

Patrick A. Harrington
Corporate Secretary

March 12, 2019

Public Utility Commission of Oregon
Filing Center
201 High Street SE, Suite 100
P.O. Box 1088
Salem, Oregon 97301

Re: In the Matter of the Application of Idaho Power Company for an
Order Authorizing the Issuance and Sale of up to \$500,000,000 of
Applicant's First Mortgage Bonds and Debt Securities
UF _____

Attention Filing Center:

Enclosed for electronic filing with the Public Utility Commission of Oregon is Idaho Power's securities issuance application described above, including a proposed order for the Commission's consideration.

If you have any questions regarding this application, please contact me at (208) 388-2878 or pharrington@idahopower.com.

Sincerely,

A handwritten signature in blue ink that reads "Patrick A. Harrington".

Patrick A. Harrington

c: Matthew Muldoon

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR AN)
ORDER AUTHORIZING THE ISSUANCE) UF _____
AND SALE OF UP TO \$500,000,000 OF)
APPLICANT'S FIRST MORTGAGE BONDS) APPLICATION
AND DEBT SECURITIES)

Pursuant to ORS Chapter 757 and in accordance with OAR 860-27-0025 and 860-27-0030, Idaho Power Company (the "Applicant"), hereby applies to the Public Utility Commission of Oregon (the "Commission") for an Order authorizing the issuance and sale from time to time of (a) up to \$500,000,000 aggregate principal amount of one or more series of Applicant's first mortgage bonds, which may be designated as secured medium-term notes (the "Bonds") and (b) up to \$500,000,000 aggregate principal amount of one or more series of unsecured debt securities of the Applicant (the "Debt Securities"); provided, that the combined aggregate principal amount of the Bonds and Debt Securities to be issued and sold hereunder shall not exceed \$500,000,000. The Bonds and Debt Securities will be issued publicly pursuant to a shelf registration filed with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Act"), or privately pursuant to an exemption from registration under the Act, as set forth herein.

The Application of Idaho Power Company respectfully alleges:

(a) The applicant's exact name and the address of its principal business office.

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) The state in which incorporated, the date of incorporation, and the other states in which authorized to transact utility business.

The 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 operations.

(c) Name and address of person authorized, on behalf of applicant, to receive notices and communications in respect to application.

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
Sr. Vice President, Chief Financial
Officer and Treasurer
Idaho Power Company
P.O. Box 70
Boise, ID 83707

Patrick A. Harrington
Corporate Secretary
Idaho Power Company
P.O. Box 70
Boise, ID 83707

(d) The names, titles and addresses of the principal officers of the applicant.

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

Darrel T. Anderson	President and Chief Executive Officer
Lisa A. Grow	Sr. Vice President and Chief Operating Officer
Steven R. Keen	Sr. Vice President, Chief Financial Officer and Treasurer
Brian R. Buckham	Sr. Vice President and General Counsel
Jeffrey L. Malmen	Sr. Vice President of Public Affairs
Tess R. Park	Vice President of Power Supply
N. Vern Porter	Vice President of Transmission and Distribution Engineering and Construction and Chief Safety Officer
Adam J. Richins	Vice President of Customer Operations and Business Development

Ken Peterson	Vice President, Controller and Chief Accounting Officer
Jeff S. Glenn	Vice President of Corporate Services and Chief Information Officer
Timothy E. Tatum	Vice President of Regulatory Affairs
Patrick A. Harrington	Corporate Secretary

The address of all of the above officers is:

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

(e) A description of the general character of the business done and to be done, and a designation of the territories served. A map showing the territories served is desirable.

The Applicant is an electric public utility engaged principally in the generation, purchase, transmission, distribution and sale of electric energy in a 24,000 square mile area over southern Idaho, and in the counties of Baker, Harney and Malheur 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 No. UF 4063.

(f) A statement, as of the date of the balance sheet submitted with the application, showing for each class and series of capital stock: brief description; the amount authorized (face value and number of shares); the amount outstanding (exclusive of any amount held in the treasury), held amount as reacquired securities; amount pledged by applicant; amount owned by affiliated interests, and amount held in any fund.

The following statement as to each class of the capital stock of applicant is as of December 31, 2018, the date of the balance sheet submitted with this application:

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

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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 Stock Exchange.

(g) A statement, as of the date of the balance sheet submitted with the application, showing for each class and series of long-term debt or notes: brief description (amount, interest rate and maturity); amount authorized; amount outstanding (exclusive of any amount held in the treasury); amount held as reacquired securities; amount pledged by applicant; amount held by affiliated interests; and amount in sinking and other funds.

The following statement as to funded debt of applicant is as of December 31, 2018, the date of the balance sheet submitted with this application.

First Mortgage Bonds

(1) Description	(3) Amount Outstanding
FIRST MORTGAGE BONDS:	
3.40 % Series due 2020, dated as of Aug 30, 2010, due Nov 1, 2020	100,000,000
2.95 % Series due 2022, dated as of April 13, 2012, due April 1, 2022	75,000,000
2.50 % Series due 2023, dated as of April 8, 2013, due April 1, 2023	75,000,000
6.00 % 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
6.30 % Series due 2037, dated as of June 22, 2007, due June 15, 2037	140,000,000
6.25 % Series due 2037, dated as of October 18, 2007, due October 15, 2037	100,000,000
4.85 % Series due 2040, dated as of Aug 30, 2010, due Aug 15, 2040	100,000,000
4.30 % Series due 2042, dated as of April 13, 2012, due April 1, 2042	75,000,000
4.00 % Series due 2043, dated as of April 8, 2013, due April 1, 2043	75,000,000
3.65 % Series due 2045, dated as of March 6, 2015, due March 1, 2045	250,000,000
4.05 % Series due 2046, dated as of March 10, 2016, due March 1, 2046	120,000,000
4.20 % Series due 2048, dated as of March 16, 2018, due March 1, 2048	220,000,000
	1,655,000,000

(2) Amount authorized - Limited within the maximum of \$2,500,000,000 (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

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 Forty-eighth Supplemental Indentures thereto, by

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Idaho Power Company to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), Trustee, 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) 5.15% Series 2003 due 2024:

- (1) Description - Pollution Control Revenue Refunding Bonds, 5.15% Series 2003 due 2024, County of Humboldt, Nevada, dated as of August 20, 2009 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) 5.25% Series 2006 due 2026:

- (1) Description - Pollution Control Revenue Bonds, 5.25% Series 2006 due 2026, County of Sweetwater, Wyoming, dated as of August 20, 2009, 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

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) Conformed Trust Indenture between Humboldt County, Nevada and Union Bank N.A., Trustee dated October 1, 2003 as amended and supplemented by a First Supplemental Trust Indenture, dated August 20, 2009, and Loan Agreement between Idaho Power Company and Humboldt County, Nevada dated October 1, 2003 under which the 5.15% Series 2003 bonds were reoffered, and (C) Conformed Trust Indenture between Sweetwater County, Wyoming, and Union Bank, N.A., Trustee, as amended and supplemented by a First Supplemental Trust Indenture dated August 20, 2009, and Loan Agreements between Idaho Power Company and Sweetwater County, Wyoming, dated October 1, 2006 under which the 5.25% Series 2006 bonds were reoffered.

(h) A full description of the securities proposed to be issued, showing: kind and nature of securities or liabilities; amount (face value and number of shares); interest or dividend rate, if any; date of issue and date of maturity; and voting privileges, if any.

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

(1)	Description	First Mortgage Bonds, which may be designated as secured medium-term notes; and Debt Securities
(2)	Amount	Up to \$500,000,000 Aggregate Principal Amount of one or more series of the Bonds and Debt Securities; provided, that the combined aggregate principal amount of the Bonds and Debt Securities shall not exceed \$500,000,000.
(3)	Interest	To be determined. See paragraph (i) below.
(4)	Date of Issue	To be determined. See paragraph (i) below.
(5)	Redemption Provisions	To be determined. See paragraph (i) below.
(6)	Date of Maturity	To be determined. See paragraph (i) below.
(7)	Voting Privileges	N/A

The Applicant currently has shelf registration authority in place from the Commission under Order No. 16-151 in UF 4297 ("Existing Order"). The Company is authorized to issue up to \$500,000,000 aggregate principal amount of bonds and debt securities under the Existing Order, of which \$280,000,000 remains authorized for issuance. The Applicant is requesting that the Commission's authorization under the Existing Order remain in effect for a period of 60 days following the date of the Commission's order hereunder (reflecting the 60-day period for petitions for reconsideration to be filed for the Commission's order under ORS 756.561 – "Reconsideration Period"), at which point the Commission's authorization under the Existing Order would automatically expire. Applicant proposes that during the 60-day Reconsideration Period, Applicant would continue to have Commission authorization to issue up to \$280,000,000 of bonds and debt securities under the Existing Order, in addition to Applicant's authorization to issue Bonds and Debt Securities under the Commission's order hereunder; provided, that

Applicant's total issuance authority under the Existing Order and under the order issued hereunder would not exceed \$500,000,000 during the Reconsideration Period.

(i) A reasonably detailed and precise description of the proposed transaction, including a statement of the reasons why it is desired to consummate the transaction and the anticipated effect thereof. If the transaction is part of a general program, describe the program and its relation to the proposed transaction. Such description shall include, but is not limited to, the following: (A) A description of the proposed method of issuing and selling the securities; (B) A statement of whether such securities are to be issued pro rata to existing holders of the applicant's securities or issued pursuant to any preemptive right or in connection with any liquidation or reorganization; (C) A statement showing why it is in applicant's interest to issue securities in the manner proposed and the reason(s) why it selected the proposed method of sale; and (D) A statement that exemption from the competitive bidding requirements of any federal or other state regulatory body has or has not been requested or obtained, and a copy of the action taken thereon when available.

Following is a description of the securities proposed to be issued under this application:

The Applicant will register the Bonds and Debt Securities with the SEC pursuant to Rule 415 of the Act (the "Shelf Registration"). The Shelf Registration will allow the Applicant to issue and sell one or more series of the Bonds and Debt Securities on a continuous or delayed basis if authorized by the Commission and the other state regulatory commissions having jurisdiction over the Applicant's securities. This will enable the Applicant to take advantage of attractive market conditions efficiently and rapidly. Under the Shelf Registration, the Applicant will be able to issue the Bonds and Debt Securities at different times without the necessity of filing a new registration statement.

The Shelf Registration will be filed jointly by the Applicant and IDACORP, Inc., the parent company of the Applicant, with the SEC. This joint filing is intended to minimize the costs to Idaho Power of establishing and maintaining the Shelf Registration, and of issuing securities under the Shelf Registration, while maximizing Idaho Power's flexibility for issuing the Bonds and Debt Securities under the Shelf Registration. A copy of the Shelf Registration will be filed with the Commission as Exhibit I to this Application.

BONDS

The Applicant proposes to issue and sell, from time to time, up to \$500,000,000 aggregate principal amount of one or more series of the Bonds pursuant to the Indenture of Mortgage and Deed of Trust, dated as of October 1, 1937 between the Applicant and Deutsche Bank Trust Company Americas (formerly Bankers Trust Company), as trustee (or any successor trustees), as supplemented and amended, and as to be further supplemented by one or more supplemental indentures relating to the Bonds (the "Mortgage"). Applicant may enter into interest rate hedging arrangements with respect to the Bonds, including treasury interest rate locks, treasury interest rate caps, treasury interest rate collars, treasury options, forward starting interest rate swaps, and/or swaptions. The Bonds will be secured equally with the other first mortgage bonds of the Applicant.

After the terms and conditions of the issuance and sale of the Bonds have been determined, Applicant will file a Prospectus Supplement(s) with the SEC if the Bonds are sold publicly, setting forth the series designation, aggregate principal amount of the issue, purchase price or prices, issuance date or dates, maturity or maturities, interest rate or rates (which may be fixed or variable) and/or the method of determination of such rate or rates, time of payment of interest, whether all or a portion of the Bonds will be discounted, whether all or a portion of the Bonds will be issued in global form, whether interest rate hedging arrangements will apply to the Bonds, repayment terms, redemption terms, if any, and any other special terms of the Bonds, which terms may be different for each issuance of the Bonds. The Applicant will also file a copy of the Prospectus Supplement with the Commission.

The Bonds may be designated as secured medium-term notes. The medium-term notes could have maturities from nine months to forty years. Prior to issuing medium-term notes publicly, the Applicant will file a Prospectus Supplement with the SEC setting forth the general terms and conditions of the medium-term notes to be issued. Upon each issuance of the

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medium-term notes pursuant to the Prospectus Supplement, the Applicant will file a Pricing Supplement with the SEC providing a specific description of the terms and conditions of each issuance of the medium-term notes, as described above. The Applicant will also file a copy of the Prospectus Supplement and Pricing Supplements with the Commission.

The Bonds may be sold by public sale or private placement, directly by the Applicant or through agents designated from time to time or through underwriters or dealers. If any agents of the Applicant or any underwriters are involved in the sale of the Bonds, the names of such agents or underwriters, the initial price to the public, any applicable commissions or discounts and the net proceeds to the Applicant will be filed with the Commission. If the Bonds are designated as medium-term notes and sold to an agent or agents as principal, the name of the agents, the price paid by the agents, any applicable commission or discount paid by the Applicant to the agents and the net proceeds to the Applicant will be filed with the Commission.

Agents and underwriters may be entitled under agreements entered into with the Applicant to indemnification by the Applicant against certain civil liabilities, including liabilities under the Act.

The Applicant requests authority to issue the Bonds in the form of medium-term notes without additional pre-issuance approval from the Commission so long as (1) the agent commissions for the issuance of the Bonds as medium-term notes fall within the ranges set forth below, (2) the pricing of the Bonds issued as medium-term notes falls within either (a) the spreads over treasuries for the Bonds set forth below or (b) the all-in coupon rates for the Bonds set forth below, and (3) Idaho Power maintains a senior secured debt rating of at least the following levels for each of the following credit rating agencies which is then rating the Company's senior secured debt securities: Standard & Poor's Ratings Services (BBB-) and Moody's Investors' Service, Inc. (Baa3).

The Applicant requests authorization to issue the Bonds and/or Debt Securities without additional pre-issuance approval from the Commission if *either* of the following pricing thresholds is met: (a) maximum spreads over treasuries or (b) maximum all-in coupon rates (see tables below). The Applicant believes that it is not sufficient to focus on credit spreads alone, since high spreads may be offset by equally low treasury rates, resulting in a moderate to low coupon rate. Since the all-in coupon rate represents the bottom line borrowing cost to the Applicant and its customers, it is a valid measure for pre-issuance approval from the Commission and should be considered in addition to credit spreads. In the event the Applicant issues Bonds or Debt Securities hereunder which exceed the designated spreads over treasuries, but fall below the designated all-in coupon rates, the Applicant will provide a post-issuance report to the Commission describing the prevailing market conditions and explaining the reasons for the high level of spreads over treasuries relative to the all-in coupon rate for the Bonds or Debt Securities.

Commissions

The maximum commission to be paid by the Applicant to an agent, or to an agent as principal, for issuance of the Bonds as medium-term notes in the following maturity ranges is:

<u>Range of Maturities</u>	<u>Commission (Percentage of Aggregate Principal Amount of Notes Sold)</u>
From 9 months to less than 1 year	.125%
From 1 year to less than 18 months	.150%
From 18 months to less than 2 years	.200%
From 2 years to less than 3 years	.250%
From 3 years to less than 4 years	.350%
From 4 years to less than 5 years	.450%
From 5 years to less than 6 years	.500%
From 6 years to less than 7 years	.550%

From 7 years to less than 10 years	.600%
From 10 years to less than 15 years	.650%
From 15 years to less than 20 years	.675%
20 years to less than 30 years	.750%
30 years to 40 years	.875%

Maximum All-In Spreads Over Treasuries

The costs of issuance of medium-term notes to the Applicant are expected to fall within the all-in spread over the respective U.S. Treasury Bond or note as set forth in the following table. For purposes of this application, “all-in spreads” and “all-in rates” refer to the percentage internal rate of return when all costs of the securities issuance, as well as the actual cash flows of the security, are included. The “all-in spreads” and “all-in rates” for the issuance of Bonds include the coupon rate, the agent commission or underwriting spread, any discount or premium from par value at issuance, and all associated issuance expenses as set forth in paragraph (k) below. If the associated issuance expenses are not known at the time of issuance, they will be estimated as a percentage of the total issuance expenses set forth in paragraph (k), with the percentage equaling the principal amount of the Bonds being issued divided by the total \$500,000,000 principal amount of Bonds described in this application.

<u>Maturity</u>		<u>Maximum Spread Over Benchmark Treasury Yield⁽¹⁾</u>
<u>Equal to or Greater Than</u>	<u>Less Than</u>	
9 months	7 years	+200 basis points ⁽²⁾
7 years	15 years	+250 basis points
15 years or more	—	+275 basis points

(1) The Benchmark Treasury Yield with respect to any medium-term note maturity range means the yield to maturity of that issue of direct obligations of the United States which, out of all actively traded issues of such obligations with a remaining term to maturity within such note maturity rate, is generally considered by dealers in such obligations to be the standard for such obligations, whether federal, state or corporate, with approximately the same remaining terms to maturity. With respect to the issuance of any medium-term

note, the Benchmark Treasury Yield shall be determined as of the time the commitment to purchase such note is received by the Applicant and the agents.

(2) Basis point is defined as one-one-hundredth of a percentage point; i.e., 100 basis points equals 1 percent.

All-In Rates

In the event that the all-in spreads over treasuries for the medium-term notes exceed the maximum spreads set forth above, the all-in rates for the medium-term notes will not exceed the following rates:

<u>Medium-Term Note Maturity</u>	<u>Maximum All-in Coupon Rate</u>
Less than 7 years	7.00%
7 years to less than 15 years	7.50%
15 years or more	8.00%

DEBT SECURITIES

The Applicant proposes to issue and sell, from time to time, up to \$500,000,000 in aggregate principal amount of one or more series of Debt Securities. The Debt Securities will be unsecured obligations of the Applicant and will be issued under a new or existing indenture of the Applicant. A form of any new indenture will be included in the Registration Statement to be filed with the Commission as Exhibit I. The Applicant will supplement the indenture in the future to further specify the terms and conditions of each series of Debt Securities. Such amendments will be filed with the SEC and also with the Commission. Applicant may enter into interest rate hedging arrangements with respect to the Debt Securities, including treasury interest rate locks, treasury interest rate caps, treasury interest rate collars, treasury options, forward starting interest rate swaps, and/or swaptions.

After the terms and conditions of the issuance and sale of the Debt Securities have been determined, Applicant will file a Prospectus Supplement(s) with the SEC if the Debt Securities are sold publicly, setting forth the series designation, aggregate principal amount of the issue,

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purchase price or prices, issuance date or dates, maturity or maturities, interest rate or rates (which may be fixed or variable) and/or the method of determination of such rate or rates, time of payment of interest, whether all or a portion of the Debt Securities will be discounted, whether all or a portion of the Debt Securities will be issued in global form, whether interest rate hedging arrangements will apply to the Debt Securities, repayment terms, redemption terms, if any, and any other special terms of the Debt Securities, which terms may be different for each issuance of the Debt Securities.

Applicant's outstanding unsecured senior debt is currently rated A3 by Moody's Investors Service and BBB by Standard & Poor's Ratings Services. If the Debt Securities are sold publicly, Applicant cannot predict whether they will be similarly rated. If the Debt Securities are sold privately, it is unlikely that the Debt Securities will be rated.

The Applicant requests authority to issue the Debt Securities without additional pre-issuance approval from the Commission so long as the Applicant meets the same requirements for agent commissions, spreads over treasuries or all-in coupon rates, and credit ratings as set forth above for the Bonds.

(j) The name and address of any person receiving or entitled to a fee for service (other than attorneys, accountants and similar technical services) in connection with the negotiation or consummation of the issuance or sale of securities, or for services in securing underwriters, sellers or purchasers of securities, other than fees included in any competitive bid; the amount of each such fee, and facts showing the necessity for the services and that the fee does not exceed the customary fee for such services in arm's-length transactions and is reasonable in the light of the cost of rendering the service and any other relevant factors.

No fees or commissions (other than attorneys, accountants and similar technical services) will be paid by Applicant, other than the underwriters' or agents' commission or spread, for and in connection with the sale of the Bonds or Debt Securities.

(k) A statement showing both in total amount and per unit the price to the public, underwriting commissions and net proceeds to the applicant. Supply also the information (estimated if necessary) required in section (4) of this rule. If the securities are to be issued directly for property, then a full description of the property to be

acquired, its location, its original cost (if known) by accounts, with the identification of the person from whom the property is to be acquired, must be furnished. If original cost is not known, an estimate of original cost based, to the extent possible, upon records or data of the seller and applicant or their predecessors must be furnished, with a full explanation of how such estimate has been made, and a description and statement of the present custody of all existing pertinent data and records. A statement showing the cost of all additions and betterments and retirements, from the date of the original cost, should also be furnished.

A verified statement showing both in total amount and per unit the price to the public, underwriting spread or commissions, and net proceeds to the Applicant from the sale of the Bonds and/or Debt Securities to be issued will be furnished to the Commission as soon as available. Applicant estimates that its expenses in connection with the proposed issuance of \$500,000,000 of Bonds and/or Debt Securities, exclusive of underwriting spread or commission, will be as follows:

Securities and Exchange Commission Fees	\$75,000
Regulatory Agency Fees	5,000
Company's and Underwriter's Counsel Fees	700,000
Accounting Fees	100,000
Printing and Engraving Fees	60,000
Rating Agency Fees	900,000
Trustee Fees	50,000
Miscellaneous Costs	<u>20,000</u>
TOTAL	<u>\$1,910,000</u>

(I) Purposes for which the securities are to be issued. Specific information will be submitted with each filing for the issuance of bonds, stocks or securities: (A) Construction, completion, extension or improvement of facilities. A description of such facilities and the cost thereof; (B) Reimbursement of the applicant's treasury for expenditures against which securities have not been issued. A statement giving a general description of such expenditures, the amounts and accounts to which charged, the associated credits, if any, and the periods during which the expenditures were made; (C) Refunding or discharging of obligations. A description of the obligations to be refunded or discharged, including the character, principal amounts discount or premium

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applicable thereto, date of issue and date of maturity, purposes to which the proceeds were applied and all other material facts concerning such obligations; and (D) Improvement or maintenance of service. A description of the type of expenditure and the estimated cost in reasonable detail.

The purposes for which securities are proposed to be issued in this matter are 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 incurred 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 incurred in furtherance of the utility purposes above.

(m) A statement as to whether or not any application, registration statement, etc., with respect to the transaction or any part thereof, is required to be filed with any federal or other state regulatory body.

Applications with respect to this transaction have also been filed with the Idaho Public Utilities Commission and the Wyoming Public Service Commission. No Federal Energy Regulatory Commission or other state regulatory commission approval is required. A Registration Statement is to be filed with the SEC and will be filed with the Commission hereunder as Exhibit I.

(n) The facts relied upon by the applicant to show that the issue: (A) Is for some lawful object within the corporate purposes of the applicant; (B) Is compatible with the public interest; (C) Is necessary or appropriate for or consistent with the proper performance by the applicant of service as a utility; (D) Will not impair its ability to perform that service; (E) Is reasonably necessary or appropriate for such purposes; and (F) If filed under ORS 757.495, is fair and reasonable and not contrary to public interest.

Applicant alleges that the issuance of the Bonds and/or Debt Securities as described in this Application are (A) for a lawful object, within the corporate purposes of the Applicant as described in paragraph (l) above, and (B) compatible with the public interest. The use of proceeds thereof as described in paragraph (l) above are (C) necessary and appropriate for and consistent with the proper performance by Applicant of service as a public utility, (D) will not

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impair Applicant's ability to perform that service, and (E) are reasonably necessary or appropriate for such purposes.

(o) A brief statement of all rights to be a corporation, franchises, permits and contracts for consolidation, merger or lease included as assets of the applicant or any predecessor thereof, the amounts actually paid as consideration therefore, respectively, and the facts relied upon to show the issuance of the securities for which approval is requested 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.


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. 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.

PRAYER

WHEREFORE, Applicant respectfully requests that the Public Utility Commission of Oregon issue its Order herein authorizing Applicant to issue and sell for the purposes herein set forth up to \$500,000,000 aggregate principal amount of one or more series of its Bonds and/or up to \$500,000,000 aggregate principal amount of one or more series of its Debt Securities; provided, that the total principal amount of the Bonds and Debt Securities shall not exceed \$500,000,000. Applicant further requests that the Commission extend the Applicant's authority to issue bonds and debt securities under the Existing Order for a period of 60 days following the date of the Commission's order hereunder, as described in Section (h) above.

DATED at Boise, Idaho this ____ day of March, 2019.

IDAHO POWER COMPANY

By: 
Steven R. Keen
Sr. Vice President, Chief Financial
Officer, and Treasurer

(Corporate Seal)

ATTEST:


Patrick A. Harrington
Corporate Secretary
Idaho Power Company
1221 W. Idaho Street
P.O. Box 70
Boise, Idaho 83707-0070

EXHIBITS

Exhibit A. A copy of Applicant's Restated Articles of Incorporation, as amended, has heretofore been filed with the Commission in Case UF 4278, reference to which is hereby made.

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

Exhibit C. Certified copy of resolutions of Applicant's Board of Directors authorizing the issuance of securities hereunder by Applicant will be filed with the Commission as Exhibit C on or about April 15, 2019.

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 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; Forty-first Supplemental Indenture in Case UF 4227, Forty-third Supplemental Indenture in Case UF 4211; Forty-fourth Supplemental Indenture in Case UF 4244; Forty-sixth Supplemental Indenture in Case UF 4263, Forty-seventh Supplemental Indenture in Case UF 4278, and Forty-eighth Supplemental Indenture in Case UF 4297, reference to all of which is hereby made.

Exhibit D-2. Copy of the 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 the 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 the 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 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 the Applicant's Loan Agreements regarding the 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 the Applicant's Loan Agreement regarding the Applicant's payments to Humboldt County, Nevada, 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.

Exhibit E. Balance Sheet of Applicant with supporting fixed capital or plant schedules as of December 31, 2018, is attached hereto as Exhibit E.

Exhibit F. Statement of Applicant's Commitments and Contingent Liabilities as of December 31, 2018, is attached hereto as Exhibit F.

Exhibit G. Income Statement of Applicant for the 12 months ended December 31, 2018, is attached hereto as Exhibit G.

Exhibit H. Statement of Retained Earnings of Applicant for the 12 months ended December 31, 2018, is attached hereto as Exhibit H.

Exhibit I. The Registration Statement for the Bonds and Debt Securities to be filed with the SEC will be furnished to the Commission as Exhibit I.

Exhibit J. Copies of the underwriting and other agreements for the sale or marketing of the Bonds and/or Debt Securities will be furnished to the Commission with Applicant's post-issuance filings.

Exhibit K. Copy of any bond specimens to be issued hereunder will also be furnished to the Commission.

EXHIBIT E

Actual and Pro Forma Balance Sheet

IDAHO POWER COMPANY
CONDENSED UNCONSOLIDATED BALANCE SHEET
AS OF DECEMBER 31, 2018

ASSETS

	Actual	Adjustments	After Adjustments
Electric Plant :			
In service (at original cost).....	\$ 6,103,855,722	\$	\$ 6,103,855,722
Accumulated provision for depreciation.....	(2,210,781,028)		(2,210,781,028)
In service - Net.....	3,893,074,694		3,893,074,694
Construction work in progress.....	480,258,675		480,258,675
Held for future use.....	4,751,462		4,751,462
Electric plant - Net.....	4,378,084,831		4,378,084,831
Investments and Other Property:			
Nonutility property.....	3,653,100		3,653,100
Investment in subsidiary companies	57,026,770		57,026,770
Other.....	36,487,611		36,487,611
Total investments and other property.....	97,167,481		97,167,481
Current Assets:			
Cash and cash equivalents.....	165,460,127	500,000,000	665,460,127
Receivables:			
Customer.....	77,177,924		77,177,924
Other.....	7,205,816		7,205,816
Accrued unbilled revenues.....	69,318,168		69,318,168
Materials and supplies (at average cost).....	54,987,326		54,987,326
Fuel stock (at average cost).....	47,979,122		47,979,122
Prepayments.....	16,373,874		16,373,874
Taxes receivable.....	11,828,949		11,828,949
Regulatory assets	48,706,510		48,706,510
Other.....	3,655,138		3,655,138
Total current assets.....	502,692,954	500,000,000	1,002,692,954
Deferred Debits:			
Company owned life insurance.....	59,852,376		59,852,376
Regulatory assets.....	1,165,467,907		1,165,467,907
Other.....	58,283,507		58,283,507
Total deferred debits.....	1,283,603,790		1,283,603,790
Total.....	\$ 6,261,549,056	\$ 500,000,000	\$ 6,761,549,056

IDAHO POWER COMPANY
CONDENSED UNCONSOLIDATED BALANCE SHEET
AS OF December 31, 2018

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.....			712,257,435		712,257,435
Capital stock expense.....			(2,096,925)		(2,096,925)
Retained earnings.....			1,409,245,383		1,409,245,383
Accumulated other comprehensive income.....			(22,843,785)		(22,843,785)
Total equity capital.....			2,194,439,138		2,194,439,138
Long-Term Debt:					
First mortgage bonds			1,665,000,000	500,000,000	2,165,000,000
Pollution control revenue bonds			170,460,000		170,460,000
American Falls bond.....			19,885,000		19,885,000
Unamortized debt issuance costs and discounts on long-term debt.....			(20,556,719)		(20,556,719)
Total long-term debt.....			1,834,788,281	500,000,000	2,334,788,281
Current Liabilities:					
Long-term debt due within one year.....			-		-
Notes payable.....			-		-
Accounts payable			110,596,980		110,596,980
Notes and accounts payable to related parties.....			6,640,793		6,640,793
Income taxes accrued.....			13,135,570		13,135,570
Interest accrued.....			23,622,431		23,622,431
Accrued compensation.....			54,909,621		54,909,621
Current regulatory liabilities.....			25,883,170		25,883,170
Advances from customers.....			20,037,293		20,037,293
Other.....			10,197,579		10,197,579
Total current liabilities.....			265,023,437		265,023,437
Deferred Credits:					
Regulatory liabilities associated with accumulated deferred investment tax credits			92,789,836		92,789,836
Deferred income taxes.....			754,449,380		754,449,380
Regulatory liabilities.....			646,203,298		646,203,298
Pension and other postretirement benefits.....			431,475,266		431,475,266
Other.....			42,380,420		42,380,420
Total deferred credits.....			1,967,298,200		1,967,298,200
Total.....			\$ 6,261,549,056	\$ 500,000,000	\$ 6,761,549,056

IDAHO POWER COMPANY
STATEMENT OF ADJUSTING JOURNAL ENTRIES
As of December 31, 2018
Giving Effect to the Proposed issuance of
First Mortgage Bonds

Entry No. 1

Cash.....	\$ 500,000,000	
First Mortgage Bonds.....		\$ 500,000,000

To record the proposed issuance of First Mortgage
and the receipt of cash.

EXHIBIT F

Commitments and Contingent Liabilities

GUARANTEES

Through a self-bonding mechanism, Idaho Power guarantees its portion of reclamation activities and obligations at BCC, of which IERCo owns a one-third interest. This guarantee, which is renewed annually with the Wyoming Department of Environmental Quality, was \$58.4 million at December 31, 2018, representing IERCo's one-third share of BCC's total reclamation obligation of \$175.2 million. BCC has a reclamation trust fund set aside specifically for the purpose of paying these reclamation costs. At December 31, 2018, the value of the reclamation trust fund was \$101.9 million. During 2018, the reclamation trust fund made distributions of \$6.7 million for reclamation activity costs associated with the BCC surface mine. BCC periodically assesses the adequacy of the reclamation trust fund and its estimate of future reclamation costs. To ensure that the reclamation trust fund maintains adequate reserves, BCC has the ability to, and does, add a per-ton surcharge to coal sales, all of which are made to the Jim Bridger plant. Because of the existence of the fund and the ability to apply a per-ton surcharge, the estimated fair value of this guarantee is minimal.

Idaho Power enters into financial agreements and power purchase and sale agreements that include indemnification provisions relating to various forms of claims or liabilities that may arise from the transactions contemplated by these agreements. Generally, a maximum obligation is not explicitly stated in the indemnification provisions and, therefore, the overall maximum amount of the obligation under such indemnification provisions cannot be reasonably estimated. Idaho Power periodically evaluates the likelihood of incurring costs under such indemnities based on its historical experience and the evaluation of the specific indemnities. As of December 31, 2018, management believes the likelihood is remote that Idaho Power would be required to perform under such indemnification provisions or otherwise incur any significant losses with respect to such indemnification obligations. Idaho Power has not recorded any liability on its consolidated balance sheet with respect to these indemnification obligations.

CONTINGENCIES

Idaho Power has in the past and expects in the future to become involved in various claims, controversies, disputes, and other contingent matters, some of which involve litigation and regulatory or other contested proceedings. The ultimate resolution and outcome of litigation and regulatory proceedings is inherently difficult to determine, particularly where (a) the remedies or penalties sought are indeterminate, (b) the proceedings are in the early stages or the substantive issues have not been well developed, or (c) the matters involve complex or novel legal theories or a large number of parties. In accordance with applicable accounting guidance, Idaho Power establishes an accrual for legal proceedings when those matters proceed to a stage where they present loss contingencies that are both probable and reasonably estimable. If the loss contingency at issue is not both probable and reasonably estimable, Idaho Power does not establish an accrual and the matter will continue to be monitored for any developments that would make the loss contingency both probable and reasonably estimable. As of the date of this report, Idaho Power's accruals for loss contingencies are not material to its financial statements as a whole; however, future accruals could be material in a given period. Idaho Power's determination is based on currently available information, and estimates presented in financial statements and other financial disclosures involve significant judgment and may be subject to significant uncertainty. For matters that affect Idaho Power's operations, Idaho Power intends to seek, to the extent permissible and

CONTINGENT LIABILITIES (continued)
IDAHO POWER COMPANY
December 31, 2018

appropriate, recovery through the ratemaking process of costs incurred, although there is no assurance that such recovery would be granted.

Idaho Power is a party to legal claims and legal and regulatory actions and proceedings in the ordinary course of business and, as noted above, records an accrual for associated loss contingencies when they are probable and reasonably estimable. In connection with its utility operations, Idaho Power is subject to claims by individuals, entities, and governmental agencies for damages for alleged personal injury, property damage, and economic losses, relating to the company's provision of electric service and the operation of its generation, transmission, and distribution facilities. Some of those claims relate to electrical contacts, service quality, property damage, and wildfires. In recent years, utilities in the western United States have been subject to significant liability for personal injury, loss of life, property damage, trespass, and economic losses, and in some cases, punitive damages and criminal charges, associated with wildfires that originated from utility property, most commonly transmission and distribution lines. In recent years, Idaho Power has regularly received claims by both governmental agencies and private landowners for damages for fires allegedly originating from Idaho Power's transmission and distribution system. As of the date of this report, the company believes that resolution of existing claims will not have a material adverse effect on its consolidated financial statements. Idaho Power is also actively monitoring various pending environmental regulations and executive orders related to environmental matters that may have a significant impact on its future operations. Given uncertainties regarding the outcome, timing, and compliance plans for these environmental matters, Idaho Power is unable to estimate the financial impact of these regulations.

EXHIBIT G

Income Statement

IDAHO POWER COMPANY
CONDENSED UNCONSOLIDATED STATEMENT OF INCOME
For the Twelve Months Ended December 31, 2018

	Actual
Operating Revenues.....	\$ 1,366,582,339
Operating Expenses:	
Purchased power.....	293,814,296
Fuel expense.....	133,197,921
Power cost adjustment.....	42,105,612
Other operation and maintenance expense.....	372,418,811
Energy efficiency programs.....	35,702,948
Depreciation expense.....	158,057,968
Amortization of limited-term electric plant.....	7,131,956
Taxes other than income taxes.....	34,792,143
Income taxes - Federal.....	20,035,445
Income taxes - Other.....	(2,242,797)
Provision for deferred income taxes.....	37,060,319
Provision for deferred income taxes - Credit.....	(44,435,246)
Investment tax credit adjustment.....	5,405,098
	1,093,044,474
Total operating expenses.....	
Operating Income.....	273,537,865
Other Income and Deductions:.....	
Allowance for equity funds used during construction.....	24,352,523
Earnings of unconsolidated equity method investments.....	8,813,793
Income taxes - Other income and deductions.....	(311,784)
Other - Net.....	2,112,097
	34,966,629
Net other income and deductions.....	
Income Before Interest Charges.....	308,504,494
Interest Charges:.....	
Interest on first mortgage bonds.....	75,666,250
Interest on other long-term debt.....	8,741,384
Interest on short-term debt.....	797,510
Amortization of debt premium, discount and expense, net.....	3,759,740
Other interest expense.....	7,356,632
	96,321,516
Total interest charges.....	
Allowance for borrowed funds used during construction - Credit.....	10,151,313
Net interest charges.....	86,170,203
Net Income.....	\$ 222,334,291

EXHIBIT H

Retained Earnings

IDAHO POWER COMPANY
Condensed Statement of Unconsolidated Retained Earnings
and
Undistributed Subsidiary Earnings
For the Twelve Months Ended December 31, 2018

Retained Earnings

Retained earnings (at the beginning of period)	\$	1,238,951,935
Balance transferred from income		213,520,498
Dividends received from subsidiary		24,000,000
Total		1,476,472,434
Dividends:		
Common Stock		121,790,728
Total		121,790,728
Retained earnings (at end of period)	\$	1,354,681,706

Undistributed Subsidiary Earnings

Balance (at beginning of period)	\$	69,749,884
Equity in earnings for the period		8,813,793
Dividends paid (Debit)		(24,000,000)
Balance (at end of period)	\$	54,563,677

EXHIBIT I

SEC Registration Statement

(To be filed with the Commission upon filing with SEC)

EXHIBIT J

Underwriting and Other Agreements

(To be filed with the Commission when finalized)

EXHIBIT K

Bond Specimens

(Not Applicable)

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR AN)
ORDER AUTHORIZING THE ISSUANCE) UF _____
AND SALE OF UP TO \$500,000,000 OF)
IDAHO POWER'S FIRST MORTGAGE BONDS) PROPOSED ORDER
AND DEBT SECURITIES)

On March ____, 2019, Idaho Power Company ("Idaho Power" or the "Company") filed an application with the Public Utility Commission of Oregon pursuant to ORS Chapter 757 and OAR 860-27-025 and 860-27-030, requesting authority to issue (a) up to \$500,000,000 aggregate principal amount of one or more series of Idaho Power's first mortgage bonds, which may be designated as secured medium-term notes (the "Bonds") and (b) up to \$500,000,000 aggregate principal amount of one or more series of unsecured debt securities of Idaho Power (the "Debt Securities"); provided, that the combined aggregate principal amount of the Bonds and Debt Securities will not exceed \$500,000,000.

At its _____, 2019 public meeting, the Commission decided to grant the application. Based on the application and the Commission's records, the Commission makes the following:

FINDINGS OF FACT

Jurisdiction

Idaho Power is an Idaho corporation qualified to transact business in the state of Oregon. Its utility function consists of the generation, purchase, transmission, distribution, and sale of electric energy.

The Proposal

The Bonds and Debt Securities will be registered with the SEC on a Registration Statement filed in accordance with Rule 415 of the Securities Act of 1933, as amended. This shelf registration with the SEC will allow Idaho Power to issue and sell one or more series of the Bonds and Debt Securities on a continuous or delayed basis. This will enable Idaho Power to take advantage of attractive market conditions efficiently and rapidly. Under the shelf registration, Idaho Power will be able to issue the Bonds and Debt Securities at different times without the necessity of filing a new registration statement with the SEC.

Bonds

Idaho Power proposes to issue and sell, from time to time, up to \$500,000,000 aggregate principal amount of one or more series of the Bonds pursuant to the Indenture of Mortgage and Deed of Trust, dated as of October 1, 1937, as supplemented and amended, and as to be further supplemented by one or more supplemental indentures relating to the Bonds (the "Mortgage"). Idaho Power may enter into interest rate hedging arrangements with respect to the Bonds, including treasury interest rate locks, treasury interest rate caps, treasury interest rate collars, treasury options, forward starting interest rate swaps, and/or swaptions. The Bonds will be secured equally with the other first mortgage bonds of Idaho Power.

After the terms and conditions of the issuance and sale of the Bonds have been determined, Idaho Power will file a Prospectus Supplement(s) with the SEC if the Bonds are sold publicly, setting forth the series designation, aggregate principal amount of the issue, purchase price or prices, issuance date or dates, maturity or maturities, interest rate or rates (which may be fixed or variable) and/or the method of determination of such rate or rates, time of payment of interest, whether all or a portion of the Bonds will be discounted, whether all or a portion of the Bonds will be issued in global form, whether interest rate hedging arrangements will apply to the Bonds, repayment terms, redemption terms, if any, and any other special terms

of the Bonds, which terms may be different for each issuance of the Bonds. Idaho Power will also file a copy of the Prospectus Supplement with the Commission.

The Bonds may be designated as secured medium-term notes. The medium-term notes could have maturities from nine months to forty years. Prior to issuing medium-term notes publicly, Idaho Power will file a Prospectus Supplement with the SEC setting forth the general terms and conditions of the medium-term notes to be issued. Upon each issuance of the medium-term notes pursuant to the Prospectus Supplement, Idaho Power will file a Pricing Supplement with the SEC providing a specific description of the terms and conditions of each issuance of the medium-term notes, as described above. Idaho Power will also file a copy of the Prospectus Supplement and Pricing Supplements with the Commission.

The Bonds may be sold by public sale or private placement, directly by Idaho Power or through agents designated from time to time or through underwriters or dealers. If any agents of Idaho Power or any underwriters are involved in the sale of the Bonds, the names of such agents or underwriters, the initial price to the public, any applicable commissions or discounts and the net proceeds to the Company will be filed with the Commission. If the Bonds are designated as medium-term notes and sold to an agent or agents as principal, the name of the agents, the price paid by the agents, any applicable commission or discount paid by Idaho Power to the agents and the net proceeds to the Company will be filed with the Commission.

Idaho Power requests authority to issue the Bonds in the form of medium-term notes without additional pre-issuance approval from the Commission so long as (1) the agent commissions for the issuance of the Bonds as medium-term notes fall within the ranges set forth below, (2) the pricing of the Bonds issued as medium-term notes falls within either (a) the spreads over treasuries for the Bonds set forth below or (b) the all-in coupon rates for the Bonds set forth below, and (3) Idaho Power maintains a senior secured debt rating of at least the following levels for each of the following credit rating agencies which is then rating the

Company's senior secured debt securities: Standard & Poor's Ratings Services (BBB-) and Moody's Investors' Service, Inc. (Baa3).

Idaho Power requests authorization to issue the Bonds and/or Debt Securities without additional pre-issuance approval from the Commission if either of the following pricing thresholds is met: (a) maximum spreads over treasuries or (b) maximum all-in coupon rates. The Company states that it is not sufficient to focus on credit spreads alone, since high spreads may be offset by equally low treasury rates, resulting in a moderate to low coupon rate. Since the all-in coupon rate represents the bottom line borrowing cost to Idaho Power and its customers, the Company states that this rate is a valid measure for pre-issuance approval from the Commission and should be considered in addition to credit spreads.

Idaho Power further states that in the event it issues Bonds or Debt Securities that exceed the designated spreads over treasuries, but fall below the designated all-in coupon rates, Idaho Power will provide a post-issuance report to the Commission describing the prevailing market conditions and explaining the reasons for the high level of spreads over treasuries relative to the all-in coupon rate for the Bonds or Debt Securities.

Commissions

The maximum commission to be paid by Idaho Power to an agent(s), or to an agent(s) as principal, for issuance of the Bonds as medium-term notes in the following maturity ranges is:

<u>Range of Maturities</u>	<u>Commission (Percentage of Aggregate Principal Amount of Notes Sold)</u>
From 9 months to less than 1 year	.125%
From 1 year to less than 18 months	.150%
From 18 months to less than 2 years	.200%
From 2 years to less than 3 years	.250%
From 3 years to less than 4 years	.350%
From 4 years to less than 5 years	.450%

From 5 years to less than 6 years	.500%
From 6 years to less than 7 years	.550%
From 7 years to less than 10 years	.600%
From 10 years to less than 15 years	.650%
From 15 years to less than 20 years	.675%
20 years to less than 30 years	.750%
30 years to 40 years	.875%

Spreads over Treasuries

The costs of issuance of medium-term notes to Idaho Power are expected to fall within the all-in spread over the respective U.S. Treasury Bond or note as set forth in the following table. For purposes of Idaho Power's application, "all-in spreads" and "all-in rates" refer to the percentage internal rate of return when all costs of the securities issuance, as well as the actual cash flows of the security, are included. The "all-in spreads" and "all-in rates" for the issuance of Bonds include the coupon rate, the agent commission or underwriting spread, any discount or premium from par value at issuance, and all associated issuance expenses as set forth in paragraph (k) of Idaho Power's application. If the associated issuance expenses are not known at the time of issuance, they will be estimated as a percentage of the total issuance expenses set forth in paragraph (k) of Idaho Power's application, with the percentage equaling the principal amount of the Bonds being issued divided by the total \$500,000,000 principal amount of Bonds described in this application.

<u>Maturity</u>		<u>Maximum Spread Over Benchmark Treasury Yield⁽¹⁾</u>
<u>Equal to or Greater Than</u>	<u>Less Than</u>	
9 months	7 years	+200 basis points ⁽²⁾
7 years	15 years	+250 basis points
15 years or more	—	+275 basis points

(1) The Benchmark Treasury Yield with respect to any medium-term note maturity range means the yield to maturity of that issue of direct obligations of the United States which, out of all actively traded issues of such obligations with a remaining term to maturity within such note maturity rate, is generally considered by dealers in such obligations to be the standard for such obligations, whether federal, state or corporate, with approximately the same remaining terms to maturity. With respect to the issuance of any medium-term note, the Benchmark Treasury Yield shall be determined as of the time the commitment to purchase such note is received by Idaho Power and the agents.

(2) Basis point is defined as one-one-hundredth of a percentage point; i.e., 100 basis points equals 1 percent.

All-in Rates

In the event that the all-in spreads over treasuries for the medium-term notes exceed the maximum spreads set forth above, Idaho Power states that the all-in rates for the medium-term notes will not exceed the following rates:

<u>Medium-Term Note Maturity</u>	<u>Maximum All-in Coupon Rate</u>
Less than 7 years	7.00%
7 years to less than 15 years	7.50%
15 years or more	8.00%

The all-in rates will include the costs of issuance identified in paragraph (k) of Idaho Power's application.

Debt Securities

Idaho Power proposes to issue and sell, from time to time, up to \$500,000,000 in aggregate principal amount of one or more series of Debt Securities. The Debt Securities will be unsecured obligations of Idaho Power and will be issued under a new or existing indenture of the Company. Idaho Power will supplement the indenture in the future to further specify the terms and conditions of each series of the Debt Securities. Such amendments will be filed with the SEC and will also be filed with the Commission. Idaho Power may enter into interest rate hedging arrangements with respect to the Debt Securities, including treasury interest rate locks, treasury interest rate caps, treasury interest rate collars, treasury options, forward starting interest rate swaps, and/or swaptions.

After the terms and conditions of the issuance and sale of the Debt Securities have been determined, Idaho Power will file a Prospectus Supplement(s) with the SEC setting forth the series designation, aggregate principal amount of the issue, purchase price or prices, issuance date or dates, maturity or maturities, interest rate or rates (which may be fixed or variable) and/or the method of determination of such rate or rates, time of payment of interest, whether all or a portion of the Debt Securities will be discounted, whether all or a portion of the Debt Securities will be issued in global form, whether interest rate hedging arrangements will apply to the Debt Securities, repayment terms, redemption terms, if any, and any other special terms of the Debt Securities, which terms may be different for each issuance of the Debt Securities.

Idaho Power requests authority to issue the Debt Securities without additional pre-issuance approval from the Commission so long as the Company meets the same requirements for agent commissions, spreads over treasuries or all-in coupon rates, and credit ratings as set forth above for the Bonds.

The aggregate principal amount of the Bonds and Debt Securities to be issued and sold will not exceed \$500,000,000.

The net proceeds to be received by Idaho Power from the sale of the Bonds and/or Debt Securities will be used 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 incurred for utility purposes (such as higher cost debt or preferred stock) or the reimbursement of Idaho Power's treasury for funds used for the foregoing purposes, all as permitted under ORS 757.415(1). Idaho Power states that if the funds to be reimbursed were used for the discharge or refunding of obligations, those obligations or their precedents were originally incurred in furtherance of the utility purposes above.

OPINION

This transaction is governed by ORS 757.415. That statute provides:

(1) A public utility may issue [stocks, bonds, notes and other forms of indebtedness... and securities] for the following purposes and no others.

- (a) The acquisition of property, or the construction, completion, extension or improvement of its facilities.
- (b) The improvement or maintenance of its service.
- (c) The discharge or lawful refunding of its obligations.

. . .

(2) [Idaho Power] shall secure from the commission . . . an order . . . stating:

- (a) The amount of the issue and the purposes to which the . . . proceeds . . . are to be applied; and
- (b) In the opinion of the commission, the [proceeds] reasonably [are] required for the purposes specified in the order and compatible with the public interest, which is necessary or appropriate for or consistent with the proper performance by Idaho Power of service as a public utility, and will not impair its ability to perform that service; and
- (c) Except as otherwise permitted in the order in the case of bonds, notes or other evidences of indebtedness, such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

When an application involves refunding of obligations, Idaho Power also must show that the original borrowings were made for a permissible purpose. *Pacific Power and Light Co.*, UF 3749, Order No. 81-745 at 5.

ORS 757.480 prohibits utilities from mortgaging or otherwise encumbering their property without the Commission's approval.

This Application requests that Idaho Power be allowed to issue Bonds and Debt Securities without additional pre-issuance approval from the Commission under the terms and conditions set forth in the application. The request is reasonable and will allow Idaho Power to take advantage of attractive market conditions efficiently and rapidly. Nevertheless, the Commission will grant such a proposal only if sufficient safeguards exist to guarantee that the public interest is protected.

The Commission concludes that the application provides sufficient protection. The provision in the application describing the use of the proceeds of the issuance meets the requirements set out in the statutes regarding permissible purposes. It thus protects the customers of Idaho Power. The provisions in the application relating to maximum commissions, treasury spreads and coupon rates also provide protection to the customers of Idaho Power.

The Commission concludes that the application should be approved. The proposed transactions are compatible with the public interest, consistent with the proper performance of Idaho Power's public utility service and will not impair the Company's ability to perform its public utility service.

For ratemaking purposes, the Commission reserves judgment on the reasonableness of Idaho Power's capital costs and capital structure. In its next rate proceeding, Idaho Power will be required to show that its capital costs and structure are just and reasonable. ORS 757.210.

Restriction on Use of Proceeds

ORS 469.599 provides that the Commission may not authorize the issuance of stocks, bonds or other evidences of indebtedness to finance a nuclear-fueled thermal power plant in Oregon unless construction has been authorized by the Energy Facility Siting Council.

CONCLUSIONS OF LAW

1. Idaho Power Company is a public utility subject to the jurisdiction of the Public Utility Commission of Oregon.

2. The proposed transaction is compatible with the public interest and consistent with the proper performance of Idaho Power's public utility service.

3. The proposed transaction will not impair Idaho Power's ability to perform its public utility service.

ORDER

IT IS ORDERED That:

1. The application of Idaho Power Company for authority to issue and sell from time to time up to \$500,000,000 aggregate principal amount of the Bonds and Debt Securities, in the ways and for the purposes set forth in its Application be, and the same is hereby granted; provided, that the combined principal amount of the Bonds and Debt Securities to be issued and sold shall not exceed \$500,000,000.

2. Idaho Power is granted authority to issue and sell the Bonds and Debt Securities without additional pre-issuance approval from the Commission, under the terms and conditions set forth in this order.

3. In addition to the authorization granted to Idaho Power by the Commission under the terms of this order, Idaho Power's existing authorization from the Commission to issue bonds and debt securities under Order No. 16-151 in UF 4297 ("Existing Order") in the remaining amount of \$280,000,000 will extend for a period of 60 days following the date of this order ("Rehearing Period"), at which time said authorization under the Existing Order will automatically expire, if no petition for rehearing or reconsideration of this order shall be filed within such 60-day Rehearing Period under ORS 756.561. Applicant's total issuance authority

under the Existing Order and under the order issued hereunder will not exceed \$500,000,000 during the Reconsideration Period.

4. Idaho Power shall file a copy of the Prospectus Supplement with the Commission for the medium-term notes within five (5) business days after filing the Prospectus Supplement with the SEC. Idaho Power shall also file copies of each Pricing Supplement with the Commission relating to the medium-term notes within five (5) business days after submitting such filings to the SEC. Additionally, within thirty (30) days after June 30 and December 31 of each year in which Idaho Power issues Bonds in the form of medium-term notes, Idaho Power shall file a report with the Commission indicating the cumulative amounts, terms and conditions of the medium term notes issued during the prior six (6) months.

5. Idaho Power shall file, as soon as available:

- a. The Report of Securities required by OAR 860-27-0300.
- b. Verified copies of any agreement entered into in connection with the issuance of Bonds or Debt Securities pursuant to this order.
- c. A verified statement setting forth in reasonable detail the disposition of the proceeds of each offering made pursuant to this order.
- d. Idaho Power shall demonstrate that the pricing of each Bond or Debt Security sold is cost-competitive based on prevailing market conditions.
- e. Idaho Power shall demonstrate the cost-effectiveness of any early retirement of existing securities as soon as possible after such refunding.
- f. Idaho Power shall demonstrate that any privately placed Bonds or Debt Securities are no more expensive than if publicly sold.

Made, entered, and effective _____.

BY THE COMMISSION:

Kristi Collins
Commission Secretary