalPX. On June 1, 2006, IE received approximately $2.5 million from the CalPX representing the return of $2.27 million in chargeback funds plus interest.

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, were expected to increase the offsets to amounts still owed by the Cal ISO and the CalPX to the companies. Calculations remained uncertain because (1) the FERC had required the Cal ISO to correct a number of defects in its calculations, (2) it was unclear what, if any, effect the ruling of the Ninth Circuit in Bonneville Power Administration v. FERC, described below, might have on the ISO's calculations, and (3) the FERC had stated that if refunds would prevent a seller from recovering its California portfolio costs during the Refund Period, it would provide an opportunity for a cost showing by such a respondent.

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.

Two avenues of activity have proceeded on largely but not entirely independent paths, converging from time to time. The Cal ISO continued to work on its compliance refund calculations while the appellate litigation and litigation before the FERC regarding, among other things, cost filings, fuel cost allowance offsets, emissions offsets, cost-based recovery offsets, and allocation methods continued.

Originally, the Cal ISO was to complete its calculation within five months of the FERC's October 16, 2003, order. The Cal ISO compliance filing has since been delayed numerous times. The Cal ISO has been required to update the FERC on its progress monthly. In its most recent status report, filed February 22, 2007, the Cal ISO reported that it has completed publishing settlement statements reflecting the basic refund calculations, and is currently in a "financial adjustment" phase, in which it calculates adjustments to its refund data to account for fuel cost allowance offsets, emissions offsets, cost-based recovery offsets, and interest on amounts unpaid and refunds. The Cal ISO estimates that it will take approximately 10 additional weeks to complete the financial adjustment phase, including applicable review and comment periods. The Cal ISO estimates that it will have completed its calculations by May 2007, subject to such additional time as may be required if unanticipated delays are encountered. The potential expansion of the FERC refund proceedings due to the Ninth Circuit orders and the disposition of additional settlements which the Ninth Circuit has announced it expects to be filed at the FERC in the near future may affect the finality of any Cal ISO calculations. At present, IDACORP and IPC are not able to predict when the Ninth Circuit mandates may issue, how the FERC will proceed in connection with the possible expansion of the proceedings, the nature and content of as yet un-filed settlements or the extent to which the Cal ISO calculation process may be disrupted.

On December 2, 2003, IDACORP 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 cases related to: (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 September 6, 2005, the Ninth Circuit issued a decision on the jurisdictional issues concluding that the FERC lacked refund authority over wholesale electric energy sales made by governmental entities and non-public utilities. On August 2, 2006, the Ninth Circuit issued its decision on the appropriate temporal reach and the type of transactions subject to the FERC refund orders and concluded, among other things, that all transactions at issue in the case that occurred within or as a result of the CalPX and the Cal ISO were the proper subject of refund proceedings; refused to expand the refund proceedings into the bilateral markets including transactions with the California Department of Water Resources; approved the refund effective date as October 2, 2000, but also required the FERC to consider whether refunds, including possibly market-wide refunds, should be required for an earlier time due to claims that some market participants had violated governing tariff obligations (although the decision did not specify when that time would start, the California Parties generally had sought further refunds starting May 1, 2000); and effectively expanded the scope of the refund proceeding to transactions within the CalPX and Cal ISO markets outside the 24-hour spot market and energy exchange transactions. The IDACORP settlement with the California Parties approved by the FERC on May 22, 2006, and discussed below anticipated the possibility of such an outcome and attempted to provide that the consideration exchanged among the settling parties also encompass the settling parties' claims in the event of such expansion of the proceedings.

The Ninth Circuit subsequently issued orders deferring the time for seeking rehearing of its order and holding the consolidated petitions for review in abeyance for a limited time in order to create an opportunity for unusual mediation proceedings managed jointly by the Court Mediator and FERC officials. The Ninth Circuit has since extended the deferral for the mediation effort.

IDACORP believes that these decisions should have no material effect on IDACORP under the terms of the IDACORP Settlement with the California Parties approved by the FERC on May 22, 2006.

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 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 approximately $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.

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 remanding 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. On December 28, 2006, a number of sellers have filed a certiorari petition to the U.S. Supreme Court. The U.S. Supreme Court has not yet acted on that petition. On February 16, 2007, the Ninth Circuit announced that it was continuing to withhold the mandate until April 27, 2007.

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 December 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.

On August 8, 2005, the FERC issued an Order establishing the framework for filings by sellers who elected to make a cost showing. On September 14, 2005, IE and IPC made a joint cost filing, as did approximately thirty other sellers. On October 11, 2005, the California entities filed comments on the IE and IPC cost filing and those made by other parties. IPC and IE submitted reply comments on October 17, 2005. The California entities filed supplemental comments on October 24, 2005 and IPC and IE filed supplemental reply comments on October 27, 2005.

In December of 2005, IE and IPC reached a tentative agreement with the California Parties settling matters encompassed by the California Refund proceeding including IE's and IPC's cost filing and refund obligation. On January 20, 2006, the Parties filed a request with the FERC asking that the FERC defer ruling on IE's and IPC's cost filing for thirty days so the parties could complete and file the settlement agreement with the FERC. On January 26, 2006, the FERC granted the requested deferral of a ruling on the cost filing and required that the settlement be filed by February 17, 2006. On February 17, 2006, IE and IPC jointly filed with the California Parties (Pacific Gas & Electric Company, San Diego Gas & Electric Company, Southern California Edison, the California Public Utilities Commission, the California Electricity Oversight Board, the California Department of Water Resources and the California Attorney General) an Offer of Settlement at the FERC. Other parties had until March 9, 2006 to elect to become additional settling parties. A number of parties, representing substantially less than the majority potential refund claims, chose to opt out of the settlement.

On March 27, 2006, the FERC issued an order rejecting the IE/IPC cost filing and on April 26, 2006, IE and IPC sought rehearing of the rejection. By order of April 27, 2006, the FERC tolled the time for what otherwise would have been required by statute to be a decision on the request for rehearing.

On May 12, 2006, the FERC issued an order determining the method that should be used to allocate amounts approved in cost filings, approving the methodology that IE and IPC and others had advocated prior to the time IE and IPC entered into the February 17, 2006 settlement – allocating cost offsets to buyers in proportion to the net refunds they are owed through the Cal ISO and CalPX markets. On June 12, 2006, the California Parties requested rehearing, urging the FERC to allocate the cost offsets to all purchasers from the Cal ISO and CalPX markets and not just to that limited subset of purchasers who are net refund recipients. On July 12, 2006, the FERC tolled the time to act on the request for rehearing and has not issued orders on rehearing since that time. IDACORP and IPC are unable to predict how or when the FERC might rule on the request for rehearing.

After consideration of comments, the FERC approved the February 17, 2006, Offer of Settlement on May 22, 2006. Under the terms of the settlement, IE and IPC assigned $24.25 million of the rights to accounts receivable from the Cal ISO and CalPX to the California Parties to pay into an escrow account for refunds to settling parties. Amounts from that escrow not used for settling parties and $1.5 million of the remaining IE and IPC receivables that are to be retained by the CalPX are available to fund, at least partially, payment of the claims of any non-settling parties if they prevail in the remaining litigation of this matter. Any excess funds remaining at the end of the case are to be returned to IDACORP. Approximately $10.25 million of the remaining IE and IPC receivables was paid to IE and IPC under the settlement.

On June 21, 2006, the Port of Seattle, Washington filed a request for rehearing of the FERC order approving the settlement. On July 10, 2006, IPC and IE and the California Parties filed a response to Port of Seattle's request for rehearing. On October 5, 2006, the FERC issued an order denying the Port of Seattle's request for rehearing. On October 24, 2006, the Port of Seattle petitioned the U.S. Court of Appeals for the Ninth Circuit for review of the FERC order denying their request for rehearing of the FERC order approving the settlement. The Ninth Circuit consolidated that review petition with the large number of review petitions already consolidated before it. On January 23, 2007, IPC and IE filed a motion to sever the Port of Seattle's petition for review from the bulk of cases pending in the Ninth Circuit with which it had been consolidated. IPC and IE also filed a motion to dismiss the Port of Seattle's petition for review. The Port of Seattle filed their answers in opposition to the motion to sever and the motion to dismiss on February 1, 2007, and IPC and IE replied on February 12, 2007. IDACORP and IPC are not able to predict when or how the Ninth Circuit might rule on the motions.

Prior to December of 2005, IE had accrued a reserve of $42 million. This reserve was calculated taking into account the uncertainty of collection from the CalPX and Cal ISO. In the fourth quarter of 2005, following the tentative agreement with the California Parties, IE reduced this reserve by $9.5 million to $32 million. Following payment of the $10.25 million to IE and IPC in June 2006, IE further reduced the reserve by $24.9 million to $7.1 million. This reserve was calculated taking into account several unresolved issues in the California refund proceeding.

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 only 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 January 1, 2000 through the beginning of the existing refund period (October 2, 2000) 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 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. Originally, eight parties requested rehearing of the FERC's March 3, 2004 order. 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. The Ninth Circuit has consolidated this case with other matters and are holding them in abeyance. IPC is not able to predict the outcome of the judicial determination of these issues.

The settlement between the California Parties and IE and IPC discussed above in the California Refund proceeding approved by the FERC on May 22, 2006, results in the California Parties and other settling parties withdrawing their requests for rehearing of IPC's and IE's settlement with the FERC Staff regarding allegations of "gaming". On October 11, 2006, the FERC issued an Order denying rehearing of its earlier approval of the "gaming" allegations, thereby effectively terminating the FERC investigations as to IPC and IE regarding bidding behavior, physical withholding of power and "gaming" without finding of wrongdoing. On October 24, 2006, the Port of Seattle appealed the FERC order to the U.S. Court of Appeals for the Ninth Circuit.

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, the 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 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 requested 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.

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 sought to intervene in the proceedings initiated by the petitions of others. On July 21, 2004, the City of Seattle submitted 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 sought to introduce before the FERC consisted of audio tapes of what purports to be Enron trader conversations containing inflammatory language. 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. 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 was completed on May 25, 2005, and oral argument was held on January 8, 2007. The Settlement approved by the FERC on May 22, 2006, resolves all claims the California Parties have against IE and IPC in the Pacific Northwest refund proceeding. The settlement with Grays Harbor resolves all claims Grays Harbor has against IE and IPC in this proceeding. IE and IPC are unable to predict the outcome as to all other parties in this proceeding.

In separate western energy proceedings, the Ninth Circuit issued two decisions on December 19, 2006 reviewing the FERC's decisions not to require repricing of certain long term contracts. Those cases originated with individual complaints against specified sellers which did not include IE or IPC. The Ninth Circuit remanded to the FERC for additional consideration the agency's use of restrictive standards of contract review. In its decisions, the Ninth Circuit also questioned the validity of the FERC's administration of its market-based rate regime. IDACORP and IPC are unable to predict whether parties to that case will seek a writ of certiorari or how or when the FERC might respond to these decisions.

Shareholder Lawsuit: 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 account 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 alleged 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 alleged 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 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 was held on May 19, 2005.

On September 14, 2005, Magistrate Judge Mikel H. Williams of the U.S. District Court for the District of Idaho issued a Report and Recommendation that the defendants' motion to dismiss be granted and that the case be dismissed. The Magistrate Judge determined that the plaintiffs did not satisfactorily plead loss causation (i.e., a causal connection between the alleged material misrepresentation and the loss) in conformance with the standards set forth in the recent United States Supreme Court decision of Dura Pharmaceuticals, Inc. v. Broudo, 544 U.S.336, 125 S. Ct. 1627 (2005). The Magistrate Judge also concluded that it would be futile to afford the plaintiffs an opportunity to file an amended complaint because it did not appear that they could cure the deficiencies in their pleadings. Each party filed objections to different parts of the Magistrate Judge's Report and Recommendation.

On March 29, 2006, the U.S. District Court for the District of Idaho (Judge Edward J. Lodge) issued an Order in this case (Powell v. IDACORP) adopting the Report and Recommendation of Magistrate Judge Williams issued on September 14, 2005, granting the defendants' (IDACORP and certain of its officers and directors) motion to dismiss because plaintiffs failed to satisfy the pleading requirements for loss causation. However, Judge Lodge modified the Report and Recommendation and ruled that plaintiffs had until May 1, 2006, to file an amended complaint only as to the loss causation element. On May 1, 2006, the plaintiffs filed an amended complaint. The defendants filed a motion to dismiss the amended complaint on June 16, 2006, asserting that the amended complaint still failed to satisfy the pleading requirements for loss causation. Briefing on this most recent motion to dismiss was completed on August 28, 2006, and oral argument was held on February 26, 2007.

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

Western Shoshone National Council: On April 10, 2006, the Western Shoshone National Council (which purports to be the governing body of the Western Shoshone Nation) and certain of its individual tribal members filed a First Amended Complaint and Demand for Jury Trial in the U.S. District Court for the District of Nevada, naming IPC and other unrelated entities as defendants.

Plaintiffs allege that IPC's ownership interest in certain land, minerals, water or other resources was converted and fraudulently conveyed from lands in which the plaintiffs had historical ownership rights and Indian title dating back to the 1860's or before. Although it is unclear from the complaint, it appears plaintiffs' claims relate primarily to lands within the state of Nevada. Plaintiffs seek a judgment declaring their title to land and other resources, disgorgement of profits from the sale or use of the land and resources, a decree declaring a constructive trust in favor of the plaintiffs of IPC's assets connected to the lands or resources, an accounting of money or things of value received from the sale or use of the lands or resources, monetary damages in an unspecified amount for waste and trespass and a judgment declaring that IPC has no right to possess or use the lands or resources.

On May 1, 2006, IPC filed an Answer to plaintiffs' First Amended Complaint denying all liability to the plaintiffs and asserting certain affirmative defenses including collateral estoppel and res judicata, preemption, impossibility and impracticability, failure to join all real and necessary parties, and various defenses based on untimeliness. On June 19, 2006, IPC filed a motion to dismiss plaintiffs' First Amended Complaint, asserting, among other things, that the Court lacks subject matter jurisdiction and that plaintiffs failed to join an indispensable party (namely, the United States government). Briefing on the motion to dismiss was completed on September 28, 2006. Newly decided authority from the United States Court of Federal Claims in further support of IPC's motion to dismiss was filed on January 3, 2007. The Court has yet to act on the IPC motion to dismiss. IPC intends to vigorously defend its position in this proceeding, but is unable to predict the outcome of this matter.

Sierra Club Lawsuit – Bridger: In February 2007, the Sierra Club and the Wyoming Outdoor Council filed a complaint against PacifiCorp in federal district court in Cheyenne, Wyoming for alleged violations of the Clean Air Act's opacity standards (alleged violations of air pollution permit emission limits) at the Jim Bridger coal fired plant ("Plant") in Sweetwater County, Wyoming. IPC has a one-third ownership interest in the Plant. PacifiCorp owns a two-thirds interest and is the operator of the Plant. The complaint alleges thousands of violations and seeks declaratory and injunctive relief and civil penalties of $32,500 per day per violation as well as the costs of litigation, including reasonable attorney fees. IPC believes there are a number of defenses to the claims and intends to vigorously defend its interest in this matter, but is unable to predict its outcome and is unable to estimate the impact this may have on its consolidated financial positions, results of operations or cash flows.

IDAHO POWER COMPANY
STATEMENT OF INCOME
For the Twelve Months Ended December 31, 2006

	Actual
Operating Revenues	920,473,490
Operating Expenses:	
Purchased power	283,439,877
Fuel	115,018,156
Power cost adjustment	(29,526,278)
Other operation and maintenance expense	254,505,775
Depreciation expense	90,803,410
Amortization of limited-term electric plant	9,020,794
Taxes other than income taxes	18,661,413
Income taxes - Federal	52,572,378
Income taxes - Other	5,194,257
Provision for deferred income taxes	(2,231,898)
Provision for deferred income taxes - Credit	(6,646,675)
Investment tax credit adjustment	326,869
Total operating expenses	791,138,077
Operating Income	129,335,413
Other Income and Deductions:	
Allowance for equity funds used during construction	6,092,152
Income taxes	4,836,001
Other - Net	9,677,809
Net other income and deductions	20,605,962
Income Before Interest Charges	149,941,375
Interest Charges:	
Interest on first mortgage bonds	46,320,250
Interest on other long-term debt	7,424,203
Interest on short-term debt	1,232,870
Amortization of debt premium, discount and expense - Net	2,208,435
Other interest expense	2,852,887
Total interest charges	60,038,645
Allowance for borrowed funds used during construction - Credit	4,026,460
Net interest charges	56,012,185
Net Income	$ 93,929,190

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 December 31, 2006

Retained Earnings

Retained earnings (at the beginning of period)		361,256,133
Balance transferred from income		93,929,189
Dividends received from subsidiary		-
Total		455,185,323
Dividends:		
Common Stock		51,109,346
Total		51,109,346
Retained earnings (at end of period)	$	404,075,976

Undistributed Subsidiary Earnings

Balance (at beginning of period)		39,802,850
Equity in earnings for the period		9,648,252
Dividends paid (Debit)		-
Balance (at end of period)	$	49,451,103