

PROSPECTUS SUPPLEMENT
To Prospectus dated December 18, 2007
\$350,000,000
Idaho Power Company
First Mortgage Bonds,
Secured Medium-Term Notes, Series H

This prospectus supplement may be used to offer and sell the notes only if accompanied by the accompanying prospectus.

Idaho Power Company may use this prospectus supplement to offer from time to time its first mortgage bonds, secured medium-term notes, series H.

Terms of Sale

The following terms may apply to the notes which we may sell at one or more times. We will include final terms for each note you purchase in a pricing supplement.

- Mature 9 months to 30 years from date of issue
- Fixed interest rate
- Interest payable on March 1 and September 1
- Held in book-entry form by The Depository Trust Company
- Settlement in immediately available funds
- May be subject to mandatory redemption or redemption at our option
- Minimum denominations of \$1,000 increased in multiples of \$1,000

You should review carefully the risk factors that we have disclosed in our public filings under the Securities Exchange Act of 1934, as amended, before purchasing the notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these notes or determined that this prospectus supplement or the accompanying prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

We may sell the notes directly or indirectly through one or more agents or dealers, including the agents listed below. The agents are not required to sell any specified number or amount of notes. The agents will use their reasonable best efforts to sell the notes offered.

If we sell the notes at 100% of their principal amount, we will receive between \$347,375,000 and \$349,125,000 of the proceeds from the sale of the notes, after paying the agents' commissions of between \$875,000 and \$2,625,000.

Banc of America Securities LLC
BNY Capital Markets, Inc.
JPMorgan
KeyBanc Capital Markets
Lazard Capital Markets
Piper Jaffray
RBC Capital Markets
SunTrust Robinson Humphrey
Wachovia Securities
Wedbush Morgan Securities Inc.
Wells Fargo Securities

Prospectus Supplement dated April 3, 2008

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any pricing supplement. We have not, and the agents have not, authorized anyone else to provide you with different information. You should not assume that the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any pricing supplement is accurate as of any date other than the date on the front cover of each document. We are not making an offer of these notes in any state where the offer is not permitted.

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DESCRIPTION OF THE NOTES

General

You should read the following information, which summarizes certain terms of the notes, in conjunction with the statements under “Description of the First Mortgage Bonds” in the accompanying prospectus. We are issuing these notes as part of a series of first mortgage bonds under our Indenture of Mortgage and Deed of Trust, dated as of October 1, 1937, as amended and supplemented. Please also refer to the indenture, which was filed as an exhibit to the registration statement of which this prospectus supplement forms a part.

The indenture limits the aggregate principal amount of first mortgage bonds at any one time outstanding to \$1.5 billion. We may amend the indenture and increase this amount without consent of the holders of first mortgage bonds.

We are offering the notes on a continuing basis. For each note we offer and sell, we will prepare a pricing supplement to this prospectus supplement and the accompanying prospectus. The pricing supplement will include the specific terms of the note to which it relates and may include modifications of or additions to the more general terms described in this prospectus supplement and the accompanying prospectus.

The pricing supplement relating to a note will contain the following important information:

- purchase price of the notes, which may be a percentage of the aggregate principal amount
- issue date
- maturity date
- interest rate
- interest accrual date
- redemption provisions, if any, and
- other material terms not inconsistent with the indenture.

The following information applies to the notes that we are offering, unless we specify otherwise in the pricing supplement.

Except as we discuss below, we will issue each note in book-entry form and not certificated form. The depository for book-entry notes will initially be The Depository Trust Company.

You can buy the notes in denominations of \$1,000 or any larger amount equally divisible by \$1,000. The notes will mature from nine months to 30 years from the date of issue.

Unless we specify otherwise in a pricing supplement and make additional related disclosure, we will not offer the notes to United States alien holders. You are a United States alien holder if you are, for United States federal income tax purposes:

- a nonresident alien individual

- a foreign corporation
- a foreign partnership or
- an estate or trust that in either case is not subject to United States federal income tax on a net income basis on income or gain from a note.

Interest and Payment on the Notes

Each note will bear interest at a fixed rate stated on the face of the note. Interest will be computed on the basis of a 360-day year of twelve 30-day months. We will make interest payments to noteholders on March 1 and September 1 of each year or on the interest payment dates specified in the pricing supplement, and at maturity or upon earlier redemption.

If any interest payment date, redemption date or maturity date does not fall upon a business day, we will make the payment on the next business day. A business day is any day, other than a Saturday or Sunday, on which banks in The City of New York are not required or authorized by law to close. If we pay or provide for payment on the next business day, no interest will accrue on those amounts for the period from and after the interest payment date, redemption date or maturity date, as the case may be, to the next business day.

We will make payments of principal, premium, if any, and interest in respect of the notes in immediately available funds. We will make payments on book-entry notes to Cede & Co., the partnership nominee of The Depository Trust Company.

The record date for the March 1 payment will be February 15, and the record date for the September 1 payment will be August 15. If we change the interest payment dates, we will indicate in the pricing supplement the new record dates. In order to receive interest payments on a note, you must hold the note on the applicable record date, whether or not the record date is a business day. We will begin paying interest on the first interest payment date after the notes have been issued, provided that the notes are issued before the applicable record date.

Redemption of the Notes

The notes may be subject to redemption, either mandatory or at our option, before they mature. The pricing supplement will indicate whether or not a note is subject to redemption and the terms of redemption, if any. If we decide to redeem the notes, you will receive at least 30 days' notice.

Tax Defeasance

Under current United States federal income tax law, defeasance under the indenture should be treated as a taxable exchange of the notes to be defeased for an interest in the defeasance trust. Accordingly, you would recognize gain or loss equal to the difference between your cost or other tax basis of the notes and the fair market value of your interest in the defeasance trust. You would thereafter be required to include in income your share of the income, gain or loss of the defeasance trust, which could be a different amount and includible in income at different times than would be the case in the absence of defeasance under the indenture. You should consult your own tax advisors as to the specific potential consequences to you of defeasance under the indenture.

SUPPLEMENTAL PLAN OF DISTRIBUTION

We are offering the notes on a continuing basis through the agents listed on the cover, each of which has agreed to use to its reasonable best efforts to solicit purchases of the notes.

We have the right to accept offers to purchase notes and may reject any proposed purchase of the notes. The agents may also reject any offer to purchase notes. We will pay the agents a commission on any notes sold through the agents. The commission will range from 0.125% to 0.750% of the principal amount of the notes depending on the maturity of the notes.

We may also sell notes to the agents who will purchase the notes as principal for their own accounts. Any such sale will be made at a discount to be agreed upon at the time of sale. Any notes the agents purchase as principal may be resold at the market price or at other prices determined by the agents at the time of resale.

The agents may resell any notes they purchase to other brokers or dealers at a discount which may include all or part of the discount the agents received from us. The agents will purchase the notes at a price equal to 100% of the principal amount less a discount. Unless otherwise stated, the discount will equal the applicable commission on an agency sale of notes of the same maturity.

We may sell notes directly to investors on our own behalf in those jurisdictions where we are authorized to do so. We will not pay any commissions on sales made directly by us.

We may sell notes through agents other than the agents listed on the cover subject to certain conditions described in the selling agency agreement that we have entered into with the agents listed on the cover. The commission applicable to agency sales through any other agents will be the same as that applicable to agency sales through the agents listed on the cover.

The agents, whether acting as agent or as principal, may be deemed to be “underwriters” within the meaning of the Securities Act of 1933, as amended. We have agreed to indemnify each agent against certain liabilities, including liabilities under the Securities Act, or to contribute to payments made in respect of such liabilities. We have also agreed to reimburse the agents for certain of the agents’ expenses, including the reasonable fees and expenses of their counsel.

The agents may sell to dealers who may resell to investors and the agents may pay all or part of the discount or commission they receive from us to the dealers. Such dealers may be deemed to be “underwriters” within the meaning of the Securities Act of 1933. Any discounts or commissions that an agent receives in purchasing a note as principal and reselling such note, and any profit on the resale of such note by the agent, may be deemed to be underwriters’ discounts or commissions under the Securities Act of 1933.

Payment of the purchase price of the notes must be made in immediately available funds.

In addition to offering the notes through the agents described in this prospectus supplement, we may sell other debt securities. Under certain circumstances, the sale of other

debt securities may reduce the maximum aggregate amount of notes that we offer by this prospectus supplement.

The notes are a new issue of securities with no established trading market and will not be listed on a securities exchange. The agents have advised us that they intend to establish a trading market for the notes. However, the agents are not obligated to do so and may discontinue any market making at any time without notice. No assurance can be given as to the liquidity of the trading market for the notes.

In connection with the offering, the agents may purchase and sell notes in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the agents of a greater number of notes than they are required to purchase in the offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the notes while the offering is in progress.

The agents also may impose a penalty bid. This occurs when a particular agent repays to agents a portion of the underwriting discount received by it because the agents have repurchased notes sold by or for the account of such agent in stabilizing or short covering transactions.

These activities by the agents may stabilize, maintain or otherwise affect the market price of the notes. As a result, the price of the notes may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the agents at any time.

We estimate that our share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately \$2 million.

Each agent and its affiliates may from time to time engage in transactions with, and perform investment banking, general banking and other financial services for, us and our affiliates in the ordinary course of business.

We may distribute this prospectus supplement and any applicable pricing supplement by mail, in printed form and electronically in portable document format. The prospectus supplement, the accompanying prospectus and any applicable pricing supplement may be made available in electronic format on the websites maintained by one or more of the agents. Other than the prospectus supplement, the accompanying prospectus and any applicable pricing supplement in electronic format, the information on any of these websites and any other information contained on a website maintained by an agent is not part of this prospectus supplement, the accompanying prospectus and any applicable pricing supplement.



*Patrick A. Harrington
Corporate Secretary*

Ms. Vikie Bailey-Goggins
Oregon Public Utility Commission
550 Capitol Street N.E., Suite 215
Salem, Oregon 97301-2551

April 15, 2008

Re: In the Matter of the Application of Idaho Power Company
for an Order Authorizing the Issuance and Sale of up to
\$350,000,000 of Applicant's First Mortgage Bonds and
Debt Securities

UF 4244

Dear Ms. Bailey-Goggins:

On January 28, 2008 the Commission issued its Order No. 08-105 in the above referenced case authorizing Idaho Power to issue up to \$350 million aggregate principal amount of First Mortgage Bonds and/or Debt Securities from the Company's \$350 million shelf registration filed with the SEC. On April 3, 2008, the Company filed a Medium-Term Note prospectus supplement with the SEC for more specific authorization to issue its First Mortgage Bonds in the form of Medium-Term Notes. Enclosed are five (5) copies each of the principal documents from the setup of the Company's Medium-Term Note program:

1. Original Prospectus
2. Prospectus Supplement
3. 44th Supplemental Indenture

The Company has not yet issued any securities under its \$350 million shelf registration in this case, but is filing the enclosed transaction documents for the Commission's records. Idaho Power will also file the transaction documents electronically as required by the Commission's rules. Please contact me at (208) 388-2878 if you have any questions regarding this filing.

Sincerely,

c: Steve Keen
Randy Mills
Steve Storm - OPUC

Executed in
75 Counterparts
of which this is
Counterpart No. 6

IDAHO POWER COMPANY

TO

DEUTSCHE BANK TRUST COMPANY AMERICAS

AND

STANLEY BURG,

As Trustees under its Mortgage and Deed of Trust
dated as of October 1, 1937.

Forty-third Supplemental Indenture
providing among other things for Bonds of MTN Series G
Dated as of September 1, 2007

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¹ This table of contents shall not have any bearing upon the interpretation of this Supplemental Indenture.

SUPPLEMENTAL INDENTURE, dated as of the 1st day of September, 2007 made and entered into by and between IDAHO POWER COMPANY, a corporation of the State of Idaho (successor by merger to Idaho Power Company, a corporation of the State of Maine, hereinafter sometimes called the "Maine Company"), whose address is 1221 West Idaho Street, Boise, Idaho 83702-5627 (hereinafter sometimes called the "Company"), party of the first part, and DEUTSCHE BANK TRUST COMPANY AMERICAS, formerly known as Bankers Trust Company, a corporation of the State of New York whose post office address is 60 Wall Street, New York, New York 10005 (hereinafter sometimes called the "Corporate Trustee"), and Stanley Burg (hereinafter sometimes called the "Individual Trustee"), parties of the second part (the Corporate Trustee and the Individual Trustee being hereinafter together sometimes called the "Trustees"), as Trustees under the Mortgage and Deed of Trust dated as of October 1, 1937 hereinafter referred to; and

WHEREAS, the Maine Company has heretofore executed and delivered to the Trustees its Mortgage and Deed of Trust (hereinafter sometimes referred to as the "Original Indenture"), dated as of October 1, 1937, to secure the payment both of the principal of and interest and premium, if any, on all Bonds at any time issued and outstanding thereunder and to declare the terms and conditions upon which Bonds are to be issued thereunder; and

WHEREAS, the Maine Company was merged into the Company on June 30, 1989; and

WHEREAS, in order to evidence the succession of the Company to the Maine Company and the assumption by the Company of the covenants and conditions of the Maine Company in the Bonds and in the Original Indenture, as supplemented, contained, and to enable the Company to have and exercise the powers and rights of the Maine Company under the Original Indenture, as supplemented, in accordance with the terms thereof, the Company executed and delivered to the Trustees a Twenty-eighth Supplemental Indenture, dated as of June 30, 1989 (which supplemental indenture is hereinafter sometimes called the "Twenty-eighth Supplemental Indenture"); and

WHEREAS, said Twenty-eighth Supplemental Indenture was recorded in the records of the County of Elko, Nevada; the Counties of Baker, Grant, Harney, Malheur, Union and Wallowa, Oregon; the Counties of Ada, Adams, Bannock, Bear Lake, Bingham, Blaine, Boise, Bonneville, Butte, Camas, Canyon, Caribou, Cassia, Clark, Elmore, Gem, Gooding, Idaho, Jefferson, Jerome, Lemhi, Lincoln, Minidoka, Oneida, Owyhee, Payette, Power, Twin Falls, Valley and Washington, Idaho; the Counties of Lincoln and Sweetwater, Wyoming; and with the Secretary of State of the States of Idaho, Montana, Oregon, Nevada and Wyoming; and

WHEREAS, in accordance with the terms of the Original Indenture the Maine Company or the Company has executed and delivered to the Trustees the following supplemental indentures in addition to the Twenty-eighth Supplemental Indenture:

| <u>Designation</u> | <u>Dated as of</u> |
|-------------------------------|--------------------|
| First Supplemental Indenture | July 1, 1939 |
| Second Supplemental Indenture | November 15, 1943 |

| <u>Designation</u> | <u>Dated as of</u> |
|---------------------------------------|--------------------|
| Third Supplemental Indenture | February 1, 1947 |
| Fourth Supplemental Indenture | May 1, 1948 |
| Fifth Supplemental Indenture | November 1, 1949 |
| Sixth Supplemental Indenture | October 1, 1951 |
| Seventh Supplemental Indenture | January 1, 1957 |
| Eighth Supplemental Indenture | July 15, 1957 |
| Ninth Supplemental Indenture | November 15, 1957 |
| Tenth Supplemental Indenture | April 1, 1958 |
| Eleventh Supplemental Indenture | October 15, 1958 |
| Twelfth Supplemental Indenture | May 15, 1959 |
| Thirteenth Supplemental Indenture | November 15, 1960 |
| Fourteenth Supplemental Indenture | November 1, 1961 |
| Fifteenth Supplemental Indenture | September 15, 1964 |
| Sixteenth Supplemental Indenture | April 1, 1966 |
| Seventeenth Supplemental Indenture | October 1, 1966 |
| Eighteenth Supplemental Indenture | September 1, 1972 |
| Nineteenth Supplemental Indenture | January 15, 1974 |
| Twentieth Supplemental Indenture | August 1, 1974 |
| Twenty-first Supplemental Indenture | October 15, 1974 |
| Twenty-second Supplemental Indenture | November 15, 1976 |
| Twenty-third Supplemental Indenture | August 15, 1978 |
| Twenty-fourth Supplemental Indenture | September 1, 1979 |
| Twenty-fifth Supplemental Indenture | November 1, 1981 |
| Twenty-sixth Supplemental Indenture | May 1, 1982 |
| Twenty-seventh Supplemental Indenture | May 1, 1986 |
| Twenty-ninth Supplemental Indenture | January 1, 1990 |
| Thirtieth Supplemental Indenture | January 1, 1991 |
| Thirty-first Supplemental Indenture | August 15, 1991 |
| Thirty-second Supplemental Indenture | March 15, 1992 |
| Thirty-third Supplemental Indenture | April 1, 1993 |
| Thirty-fourth Supplemental Indenture | December 1, 1993 |
| Thirty-fifth Supplemental Indenture | November 1, 2000 |
| Thirty-sixth Supplemental Indenture | October 1, 2001 |
| Thirty-seventh Supplemental Indenture | April 1, 2003 |
| Thirty-eighth Supplemental Indenture | May 15, 2003 |
| Thirty-ninth Supplemental Indenture | October 1, 2003 |
| Fortieth Supplemental Indenture | May 1, 2005 |
| Forty-first Supplemental Indenture | October 1, 2006 |
| Forty-second Supplemental Indenture | May 1, 2007 |

each of which is supplemental to the Original Indenture (the Original Indenture and all indentures supplemental thereto together being hereinafter sometimes referred to as the "Indenture"); and

WHEREAS, the Original Indenture and said Supplemental Indentures (except said Fifteenth Supplemental Indenture) have each been recorded in the records of the County of Elko, Nevada; the Counties of Baker, Grant, Harney, Malheur, Union and Wallowa, Oregon; the Counties of Ada, Adams, Bannock, Bear Lake, Bingham, Blaine, Boise, Bonneville, Butte, Camas, Canyon, Caribou, Cassia, Clark, Elmore, Gem, Gooding, Idaho, Jefferson, Jerome, Lemhi, Lincoln, Minidoka, Oneida, Owyhee, Payette, Power, Twin Falls, Valley and Washington, Idaho; the Counties of Lincoln and Sweetwater, Wyoming; and with the Secretary of State of the States of Idaho, Montana, Oregon, Nevada and Wyoming; and

WHEREAS, the Maine Company or the Company has heretofore issued Bonds, under and in accordance with the terms of the Indenture in the following series and aggregate principal amounts:

| <u>Series</u> | <u>Principal Amount Issued</u> | <u>Principal Amount Outstanding</u> |
|-------------------------------------|--|---|
| 3-3/4% Series due 1967 | \$18,000,000 | None |
| 3-1/8% Series due 1973 | 18,000,000 | None |
| 2-3/4% Series due 1977 | 5,000,000 | None |
| 3% Series due 1978 | 10,000,000 | None |
| 2-3/4% Series due 1979 | 12,000,000 | None |
| 3-1/4% Series due 1981 | 15,000,000 | None |
| 4-1/2% Series due 1987 | 20,000,000 | None |
| 4-3/4% Series due 1987 | 15,000,000 | None |
| 4% Series due April 1988 | 10,000,000 | None |
| 4-1/2% Series due October 1988 | 15,000,000 | None |
| 5% Series due 1989 | 15,000,000 | None |
| 4-7/8% Series due 1990 | 15,000,000 | None |
| 4-1/2% Series due 1991 | 10,000,000 | None |
| 5-1/4% Series due 1996 | 20,000,000 | None |
| 6-1/8% Series due 1996 | 30,000,000 | None |
| 7-3/4% Series due 2002 | 30,000,000 | None |
| 8-3/8% Series due 2004 | 35,000,000 | None |
| 10% Series due 2004 | 50,000,000 | None |
| 8-1/2% Series due 2006 | 30,000,000 | None |
| 9% Series due 2008 | 60,000,000 | None |
| 10-1/4% Series due 2003 | 62,000,000 | None |
| First Mortgage Bonds, 1984 Series | 10,100,000 | None |
| 16.10% Series due 1991-1992 | 50,000,000 | None |
| Pollution Control Series A | 49,800,000 | None |
| 8.65% Series due 2000 | 80,000,000 | None |
| 9.50% Series due 2021 | 75,000,000 | None |
| 9.52% Series due 2031 | 25,000,000 | None |
| 8% Series due 2004 | 50,000,000 | None |
| 8 3/4% Series due 2027 | 50,000,000 | None |
| Secured Medium-Term Notes, Series A | 190,000,000 | None |

| <u>Series</u> | <u>Principal Amount Issued</u> | <u>Principal Amount Outstanding</u> |
|-------------------------------------|--|---|
| Secured Medium-Term Notes, Series B | \$197,000,000 | \$80,000,000 |
| Secured Medium-Term Notes, Series C | 200,000,000 | 200,000,000 |
| Secured Medium-Term Notes, Series D | 200,000,000 | 200,000,000 |
| Secured Medium-Term Notes, Series E | 245,000,000 | 245,000,000 |
| Pollution Control Series B | 49,800,000 | 49,800,000 |
| Secured Medium-Term Notes, Series F | 200,000,000 | 200,000,000 |
| Pollution Control Series C | 116,300,000 | 116,300,000 |

which bonds are hereinafter sometimes called bonds of the First through Thirty-seventh Series; and

WHEREAS, the Company, in accordance with the provisions of the Indenture and pursuant to appropriate resolutions of its Board of Directors, has duly determined to make, execute and deliver to the Trustees this Forty-third Supplemental Indenture for the purposes herein provided, including the issuance of a Thirty-eighth Series of Bonds under the Indenture, in the aggregate principal amount of up to One Hundred Million Dollars (\$100,000,000), to be designated as "First Mortgage Bonds, Secured Medium-Term Notes, Series G" (herein sometimes called the "Bonds of MTN Series G"); and

WHEREAS, it is also now desired, for the purpose of more effectually carrying out the purposes of the Original Indenture, to confirm specifically the subjection to the lien thereof and of the Indenture of the certain property acquired by the Company in addition to the property specifically described in the Original Indenture and in said First, Second, Third, Fourth, Fifth, Sixth, Seventh, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Sixteenth, Seventeenth, Eighteenth, Nineteenth, Twenty-first, Twenty-second, Twenty-third, Twenty-fourth, Twenty-fifth, Thirty-sixth, Thirty-seventh, Thirty-ninth, Fortieth and Forty-first Supplemental Indentures; and

WHEREAS, all things necessary to make said Bonds of MTN Series G, when duly authenticated by the Corporate Trustee and issued by the Company, valid and legally binding obligations of the Company and to make the Original Indenture, as heretofore supplemented and as supplemented hereby, a valid and legally binding instrument for the security thereof, have been performed, and the execution and delivery of this Forty-third Supplemental Indenture and the issue of said Bonds as in this Forty-third Supplemental Indenture provided have been in all respects duly authorized:

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That in consideration of the premises and of One Dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in order to secure the payment both of the principal of and interest and premium, if any, on all Bonds at any time issued and outstanding under the Indenture, according to their tenor and effect, and the performance of all the provisions of the Indenture and of said

Bonds, the Company has duly executed and delivered to the Trustees this Forty-third Supplemental Indenture and has granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed and by these presents does grant, bargain, sell, release, convey, assign, transfer, mortgage, pledge, set over and confirm unto Stanley Burg and (to the extent of its legal capacity to hold the same for the purposes hereof) unto Deutsche Bank Trust Company Americas, as Trustees as aforesaid, and to their successor or successors in said trust, and to them and their successors, heirs and assigns forever, all property, whether real, personal or mixed (except any hereinafter expressly excepted), and wheresoever situated, acquired since the date of said Original Indenture by and now or hereafter owned by the Company including the following described properties, rights and interests in property (in addition to all other properties heretofore subjected to the lien of the Indenture and not heretofore released from the lien thereof)--that is to say:

PROPERTIES ACQUIRED OR CONSTRUCTED

GENERATING PLANTS

None.

TRANSMISSION LINES & SYSTEMS

None.

DISTRIBUTION LINES & SYSTEMS

None.

SUBSTATIONS

None.

FRANCHISES

None.

ALL OTHER LANDS, IMPROVEMENTS, BUILDINGS AND OTHER SUBSTATIONS

None.

All other property, whether real, personal or mixed (except any hereinafter expressly excepted), and wheresoever situated, acquired since the date of said Original Indenture by and now or hereafter owned by the Company.

TOGETHER with all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders, and (subject to the

provisions of Section 57 of the Original Indenture) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

It is not intended herein or hereby to include in or subject to the lien of the Indenture, and the granting clauses hereof shall not be deemed to apply to, (1) any revenues, earnings, rents, issues, income or profits of the mortgaged and pledged property, or any bills, notes or accounts receivable, contracts or choses in action, except to the extent permitted by law in case a completed default specified in Section 65 of the Indenture shall have occurred and be continuing and either or both of the Trustees, or a receiver or trustee, shall have entered upon or taken possession of the mortgaged and pledged property, or (2) in any case, unless specifically subjected to the lien thereof, any bonds, notes, evidences of indebtedness, shares of stock, or other securities or any cash (except cash deposited with the Corporate Trustee pursuant to any provisions of the Indenture) or any goods, wares, merchandise, equipment or apparatus manufactured or acquired for the purpose of sale or resale in the usual course of business.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Individual Trustee and (to the extent of its legal capacity to hold the same for the purposes hereof) unto the Corporate Trustee, and their successors, heirs and assigns forever;

IN TRUST, NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisions and covenants as are set forth in the Original Indenture, as amended or modified by said First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, Eighteenth, Nineteenth, Twentieth, Twenty-first, Twenty-second, Twenty-third, Twenty-fourth, Twenty-fifth, Twenty-sixth, Twenty-seventh, Twenty-eighth, Twenty-ninth, Thirtieth, Thirty-first, Thirty-second, Thirty-third, Thirty-fourth, Thirty-fifth, Thirty-sixth, Thirty-seventh, Thirty-eighth, Thirty-ninth, Fortieth, Forty-first and Forty-second Supplemental Indentures and this Forty-third Supplemental Indenture.

And it is hereby covenanted, declared and decreed by and between the parties hereto, for the benefit of those who shall hold the Bonds and interest coupons, or any of them, issued and to be issued under the Indenture, as follows:

ARTICLE I

Description of Bonds of MTN Series G.

SECTION 1. The Thirty-eighth Series of Bonds to be executed, authenticated and delivered under and secured by the Indenture shall be Secured Medium-Term Notes, Series G, designated as "First Mortgage Bonds, Secured Medium-Term Notes, Series G" of the Company. The Bonds of MTN Series G shall be executed, authenticated and delivered in accordance with the provisions of, and shall in all respects be subject to, all of the terms, conditions and covenants of the Original Indenture, except insofar as the terms and provisions of

the Original Indenture have been or are amended or modified by said First through Forty-second Supplemental Indentures or by this Forty-third Supplemental Indenture. Bonds of MTN Series G shall be issued from time to time in an aggregate principal amount not to exceed \$100,000,000, be issued as registered Bonds without coupons in the denominations of \$1,000 or in any multiple thereof; each Bond of MTN Series G shall mature on such date not less than nine months nor more than thirty years from date of issue, shall bear interest at such rate or rates (which may be either fixed or variable) and have such other terms and provisions not inconsistent with the Indenture as the Board of Directors may determine in accordance with a resolution filed with the Corporate Trustee and a written order referring to this Forty-third Supplemental Indenture; the principal of and interest on each said Bond to be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York and, at the option of the Company, interest on each said Bond may also be payable at the office of the Company in Boise, Idaho, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Interest on Bonds of MTN Series G which bear interest at a fixed rate shall be payable semiannually on March 1 and September 1 of each year or on such other dates as set forth in a resolution filed with the Corporate Trustee referring to this Forty-third Supplemental Indenture and at maturity (each an interest payment date). Interest on Bonds of MTN Series G which bear interest at a variable rate shall be payable on the dates (each an interest payment date) set forth in a resolution filed with the Corporate Trustee referring to this Forty-third Supplemental Indenture.

Notwithstanding the foregoing, so long as there is no existing default in the payment of interest on the Bonds of MTN Series G, all Bonds of MTN Series G authenticated by the Corporate Trustee after the Record Date hereinafter specified for any interest payment date, and prior to such interest payment date (unless the date of first authentication of Bonds of such designated interest rate and maturity is after such Record Date), shall be dated the date of authentication, but shall bear interest from such interest payment date, and the person in whose name any Bond of MTN Series G is registered at the close of business on any Record Date with respect to any interest payment date shall be entitled to receive the interest payable on such interest payment date, notwithstanding the cancellation of such Bond of MTN Series G, upon any transfer or exchange thereof subsequent to the Record Date and on or prior to such interest payment date. If the date of first authentication of the Bonds of MTN Series G of a designated interest rate and maturity is after such Record Date and prior to the corresponding interest payment date, such Bonds shall bear interest from the Original Interest Accrual Date but payment of interest shall commence on the second interest payment date succeeding the Original Interest Accrual Date. "Record Date" for Bonds of MTN Series G which bear interest at a fixed rate shall mean February 15 for interest payable March 1 and August 15 for interest payable September 1, for Bonds of MTN Series G which bear interest at a fixed rate that is payable on others dates, shall mean the last day of the calendar month preceding such interest payment date if such interest payment date is the fifteenth day of a calendar month and shall mean the fifteenth day of the calendar month preceding such interest payment date if such interest payment date is the first day of a calendar month, as determined by the Board of Directors and set forth in a resolution filed with the Corporate Trustee referring to this Forty-third Supplemental Indenture, and for Bonds of MTN Series G which bear interest at a variable rate, the date 15 calendar days prior to any interest payment date, provided that, interest payable on the maturity date will be payable to the person to whom the principal thereof shall be payable. "Original Interest Accrual Date" with respect to Bonds of MTN Series G of a designated interest rate and maturity shall

mean the date of first authentication of Bonds of such designated interest rate and maturity unless a written order filed with the Corporate Trustee on or before such date shall specify another date from which interest shall accrue, in which case "Original Interest Accrual Date" shall mean such other date specified in the written order for Bonds of such designated interest rate and maturity.

The Bonds of MTN Series G, in definitive form, shall be, at the option of the Company, fully engraved or shall be lithographed or printed on steel engraved borders or shall be partially lithographed or printed and partially engraved on steel borders or shall be printed on safety paper or shall be typewritten.

The holders of the Bonds of MTN Series G consent that the Company may, but shall not be obligated to, fix a record date for the purpose of determining the holders of Bonds of MTN Series G entitled to consent to any amendment, supplement or waiver. If a record date is fixed, those persons who are holders at such record date (or their duly designated proxies), and only those persons, shall be entitled to consent to such amendment, supplement or waiver or to revoke any consent previously given, whether or not such persons continue to be holders after such record date. No such consent shall be valid or effective for more than 90 days after such record date.

The Bonds of MTN Series G may be redeemable at the option of the Company (including without limitation redemptions by the application of cash deposited with the Corporate Trustee pursuant to Section 39 of the Indenture) in whole at any time, or in part from time to time, prior to maturity, as provided in Section 52 of the Indenture, upon giving notice of such redemption by first class mail, postage prepaid, by or on behalf of the Company at least thirty (30) days prior to the date fixed for redemption as the Board of Directors may determine in accordance with a resolution filed with the Corporate Trustee and a written order referring to this Forty-third Supplemental Indenture.

SECTION 2. At the option of the registered holder, any Bonds of MTN Series G, upon surrender thereof for cancellation at the office or agency of the Company in the Borough of Manhattan, The City of New York, together with a written instrument of transfer (if so required by the Company or by the Trustees) in form approved by the Company duly executed by the registered holder or by his duly authorized attorney, shall be exchangeable for a like aggregate principal amount and maturity of Bonds of MTN Series G of other authorized denominations. Bonds of MTN Series G may bear such legends as may be necessary to comply with any law or with any rules or regulations made pursuant thereto or with the rules or regulations of any stock exchange or to conform to usage with respect thereto.

Bonds of MTN Series G shall be transferable at the office or agency of the Company in the Borough of Manhattan, The City of New York.

Notwithstanding the foregoing provisions of this Section 2, the Company shall not be required to make any transfers or exchanges of Bonds of MTN Series G for a period of fifteen (15) days next preceding any mailing of notice of redemption, and the Company shall not be required to make transfers or exchanges of the principal amount of any Bonds of MTN Series G so called or selected for redemption.

SECTION 3. The Bonds of MTN Series G shall be substantially of the tenor and purport recited in the Original Indenture, and the form thereof shall be as established by resolution of the Board of Directors or the Executive Committee of the Board of Directors of the Company, which resolution may provide that any provisions of such form of Bond may appear on the reverse of such form.

SECTION 4. Until Bonds of MTN Series G in definitive form are ready for delivery, the Company may execute, and upon its request in writing, the Corporate Trustee shall authenticate and deliver, in lieu thereof, Bonds of MTN Series G in temporary form, as provided in Section 15 of the Original Indenture.

ARTICLE II

Issue of Bonds of MTN Series G.

SECTION 5. The Bonds of MTN Series G for the aggregate principal amount of up to One Hundred Million Dollars (\$100,000,000) may be executed by the Company and delivered to the Corporate Trustee and shall be authenticated by the Corporate Trustee and delivered to or upon the order or orders of the Company, evidenced by a writing or writings signed by the Company by its President or a Vice President and its Treasurer or an Assistant Treasurer, pursuant to and upon compliance with the provisions of Article V, Article VI or Article VII of the Indenture.

ARTICLE III

Covenants.

The Company hereby covenants, warrants and agrees:

SECTION 6. That all the terms, conditions, provisos, covenants and provisions contained in the Indenture shall affect and apply to the property hereinabove described and conveyed and to the estate, rights, obligations and duties of the Company and Trustees and the beneficiaries of the trust with respect to said property, and to the Trustees and their successors as trustees of said property, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Original Indenture and had been specifically and at length described in and conveyed to the Individual Trustee and (to the extent of its legal capacity to hold the same for the purposes of the Indenture) the Corporate Trustee by the Original Indenture as a part of the property therein stated to be conveyed.

SECTION 7. That it is lawfully seized and possessed of all of the mortgaged and pledged property described in the granting clauses of the Indenture, which has not heretofore been released from the lien thereof; that it had or has, at the respective times of execution and delivery of the Original Indenture, the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, Eighteenth, Nineteenth, Twentieth, Twenty-first (as corrected by the Twenty-second), Twenty-second, Twenty-third, Twenty-fourth, Twenty-fifth, Twenty-sixth, Twenty-seventh, Twenty-eighth, Twenty-ninth, Thirtieth, Thirty-first, Thirty-second, Thirty-third, Thirty-fourth, Thirty-

fifth, Thirty-sixth, Thirty-seventh, Thirty-eighth, Thirty-ninth, Fortieth, Forty-first and Forty-second Supplemental Indentures, and this Forty-third Supplemental Indenture, good right and lawful authority to mortgage and pledge the mortgaged and pledged property described therein, as provided in and by the Indenture; and that such mortgaged and pledged property is, at the actual date of the initial issue of the Bonds of MTN Series G, free and clear of any mortgage, lien, charge or encumbrance thereon or affecting the title thereto (other than excepted encumbrances) prior to the lien of the Indenture, except as set forth in the granting clauses of the Indenture.

SECTION 8. That it will deliver to the Corporate Trustee annually, within ninety (90) days after the close of each fiscal year, commencing with the fiscal year 2007, a certificate from the principal executive officer, principal financial officer or principal accounting officer as to his or her knowledge of the Company's compliance with all conditions and covenants under the Indenture. For purposes of this Section 8, such compliance shall be determined without regard to any period of grace or requirement of notice provided under the Indenture.

ARTICLE IV

The Trustees.

The Trustees hereby accept the trust hereby declared and provided and agree to perform the same upon the terms and conditions in the Original Indenture, as heretofore supplemented and as supplemented by this Forty-third Supplemental Indenture, and in this Forty-third Supplemental Indenture set forth, and upon the following terms and conditions:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Forty-third Supplemental Indenture or the due execution hereof by the Company or for or in respect of the recitals contained herein, all of which recitals are made by the Company only.

ARTICLE V

Miscellaneous Provisions.

All terms contained in this Forty-third Supplemental Indenture shall, for all purposes hereof, have the meanings given to such terms in Article I of the Original Indenture, as amended by Article IV of the Second Supplemental Indenture.

Except as hereby expressly amended and supplemented, the Original Indenture heretofore amended and supplemented is in all respects ratified and confirmed, and all the terms and provisions thereof shall be and remain in full force and effect.

This Forty-third Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original; but such counterparts together constitute but one and the same instrument.

IN WITNESS WHEREOF, Idaho Power Company, party hereto of the first part, caused its corporate name to be hereunto affixed and this instrument to be signed and sealed by its President or a Vice President and its corporate seal to be attested by its Secretary or an Assistant Secretary for and on its behalf, and Deutsche Bank Trust Company Americas, one of the parties hereto of the second part, in token of its acceptance of the trust hereby created has caused its corporate name to be hereunto affixed and this instrument to be signed and sealed by a Vice President and its corporate seal to be attested by an Associate and Stanley Burg, one of the parties hereto of the second part, has for all like purposes hereunto set his hand and affixed his seal, each on the date hereinafter acknowledged, as of the day and year first above written.

IDAHO POWER COMPANY

By *Darrel T. Anderson*
Darrel T. Anderson
Senior Vice President –
Administrative Services and
Chief Financial Officer

Attest:

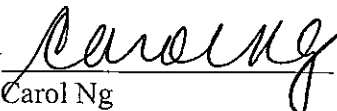
Patrick A. Harrington
Patrick A. Harrington
Secretary

Executed, sealed and delivered by
IDAHO POWER COMPANY
in the presence of:

Colleen [Signature]

Jerred [Signature]

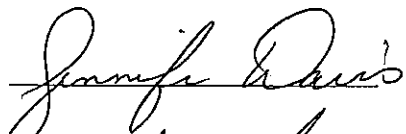

DEUTSCHE BANK TRUST COMPANY
AMERICAS

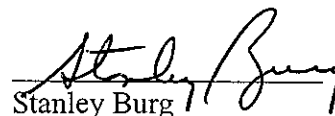
By 
Carol Ng
Vice President

Attest:

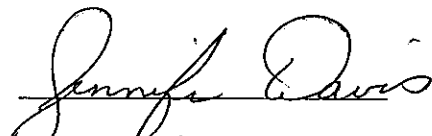



Executed, sealed and delivered by
**DEUTSCHE BANK TRUST
COMPANY AMERICAS,**
in the presence of:


Stanley Burg

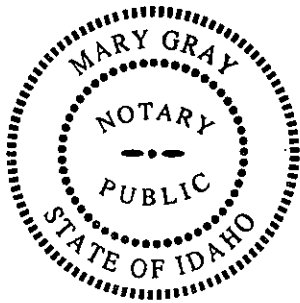
Executed, sealed and delivered by
STANLEY BURG,
in the presence of:

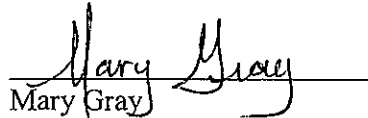



STATE OF IDAHO)
) ss.:
COUNTY OF ADA)

On the 6th day of September, in the year 2007, before me personally came DARREL T. ANDERSON, to me known, who being by me duly sworn did depose and say that he is the Senior Vice President – Administrative Services and Chief Financial Officer of Idaho Power Company, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order; the said DARREL T. ANDERSON, having personally appeared and known to me to be the Senior Vice President – Administrative Services and Chief Financial Officer of said corporation that executed the instrument, acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year in this certificate first above written.

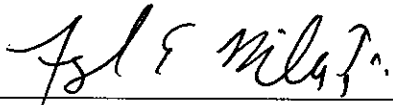



Mary Gray
Notary Public, State of Idaho
Commission expires July 17, 2010

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 17 day of September, in the year 2007, before me personally came CAROL NG, to me known, who being by me duly sworn did depose and say that she is a Vice President of Deutsche Bank Trust Company Americas, one of the corporations described in and which executed the above instrument; that she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that she signed her name thereto by like order; the said CAROL NG, having personally appeared and known to me to be a Vice President of said corporation that executed the instrument, acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year in this certificate first above written.

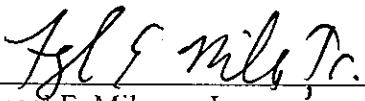


Angel E. Milanes, Jr.
Notary Public, State of New York
Registration No. 01M16137333
Qualified in New York County
Commission expires November 21, 2009

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 17 day of September, in the year 2007, before me, ANGEL E. MILANES, JR., a Notary Public in and for the State of New York in the County of New York, personally appeared and came STANLEY BURG, to me known and known to me to be the person described in and who executed the within and foregoing instrument and whose name is subscribed thereto and acknowledged to me that he executed the same.

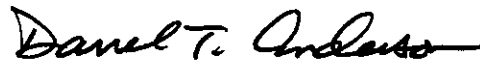
IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year in this certificate first above written.



Angel E. Milanes, Jr.
Notary Public, State of New York
Registration No. 01M16137333
Qualified in New York County
Commission expires November 21, 2009

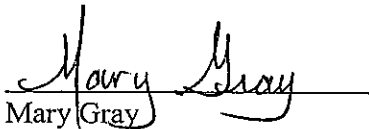
STATE OF IDAHO)
) ss.:
COUNTY OF ADA)

DARREL T. ANDERSON, being first duly sworn, upon oath, deposes and says: that he is an officer, to wit, the Senior Vice President – Administrative Services and Chief Financial Officer of Idaho Power Company, a corporation, the mortgagor described in the foregoing indenture or mortgage, and makes this affidavit on behalf of said Idaho Power Company; that said indenture or mortgage is made in good faith without any design to hinder, delay or defraud creditors, to secure the indebtedness mentioned to be thereby secured.

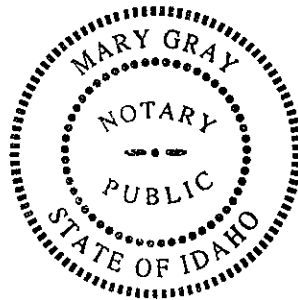


Darrel T. Anderson
Senior Vice President –
Administrative Services and
Chief Financial Officer

Subscribed and sworn to before me
this 6th day of September, 2007.




Mary Gray
Notary Public, State of Idaho
Commission expires July 17, 2010




STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

CAROL NG, being first duly sworn, upon oath, deposes and says: that she is an officer, to wit, a Vice President of Deutsche Bank Trust Company Americas, a corporation, one of the mortgagees and trustees named in the foregoing indenture or mortgage, and makes this affidavit on behalf of said Deutsche Bank Trust Company Americas; that said indenture or mortgage is made in good faith without any design to hinder, delay or defraud creditors, to secure the indebtedness mentioned or provided for therein.



Carol Ng
Vice President

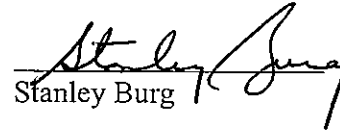
Subscribed and sworn to before me
this 17 day of September, 2007.




Angel E. Milanes, Jr.
Notary Public, State of New York
Registration No. 01M16137333
Qualified in New York County
Commission expires November 21, 2009

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

STANLEY BURG, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and trustees named in the foregoing indenture or mortgage; that said indenture or mortgage is made in good faith without any design to hinder, delay or defraud creditors, to secure the indebtedness mentioned or provided for therein.


Stanley Burg

Subscribed and sworn to before me
this 17 day of September, 2007.



Angel E. Milanes, Jr.
Notary Public, State of New York
Registration No. 01M16137333
Qualified in New York County
Commission expires November 21, 2009

PROSPECTUS

\$350,000,000
IDAHO POWER COMPANY
First Mortgage Bonds
Debt Securities

We may offer from time to time, in one or more series:

- our first mortgage bonds and
- our unsecured debt securities.

We may offer these securities in any combination in one or more offerings up to a total amount of \$350,000,000. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read this prospectus and any supplements carefully before you invest.

We may offer these securities directly or through underwriters, agents or dealers, as described in the "Plan of Distribution." The supplements to this prospectus will describe the terms of any particular plan of distribution, including any underwriting arrangements.

Our principal executive offices are located at 1221 West Idaho Street, Boise, Idaho 83702-5627, and our telephone number is (208) 388-2200.

Investing in our securities involves risks. Please see "Risk Factors" on page 1 of this prospectus as well as the risk factors in our most recent Annual Report on Form 10-K and in any other reports we file pursuant to the Securities Exchange Act of 1934 that we incorporate by reference in this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

December 18, 2007

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You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized any other person to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. We are offering to sell securities and seeking offers to buy securities only in states where offers and sales are permitted.

The information contained in or incorporated by reference in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of the securities offered hereunder.

Unless we indicate otherwise, or the context otherwise requires, references in this prospectus to the “Company,” “we,” “us” and “our” or similar terms are to Idaho Power Company.

(This page has been left blank intentionally.)

RISK FACTORS

Investing in our securities involves risks. You should carefully consider the risk factors described in our most recent Annual Report on Form 10-K and in any other reports we file pursuant to the Securities Exchange Act of 1934 that we incorporate by reference in this prospectus as well as those included in any prospectus supplement hereto. Our subsequent filings with the Securities and Exchange Commission may contain amended and updated discussions of significant risks.

The risks and uncertainties that we incorporate by reference are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. If any of these risks actually occur, our business, financial condition and results of operations could be materially and adversely affected.

FORWARD-LOOKING STATEMENTS

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, we are hereby filing cautionary statements. You should read these cautionary statements with the cautionary statements and risk factors under “Risk Factors” in this prospectus and in any prospectus supplement and with those included in our most recent Annual Report on Form 10-K and in any other reports that we file pursuant to the Securities Exchange Act of 1934 that we incorporate by reference in this prospectus.

These cautionary statements identify important factors that could cause our actual results to differ materially from those projected in forward-looking statements made by us or incorporated by reference in this prospectus or any prospectus supplement. Any statements that express or involve discussions about expectations, beliefs, plans, objectives, assumptions or future events or performance are not statements of historical facts and may be forward-looking. These statements often, but not always, use words or phrases such as “anticipates,” “believes,” “estimates,” “expects,” “intends,” “plans,” “predicts,” “projects,” “may result,” “may continue” or similar expressions. Forward-looking statements involve estimates, assumptions and uncertainties and are qualified in their entirety by reference to, and are accompanied by, the following important factors. These factors are difficult to predict, contain uncertainties, are beyond our control and may cause actual results to differ materially from those contained in forward-looking statements:

- changes in and compliance with governmental policies, including new interpretations of existing policies, and regulatory actions and regulatory audits, including those of the Federal Energy Regulatory Commission, the North American Electric Reliability Corporation, the Western Electricity Coordinating Council, the Idaho Public Utilities Commission, the Oregon Public Utility Commission, and the Internal Revenue Service with respect to allowed rates of return, industry and rate structure, day-to-day business operations, acquisition and disposal of assets and facilities, operation and construction of plant facilities, provision of transmission services, relicensing of hydroelectric projects, recovery of purchased power expenses, recovery of other capital investments, present or

- prospective wholesale and retail competition, including but not limited to retail wheeling and transmission costs, and other refund proceedings
- changes arising from the Energy Policy Act of 2005
 - litigation and regulatory proceedings, including those resulting from the energy situation in the western United States, and penalties and settlements that influence business and profitability
 - changes in and compliance with environmental, endangered species and safety laws and policies
 - weather variations affecting hydroelectric generating conditions and customer energy usage
 - over-appropriation of surface and groundwater in the Snake River Basin resulting in reduced generation at hydroelectric facilities
 - construction of power generating, transmission and distribution facilities including an inability to obtain required governmental permits and approvals, and risks related to contracting, construction and start-up
 - operation of power generating facilities including breakdown or failure of equipment, performance below expected levels, competition, fuel supply, including availability, transportation and prices, and availability of transmission
 - blackouts or other disruptions of Idaho Power Company's or the western interconnected transmission systems
 - impacts from the potential formation of a regional transmission organization or the development of another transmission group
 - population growth rates and demographic patterns
 - market demand and prices for energy, including structural market changes
 - changes in operating expenses and capital expenditures, including costs and availability of materials and commodities, and fluctuations in sources and uses of cash
 - results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by factors such as credit ratings and general economic conditions
 - actions by credit rating agencies, including changes in rating criteria and new interpretations of existing criteria
 - homeland security, natural disasters and other natural risks, such as earthquake, flood, drought, lightning, wind and fire, acts of war or terrorism
 - market conditions that could affect the operations and prospects of IDACORP's subsidiaries or their competitors
 - increasing health care costs and the resulting effect on medical benefits paid for employees
 - performance of the stock market and the changing interest rate environment, which affect the amount of required contributions to pension plans, as well as the reported costs of providing pension and other postretirement benefits
 - increasing costs of insurance, changes in coverage terms and the ability to obtain insurance
 - changes in tax rates or policies, interest rates or rates of inflation
 - adoption of or changes in critical accounting policies or estimates and

- new accounting or Securities and Exchange Commission requirements, or new interpretation or application of existing requirements.

Any forward-looking statement speaks only as of the date on which we make the statement. New factors emerge from time to time; we cannot predict all factors or assess the impact of any emerging factors on our business, or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement.

ABOUT IDAHO POWER COMPANY

We are an electric public utility incorporated under the laws of the State of Idaho in 1989 as successor to a Maine corporation organized in 1915. In 1998, we reorganized into a holding company structure and became the principal subsidiary of IDACORP, Inc. IDACORP, Inc. owns all of our outstanding common stock.

We are engaged in the purchase, generation, transmission, distribution and sale of electric energy in a 24,000 square mile area in southern Idaho and eastern Oregon, with an estimated population of 943,000. We hold franchises in 71 cities in Idaho and nine cities in Oregon and hold certificates from the respective public utility regulatory authorities to serve all or a portion of 24 counties in Idaho and three counties in Oregon. We own and operate 17 hydroelectric generation developments, two natural gas-fired plants and one diesel-powered generator and share ownership in three coal-fired generating plants. As of September 30, 2007, we supplied electric energy to approximately 479,000 general business customers. We rely heavily on hydroelectric power for our generating needs and are one of the nation's few investor-owned utilities with a predominantly hydroelectric generating base.

RATIOS OF EARNINGS TO FIXED CHARGES

| | Twelve Months Ended December 31, | | | | | Nine Months Ended September 30, 2007 |
|---|----------------------------------|-------|-------|-------|-------|---|
| | 2002 | 2003 | 2004 | 2005 | 2006 | |
| Ratio of Earnings to Fixed Charges..... | 2.36x | 2.30x | 2.42x | 2.83x | 3.12x | 2.88x |
| Supplemental Ratio of Earnings to Fixed Charges(1)..... | 2.33x | 2.26x | 2.38x | 2.78x | 3.06x | 2.83x |

(1) Includes interest on the guaranty of the American Falls Reservoir District bonds and Milner Dam, Inc. notes.

DESCRIPTION OF FIRST MORTGAGE BONDS

We will issue the first mortgage bonds offered in this prospectus under our Indenture of Mortgage and Deed of Trust, dated as of October 1, 1937. Deutsche Bank Trust Company Americas, formerly known as Bankers Trust Company, is the corporate trustee, and Stanley Burg serves as individual trustee. We have amended and supplemented this indenture in the past and will supplement it again by one or more supplemental indentures relating to these first mortgage bonds.

This section briefly summarizes the material provisions of the indenture and uses some terms that are not defined in this prospectus but that are defined in the indenture. This summary is not complete. The indenture is on file with the Securities and Exchange Commission, and we incorporate it by reference in this prospectus. You should read the indenture for a complete understanding of its provisions and for the definitions of some terms used in this summary.

We issue bonds in series. Each series of bonds may have different terms. We will include all of the following information about a specific series of bonds in the prospectus supplement relating to those bonds:

- the designation and series of the bonds
- the aggregate principal amount of the bonds
- the offering price of the bonds
- the date or dates on which the bonds will mature
- the interest rate or rates for the bonds, or how we will determine the interest rate or rates
- the dates on which we will pay the interest on the bonds
- the denominations in which we may issue the bonds
- the terms pursuant to which we may redeem the bonds, if any
- whether we will issue all or a portion of the bonds in global form and
- any other terms or provisions relating to the bonds that are not inconsistent with the provisions of the indenture.

Form and Exchange. Unless we state otherwise in the prospectus supplement:

- we will issue the bonds in fully registered form without coupons
- a holder of bonds may exchange bonds, without charge, for an equal aggregate principal amount of bonds of the same series, having the same issue date and with identical terms and provisions and

- a holder of bonds may transfer bonds, without charge, other than applicable stamp taxes or other governmental charges.

See “Book-Entry System” for a description of additional requirements as to the form and method of exchange of bonds. We will describe any additional requirements as to the form and method of exchange of bonds in the prospectus supplement.

Interest and Payment. We will pay principal, premium, if any, and interest in U.S. dollars at Deutsche Bank Trust Company Americas in New York City, and, at our option, at our office in Boise, Idaho. *Indenture, Section 35*

Maintenance Requirements. We will file a certificate with the corporate trustee within 90 days after the close of each calendar year stating that:

- we have made the necessary expenditures to maintain our property in good condition as an operating system or
- we will designate an additional amount that should be spent for this purpose.

If we designate an additional amount, we must deliver to the corporate trustee, within 30 days, cash equal to that amount less the following deductions:

- expenditures made after the close of the year to maintain the property and
- any allowances for waiver of our right to issue additional bonds under the indenture.

Indenture, Section 38

We may withdraw this cash for reimbursement for later expenditures on:

- property maintenance, repairs, renewals and replacements
- waiver of our right to issue additional bonds under the indenture or
- the purchase or redemption of bonds of any series, unless a supplemental indenture provides otherwise for a particular series of bonds.

We must spend or appropriate 15% of our annual gross operating revenues for maintenance, retirement or amortization of our properties. We may, however, anticipate or make up these expenditures or appropriations within the five years that immediately follow or precede a particular year. *Indenture, Section 38; Second Supplemental, Section 15*

Improvement or Sinking Fund. There is no sinking or improvement fund requirement.

Security. The indenture secures all bonds issued under the indenture equally and ratably, without preference, priority or distinction. We may issue additional first mortgage bonds in the future, and those first mortgage bonds will also be secured by the indenture. In the opinion of

our general counsel, the lien of the indenture constitutes a first mortgage on all the properties that we own, except as discussed below, subject only to liens for taxes and assessments that are not delinquent and minor excepted encumbrances. Certain of our properties are subject to easements, leases, contracts, covenants, compensation awards and similar encumbrances and minor defects and clouds common to properties. In the opinion of our general counsel, none of these interferes with our operations.

The indenture does not create a lien on the following excepted property:

- revenues or profits, or notes or accounts receivable, contracts or choses in action, except as permitted by law during a completed default
- securities or cash, except when pledged or
- merchandise or equipment manufactured or acquired for resale.

The indenture creates a lien on our interest in property that we subsequently acquire other than excepted property, subject to limitations in the case of consolidation, merger or sale of substantially all our assets. *Indenture, Section 87* We have covenanted to execute and deliver instruments that are necessary to carry out the purposes of the indenture and to create a lien on after-acquired property that the indenture covers. *Granting Clauses*

The indenture does not contain any covenants or other provisions to provide holders of the first mortgage bonds special protection in the event of a highly leveraged transaction.

Issuance of Additional Bonds. The indenture limits the aggregate principal amount of bonds at any one time outstanding to \$1.5 billion. We may amend the indenture and increase this amount without consent of the holders of first mortgage bonds. *Indenture, Sections 22 and 121; Forty-second Supplemental, Article I* The indenture contains some restrictions on increasing the amount of prior lien bonds. *Indenture, Section 46*

We may issue additional bonds that rank equally with the bonds in principal amount equal to:

- 60% of the cost or fair value, whichever is less, of property additions made after December 31, 1943, less the amount of prior lien bonds thereon *Indenture, Article V, Second Supplemental, Sections 10 and 13*
- the principal amount of first mortgage bonds or prior lien bonds referred to above, retired or then to be retired *Indenture, Articles V and VI* or
- the amount of cash that we deposit with the corporate trustee for the purpose, which we may withdraw on the same basis as bonds may be issued *Indenture, Article VII.*

We may not issue bonds as provided above, with certain exceptions, unless we meet a net earnings requirement. Generally, the indenture requires that our net earnings must be at least twice the annual interest requirements on all outstanding debt of equal or prior rank, including

the bonds that we propose to issue. Under certain circumstances, the net earnings test does not apply, including the issuance of refunding bonds to retire outstanding bonds which mature in less than two years or which are of an equal or higher interest rate, or prior lien bonds.

We calculate net earnings before deduction of:

- property retirement expenses, depreciation or depletion
- interest expense on indebtedness
- amortization of debt discount and expense and
- any taxes measured by or dependent on net income.

We may include only a limited amount of revenue from property not subject to the lien of the indenture in net earnings. *Indenture, Sections 7, 27 and Article VI*

Property additions consist of electric or gas property, or property used in connection therewith. Property additions exclude securities, contracts or choses in action, merchandise and equipment for consumption or resale, materials and supplies, property used principally for production or gathering of natural gas, or any power sites and uncompleted works under Idaho state permits. In determining net property additions, we deduct all retired funded property from gross property additions except to the extent of certain credits with respect to released funded property. *Indenture, Section 4* The indenture restricts issuance of bonds and taking other credits under the indenture based on property additions subject to prior liens to no more than 15% of all bonds outstanding. However, the prior liens must not exceed 50% of the cost or fair value, whichever is less, of these property additions. *Indenture, Section 26*

As of September 30, 2007, we could issue under the indenture approximately \$737 million of additional first mortgage bonds based on unfunded property additions and \$452 million of additional first mortgage bonds based on retired first mortgage bonds.

We estimate that at September 30, 2007, unfunded property additions were approximately \$1.228 billion.

Release of Properties. Generally, we may release property from the lien of the indenture by doing the following:

- depositing cash with the corporate trustee
- substituting property additions or
- waiving our right to issue additional bonds on the basis of retired bond credits, without application of the net earnings test.

Indenture, Section 59

Actions Without Trustees' Release or Consent. Unless we are in default in the payment of interest on any outstanding bonds or one or more of the completed defaults described under the caption "Events of Default" below have occurred and are continuing, we may, without the trustees' release or consent, and without providing a report to the trustees or depositing with them the consideration we receive:

- sell or otherwise dispose of any machinery, equipment, tools, implements or other property, which has become old, inadequate, obsolete, worn out, unfit or unadapted for use in our operations, after we replace that property with other property which has at least equal value and is subject to no additional liens
- cancel or make changes or alterations in or substitutions of any contracts, leases or rights of way grants or
- surrender or assent to the modification of any right, power, franchise, license, governmental consent or permit under which we may be operating, if, in the opinion of our board of directors, stated in a resolution filed with the corporate trustee, the surrender or modification is desirable in the conduct of our business and does not impair the security of outstanding bonds.

Indenture, Section 58

Amendment of the Indenture. Generally we may modify or amend the indenture with the consent of the holders of 60% in principal amount of all outstanding first mortgage bonds. However, when an amendment does not affect all series of first mortgage bonds, holders of 60% of the principal amount of all outstanding first mortgage bonds of each series affected must also consent to the amendment.

Unless each bondholder consents, we cannot make the following modifications:

- impair the right of any bondholder to receive payment on its bond when due or to sue for any overdue payment
- create any lien equal or prior to the lien of the indenture
- deprive any bondholder of a lien upon the mortgaged and pledged property or
- reduce the bondholder vote necessary to amend the indenture.

Indenture, Sections 113, 121; Twenty-third Supplemental, Section 9; Thirty-sixth Supplemental, Section 9

Events of Default. The following are defaults, sometimes called completed defaults, under the indenture:

- failure to pay the principal of any bond when due and payable whether at maturity or otherwise
- failure to pay interest on any bond for 60 days
- failure to pay principal of or interest on any outstanding prior lien bond beyond the grace period, if any, in the prior lien bond
- failure to observe a covenant not to, without the corporate trustee's written approval,
 - go into voluntary bankruptcy or insolvency, apply for or consent to the appointment of a receiver or trustee for us or our property in any judicial proceedings or make any general assignment for the benefit of creditors or
 - suffer to be made and remain unvacated for a period of 90 days any order for the appointment of a receiver or trustee for us or our property in any proceeding instituted by a creditor, or any final order appointing such a receiver or trustee in any other proceeding or any order adjudicating us to be bankrupt or insolvent or
- failure to perform other covenants, agreements or conditions contained in the indenture for 90 days after the corporate trustee gives us notice.

Indenture, Section 65

Discharge. The indenture will be cancelled and discharged when all indebtedness secured by the indenture is paid, including charges of the trustees.

In addition, first mortgage bonds will be considered paid and not to be outstanding for any purpose under the indenture when we have irrevocably deposited with the trustee

- sufficient cash or
- an amount of direct obligations of, or obligations guaranteed by, the United States government or obligations which are collateralized by obligations of the United States government which, in the opinion of an independent accountant and the opinion of our officers, will provide sufficient funds, without regard to reinvestment thereof, together with any deposited cash

to pay when due the principal of, and premium, if any, and interest to the maturity date or redemption date of such first mortgage bonds, provided that in the case of redemption, proper notice shall have been given or appropriate arrangements have been made with the corporate trustee for the giving of notice.

Indenture, Section 106 and Twenty-seventh Supplemental Indenture, Section 10

Miscellaneous. The indenture provides that the corporate trustee, upon request of the holders of a majority in interest of the outstanding first mortgage bonds, if properly indemnified to its satisfaction, must take action to enforce the lien of the indenture. *Indenture, Section 92; Sixth Supplemental, Article XXIII*

We covenant in the indenture to deliver a certificate to the trustee annually, within 90 days after the close of the fiscal year, to show that we are in compliance with the terms of the indenture and that we have not defaulted under the indenture. *Various supplemental indentures*

Concerning the Corporate Trustee. We and our affiliates may conduct banking transactions with the corporate trustee in the normal course of business.

DESCRIPTION OF DEBT SECURITIES

We will issue the debt securities offered in this prospectus under our Debt Securities Indenture, dated as of August 1, 2001. Deutsche Bank Trust Company Americas is the trustee under the indenture. We may amend and supplement this indenture and will supplement it by one or more supplemental indentures relating to these debt securities.

This section briefly summarizes the material provisions of the debt securities indenture and uses some terms that are not defined in this prospectus but that are defined in the indenture. This summary is not complete. The indenture is on file with the Securities and Exchange Commission, and we incorporate it by reference in this prospectus. You should read the indenture for a complete understanding of its provisions and for the definition of some terms used in this summary. In the summary below, we include references to section numbers of the indenture so that you can easily locate these provisions.

The debt securities that we may issue under this indenture will be unsecured. The indenture does not limit the amount of debt securities that we may issue; it does not restrict the amount or type of other debt that we may issue or contain any other provisions that would afford holders of the debt securities protection in the event of a highly leveraged transaction. We may use other indentures or documentation containing provisions different from those included in the indenture under which we are offering these debt securities in connection with future issues of debt securities. We may also offer our first mortgage bonds, which are secured indebtedness and which are described above under the caption "Description of First Mortgage Bonds." As of September 30, 2007, there were \$1,091,100,000 in aggregate principal amount of our first mortgage bonds outstanding.

The debt securities that we are offering in this prospectus will rank equal in right of payment to our other unsecured indebtedness that is outstanding now or that we may issue in the future, except for any indebtedness that, by its terms, is subordinate to these debt securities.

We will issue debt securities in series. Each series of debt securities may have different terms and, in some cases, debt securities of the same series may have different terms. The prospectus supplement relating to a particular series of debt securities will contain the following information about those debt securities:

- the title of the series
- any limit on the aggregate principal amount of the series
- the date or dates on which we will issue the debt securities of that series and on which we will pay the principal amount and any premium
- the rate or rates at which the debt securities of that series will bear interest, or how we will determine the rate or rates
- the date or dates from which interest will accrue
- the dates on which we will pay interest on the debt securities of that series and the regular record dates for the interest payment dates
- the place or places where we will pay the principal of, premium, if any, and interest, if different from those we describe in this prospectus
- any redemption terms, including mandatory redemption through a sinking fund or otherwise, redemption at our option and redemption at the option of the holder
- the denominations in which we will issue the debt securities of that series, if other than denominations of \$1,000 and any integral multiple of \$1,000
- the provisions for the satisfaction and discharge of the indenture if different from those we describe in this prospectus and
- any other terms of the debt securities of the series.

Form and Exchange. Unless we state otherwise in the prospectus supplement:

- we will issue the debt securities in fully registered form without coupons
- a holder of debt securities may exchange debt securities, without charge, for an equal aggregate principal amount of debt securities of the same series, having the same issue date and with identical terms and provisions and
- a holder of debt securities may transfer debt securities, without charge, other than applicable stamp taxes or other governmental charges.

Indenture, Sections 3.1, 3.2 and 3.6

Unless we state otherwise in the prospectus supplement, the transfer of debt securities may be registered and exchanged at the corporate trust office of the trustee, in New York, New York, as security registrar. We may change the place for registration of transfer and exchange. We may designate one or more additional places for registration and exchange, all at our discretion.

We are not required to execute or to provide for the registration of transfer or exchange of any debt security

- during a period of 15 days prior to giving any notice of redemption with respect to that debt security or
- that has been selected for redemption in whole or in part, except the unredeemed portion of any debt security being redeemed in part.

Indenture, Sections 3.6 and 4.2

See “Book-Entry System” for a description of additional requirements as to the form and method of exchange of debt securities. We will describe any additional requirements as to the form and method of exchange of debt securities in the prospectus supplement. *Indenture, Section 3.1*

Payment of Interest. Unless we state otherwise in the prospectus supplement, we will pay interest on each debt security to the person in whose name the debt security is registered as of the close of business on the regular record date for that interest payment date. If we have defaulted in the payment of interest on any debt security, we may pay the defaulted interest to the holder of the debt security as of the close of business on a special record date that is not less than 10 days prior to the date we propose to pay the defaulted interest. Notice of the special record date will be given by mail at least 15 days before the special record date. We may also pay defaulted interest in any other lawful manner permitted by requirements of any securities exchange on which the debt security may be listed, if the trustee deems that manner of payment practicable. *Indenture, Section 3.8*

Unless we state otherwise in the prospectus supplement, we will pay the principal of and premium, if any, and interest at maturity at the corporate trust office of the trustee, in New York, New York, as our paying agent. We may change the place of payment. We may appoint one or more additional paying agents and may remove any paying agent, all at our discretion. *Indenture, Section 4.2*

Redemption. We will describe any terms for the optional or mandatory redemption of a particular series of debt securities in the prospectus supplement. Unless we state in the prospectus supplement that the debt securities of that series are redeemable at the option of a holder, debt securities will be redeemable only at our option. In order to exercise our right to redeem any debt security, we must give the holder notice by mail at least 30 days prior to the date fixed for redemption. If we want to redeem fewer than all the debt securities of a series, the trustee will choose the particular debt securities to be redeemed by a method of random selection, substantially pro rata, that the trustee believes is fair and appropriate and which complies with the requirements of the principal national securities exchange, if any, on which the debt securities of that series are listed. If the debt securities to be redeemed have different terms and different maturities, we may select the particular debt securities to be redeemed.

Unless we state otherwise in the prospectus supplement, if we are redeeming the debt securities at our option, the redemption will be conditional upon the paying agent or agents

receiving from us, on or prior to the date fixed for redemption, enough money to redeem all of the debt securities called for redemption, including accrued interest, if any. If sufficient money has not been received, the notice will not be effective and we will not be required to redeem the debt securities. *Indenture, Section 14.2*

Consolidation, Merger or Sale. The indenture provides that we will not consolidate with, merge with or into any other person, whether or not we are the survivor, or sell, assign, transfer or lease all or substantially all of our properties and assets as an entirety or substantially as an entirety to any person or group of affiliated persons, in one transaction or a series of related transactions, unless:

- the successor person, if we are not the survivor, is a person organized under the laws of the United States or any state thereof or the District of Columbia and expressly assumes in writing all of our obligations under the outstanding debt securities and the indenture
- immediately before and after giving effect to the transaction or series of transactions, no event of default, and no default, shall have occurred and be continuing and
- we deliver to the trustee an officer's certificate and an opinion of counsel stating that the transaction and the supplemental indenture comply with the indenture.

Indenture, Article Eleven

Events of Default. The following are events of default with respect to any series of debt securities:

- failure to pay the principal of, or premium, if any, on, any debt security of that series when due and payable at maturity, and upon redemption, and the time for payment has not been extended or deferred, but excluding any failure by us to deposit money in connection with any redemption that is at our option
- failure to pay interest on any debt security of that series when due and our failure continues for 30 days, and the time for payment has not been extended or deferred
- failure to make a sinking fund payment when due with respect to debt securities of that series
- failure to observe or perform any other covenant, warranty or agreement contained in the debt securities of that series or in the indenture, other than a covenant, agreement or warranty included in the indenture that is specifically dealt with in another event of default, and our failure continues for 60 days after the trustee or holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series have given us written notice

- a court enters a decree or order for relief that remains unstayed and in effect for 60 consecutive days in respect of us in an involuntary case under any applicable bankruptcy, insolvency or similar law
 - appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for us or for any substantial part of our property or
 - ordering the winding up or liquidation of our affairs
- we commence a voluntary case under any applicable bankruptcy, insolvency or similar law
- we consent to the entry of an order for relief in an involuntary case under any applicable bankruptcy, insolvency or similar law
- we consent to the appointment or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for us or for any substantial part of our property
- we make any general assignment for the benefit of creditors and
- any other event of default with respect to debt securities of that series specified in the applicable prospectus supplement.

Indenture, Section 6.1

An event of default with respect to the debt securities of any series does not necessarily constitute an event of default with respect to any other series of debt securities issued under the indenture. Unless we cure the default, the trustee is required to give notice of any default known to it within 90 days after the default has occurred; the term “default” includes any event which after notice or passage of time or both would be an event of default. Except in the case of a default in payment, the trustee is protected in withholding notice if and so long as the board of directors, the executive committee or directors or responsible officers of the trustee in good faith determine that the withholding of notice is in the interest of the holders. *Indenture, Section 6.11*

If an event of default with respect to debt securities of any series, other than due to events of bankruptcy, insolvency or reorganization, occurs and is continuing, the trustee or the holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series, by notice in writing to us, and to the trustee if given by the holders, may declare the unpaid principal of and accrued interest to the date of acceleration on all the outstanding debt securities of that series to be due and payable immediately. The holders of a majority of the principal amount of the outstanding debt securities of that series, upon the conditions provided in the indenture, may rescind an acceleration and its consequences with respect to that series.

If an event of default occurs due to bankruptcy, insolvency or reorganization, all unpaid principal of and accrued interest on the outstanding debt securities of all series will become

immediately due and payable without any declaration or other act on the part of the trustee or any holder. *Indenture, Section 6.1*

The holders of a majority in principal amount of the outstanding debt securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the debt securities of that series, subject to the right of the trustee to decline to follow instructions that would be unlawful, expose the trustee to personal liability or be unduly prejudicial to the interests of holders who do not join in the direction. *Indenture, Section 6.9*

Subject to the provisions of the indenture relating to the duties of the trustee, if an event of default shall occur and be continuing, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders, unless the holders have offered to the trustee reasonable indemnity. *Indenture, Section 7.2*

The indenture provides that we must periodically file statements with the trustee regarding compliance by us with all conditions and covenants contained in the indenture. *Indenture, Section 4.6*

Modification of Indenture. We may modify the indenture, without notice to or the consent of any holders of debt securities, with respect to certain matters, including:

- to add one or more covenants or other provisions for the benefit of holders of debt securities of one or more series or to surrender any of our rights or powers and
- to cure any ambiguity, defect or inconsistency or to correct or supplement any provision which may be inconsistent with any other provision of the indenture.

Indenture, Section 10.1

In addition, we may modify certain of our rights and obligations and the rights of holders of the debt securities with the consent of the holders of at least a majority in aggregate principal amount of the outstanding debt securities affected by the modification. *Indenture, Section 10.2*

No amendment or modification may, without the consent of each holder of any outstanding debt security affected:

- change the stated maturity of any debt security
- reduce the principal amount of, or the rate of interest on, or the amount of any premium on, or extend the time for payment or change the method of calculating interest on, any debt security, or reduce the amount of principal of an original issue discount security that would be due and payable upon acceleration of maturity
- impair the right to institute suit for the enforcement of any payment with respect to any debt security

- reduce the percentage in principal amount of outstanding debt securities of any series necessary to modify or amend the indenture, or to waive compliance with certain provisions of the indenture or defaults or events of default and their consequences or
- subordinate any debt securities to any other of our indebtedness.

Indenture, Section 10.2

Waiver. The holders of not less than a majority in aggregate principal amount of the outstanding debt securities of any series may waive any default or event of default with respect to that series, except payment and bankruptcy defaults. *Indenture, Section 6.10*

Defeasance. Unless we state otherwise in the prospectus supplement relating to the debt securities of a particular series, the indenture provides that we shall be discharged from our obligations under the indenture with respect to any series of debt securities at any time prior to the maturity date or redemption of that series when we meet certain requirements specified in the indenture, including

- when we have irrevocably deposited with the trustee, in trust,
 - sufficient funds to pay the principal of and premium, if any, and interest to the maturity date or redemption on, the debt securities of that series or
 - an amount of direct obligations of, or obligations guaranteed by, the United States government as will be sufficient, without consideration of any reinvestment of any accrued income on those obligations, to pay when due the principal of and premium, if any, and interest to the maturity date or redemption on, the debt securities of that series and
- when we have paid all other sums payable with respect to the debt securities of that series.

Upon the discharge of the indenture with respect to a particular series, the holders of debt securities of that series shall no longer be entitled to the benefits of the indenture, except for purposes of registration of transfer, exchange and replacement of lost, stolen or mutilated debt securities. *Indenture, Sections 12.1 and 12.2*

Concerning the Trustee. We and our affiliates may conduct banking transactions with the trustee in the normal course of business.

BOOK-ENTRY SYSTEM

We may issue all or some of the first mortgage bonds and debt securities in book-entry form, which means that global notes, not certificates, will represent the securities. If we issue global notes representing any securities, the following provisions will apply to all book-entry notes:

The Depository Trust Company, New York, NY, which we refer to as “DTC”, will act as securities depository for the notes.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s direct participants deposit with DTC. DTC also facilitates the post-trade settlement among direct participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between direct participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation, or DTCC. DTCC, in turn, is owned by a number of direct participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation, also subsidiaries of DTCC, as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

We will issue the notes as fully-registered securities registered in the name of Cede & Co. or such other name as an authorized representative of DTC may request. We will issue one fully-registered security for each issue of the notes, each in the aggregate principal amount of the issue, and we will deposit the certificate with the corporate trustee to hold as agent for DTC. We and the trustee will treat Cede & Co. as the absolute owner of the notes for all purposes.

Only direct participants may make purchases of notes under DTC’s system. Upon a participant’s purchase, DTC will enter a credit for the notes in its records under such participant’s account. The ownership interest of each actual purchaser, the beneficial owner, is in turn recorded on the participant’s records. Beneficial owners will not receive written confirmation from DTC of their purchase. Beneficial owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the participant through which the beneficial owner entered into the transaction.

Each participant will record transfers of ownership interests in the notes by making an entry on the participant's books. Beneficial owners will not receive certificates representing their ownership interests in the notes, except in the event that use of the book-entry system for the notes is discontinued.

To facilitate subsequent transfers, all notes deposited with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as an authorized representative of DTC may request. The deposit of notes with DTC and their registration in the name of Cede & Co. or such other nominee effect no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the notes. DTC's records reflect only the identity of the direct participants to whose accounts the notes are credited, which may or may not be the beneficial owners. The participants remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements that may be in effect from time to time.

We will send redemption notices to DTC. If we are redeeming less than all of the notes, DTC's practice is to determine by lot the amount of the interest of each direct participant in the issue to be redeemed.

Neither DTC nor Cede & Co., or such other DTC nominee, will consent or vote with respect to the notes unless authorized by a direct participant in accordance with DTC's procedures. Under its usual procedures, DTC will mail an omnibus proxy as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts the notes are credited on the record date, identified in a listing attached to the omnibus proxy.

The paying agent will make principal and interest payments on the notes to Cede & Co., or such other nominee as an authorized representative of DTC may request. DTC's practice is to credit direct participants' accounts upon DTC's receipt of funds and corresponding detailed information from us or our agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by participants to beneficial owners will be governed by standing instructions and customary practices as is the case with securities held for the accounts of customers in bearer form or registered in street name. Payment by participants to beneficial owners is the responsibility of the participants and not DTC, any agents or us, subject to any statutory or regulatory requirements in effect from time to time. Payment of principal and interest to Cede & Co. is our responsibility or the responsibility of our paying agents. Disbursement of these payments to direct participants is the responsibility of DTC, and disbursement of these payments to the beneficial owners is the responsibility of participants.

DTC may discontinue providing its services as securities depository with respect to the notes at any time by giving reasonable notice to us or to our agent. In the event that this occurs and a successor securities depository is not appointed, we will print and deliver certificated notes in exchange for the notes represented by the global securities held by DTC.

We may decide to discontinue use of the system of book-entry-only transfers through DTC, or a successor securities depository. In that event, we will print and deliver certificated notes in exchange for the notes represented by the global securities held by DTC.

Neither we, the trustee, any paying agent, nor the registrar for the notes will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global security or for maintaining, supervising or reviewing any records relating to these beneficial ownership interests.

We obtained the information in this section concerning DTC and DTC's book-entry system from sources that we believe to be reliable. We take no responsibility for the accuracy thereof.

USE OF PROCEEDS

Unless we state otherwise in the prospectus supplement, we will add the net proceeds from the sale of the securities to our general funds. We may use our general funds for any of the following purposes:

- to acquire property
- to construct additional electric facilities
- to improve or maintain our service
- to redeem or purchase outstanding first mortgage bonds and debt securities and
- to repay short-term borrowings.

If we do not use the proceeds immediately, we may temporarily invest them in short-term instruments.

PLAN OF DISTRIBUTION

We may sell the securities offered by this prospectus:

- through underwriters or dealers
- through agents or
- directly to a limited number of purchasers or to a single purchaser.

Through Underwriters or Dealers. If we use underwriters in the sale, the underwriters will buy the securities for their own account. The underwriters may resell the securities in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of the sale. The underwriters may sell the securities directly or through underwriting syndicates that managing underwriters represent. Unless we state otherwise in the prospectus supplement, the obligations of the underwriters to purchase the

securities will be subject to certain conditions, and the underwriters will be obligated to purchase all of the securities if they purchase any of them.

If we use a dealer in the sale, we will sell those securities to the dealer as principal. The dealer may then resell the securities to the public at varying prices determined at the time of resale.

Any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

Through Agents. We may from time to time designate one or more agents to sell the securities. Unless we state otherwise in the prospectus supplement, any agent will agree to use its best efforts to solicit purchases for the period of its appointment.

Directly. We may sell the securities directly to one or more purchasers. In this case, there will be no underwriters or agents.

General Information.

The prospectus supplement will state:

- the names of any underwriters, dealers or agents
- the terms of the securities offered
- the purchase price of the securities and the proceeds we will receive from the sale
- any initial public offering price
- any underwriting discounts and other items constituting underwriters' compensation and
- any discounts or concessions allowed or reallocated or paid to dealers.

We may authorize agents, underwriters or dealers to solicit offers from certain institutions. We may sell the securities to these institutions for delayed delivery at a specified date in the future. At that time, they will pay the public offering price on the terms we describe in the prospectus supplement.

We may agree to indemnify underwriters, dealers and agents against certain civil liabilities, including liabilities under the Securities Act of 1933.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The Securities and Exchange Commission allows us to incorporate by reference information into this prospectus, which means that we can disclose important information to you by referring you to other documents filed separately with the Securities and Exchange Commission. The information incorporated by reference is considered to be part of this

prospectus. We incorporate by reference the following documents that we filed with the Securities and Exchange Commission (SEC file number 1-3198):

- Annual Report on Form 10-K for the year ended December 31, 2006 filed on March 1, 2007, as amended by amendment no. 1 on Form 10-K/A, filed on March 1, 2007, and by amendment no. 2 on Form 10-K/A, filed on March 26, 2007.
- Quarterly Reports on Form 10-Q for the quarters ended March 31, 2007, June 30, 2007 and September 30, 2007, filed on May 9, 2007, August 8, 2007 and October 31, 2007, respectively.
- Current Reports on Form 8-K filed on March 20, 2007, May 1, 2007, May 18, 2007, June 4, 2007, June 11, 2007, June 21, 2007, August 27, 2007, September 26, 2007, October 16, 2007 and November 19, 2007.

We also incorporate by reference all documents we subsequently file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this prospectus and before we terminate the offering. We are not incorporating by reference any documents or portions of documents that are not deemed “filed” with the Securities and Exchange Commission, including any information furnished pursuant to Items 2.02 and 7.01 of Form 8-K.

Any statement contained in a document incorporated or deemed to be incorporated by reference in or deemed to be part of the prospectus shall be deemed to be modified or superseded for purposes of the prospectus to the extent that a statement contained in any other subsequently filed document which also is or is deemed to be incorporated by reference or deemed to be part of the prospectus modifies or replaces such statement. Any statement contained in a document that is deemed to be incorporated by reference or deemed to be part of the prospectus after the most recent effective date may modify or replace existing statements contained in the prospectus. Any such statement so modified shall not be deemed in its unmodified form to constitute a part of the prospectus for purposes of the Securities Act of 1933. Any statement so superseded shall not be deemed to constitute a part of the prospectus for purposes of the Securities Act of 1933.

We will provide to each person, including any beneficial owner, to whom this prospectus is delivered, a copy of any or all of the information that has been incorporated by reference in this prospectus but not delivered with this prospectus. You may obtain a copy of any of this information at no cost, by written or oral request to us at the following address:

Shareowner Services
Idaho Power Company
1221 W. Idaho Street
Boise, ID 83702
Telephone 208-388-2200

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports and other information with the Securities and Exchange Commission. The public may read and copy any materials we file with the Securities and Exchange Commission at the Securities and Exchange Commission's public reference room located at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the public reference room by calling the Securities and Exchange Commission at 1-800-SEC-0330. The Securities and Exchange Commission maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the Securities and Exchange Commission. The address of that site is <http://www.sec.gov>. Information about us is also available at our website at <http://www.idacorpinc.com>. However, the information on our website is not a part of this prospectus.

LEGAL MATTERS

Thomas R. Saldin, our Senior Vice President and General Counsel, and Dewey & LeBoeuf LLP, New York, New York, will pass upon the validity of the securities and other legal matters for us. Sullivan & Cromwell LLP, New York, New York, will pass upon the validity of the securities for any underwriter, dealer or agent. Dewey & LeBoeuf LLP and Sullivan & Cromwell LLP may, for matters governed by the laws of Idaho, rely upon the opinion of Mr. Saldin.

EXPERTS

The consolidated financial statements, the related financial statement schedules, and management's report on the effectiveness of internal control over financial reporting incorporated in this prospectus by reference from our Annual Report on Form 10-K for the year ended December 31, 2006, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which report on the financial statements and related financial statement schedules expresses an unqualified opinion and includes an explanatory paragraph relating to the adoption of Statement of Financial Accounting Standards No. 158, which are incorporated herein by reference, and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited interim financial information for the periods ended March 31, 2007 and 2006, June 30, 2007 and 2006 and September 30, 2007 and 2006, which is incorporated herein by reference, Deloitte & Touche LLP, an independent registered public accounting firm, have applied limited procedures in accordance with the standards of the Public Company Accounting Oversight Board (United States) for a review of such information. However, as stated in their reports included in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2007, June 30, 2007 and September 30, 2007 and incorporated by reference herein, they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their

reports on the unaudited interim financial information because those reports are not “reports” or a “part” of the registration statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Securities Act of 1933.

Thomas R. Saldin, our Senior Vice President and General Counsel, has reviewed the statements under “Description of First Mortgage Bonds” relating to the lien of the indenture and the statements as to matters of law and legal conclusions in the documents incorporated by reference. We make these statements in reliance upon his opinion and authority as an expert.

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\$350,000,000

IDAHO POWER COMPANY

**First Mortgage Bonds
Secured Medium-Term Notes, Series H**

PROSPECTUS SUPPLEMENT
April 3, 2008

**Banc of America Securities LLC
BNY Capital Markets, Inc.
JPMorgan
KeyBanc Capital Markets
Lazard Capital Markets
Piper Jaffray
RBC Capital Markets
SunTrust Robinson Humphrey
Wachovia Securities
Wedbush Morgan Securities Inc.
Wells Fargo Securities**
