

IDACORP INC
Form DEF 14A
April 03, 2013

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

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934
(Amendment No.)**

Filed by the Registrant

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- Preliminary Proxy Statement
 Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
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IDACORP, INC.

(Name of Registrant as Specified in its Charter)

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April 3, 2013

Dear Fellow Shareholders:

You are cordially invited to attend the 2013 Annual Meeting of the Shareholders of IDACORP, Inc. The Annual Meeting will be held on Thursday, May 16, 2013, at 10:00 a.m. (Mountain Time) at the IDACORP corporate headquarters building located at 1221 W. Idaho Street in Boise, Idaho.

The matters to be acted upon at the meeting are described in our proxy materials, which are being furnished to our shareholders over the Internet, other than to those shareholders who requested a paper copy. In addition, in connection with the annual meeting we will discuss the company's financial results, operational matters, and several of the company's initiatives. During the meeting, our shareholders will have the opportunity to ask questions and comment on the company's operations. Our directors and officers also will be available to visit with you before and after the formal meeting. For those unable to attend in person, we will also be providing a live listen-only audio (with slides) webcast of the Annual Meeting from the IDACORP Investor Relations website, www.idacorpinc.com/investorrelations.

Whether or not you attend the Annual Meeting, it is important that your shares be represented and voted at the meeting. Therefore, I urge you to promptly vote and submit your proxy via the Internet, by telephone, or by mail, in accordance with the instructions included in the proxy statement.

For myself and on behalf of the Board of Directors, we would like to express our appreciation for your continued investment in IDACORP.

Sincerely,

J. LaMont Keen
President and Chief Executive Officer

NOTICE OF 2013 ANNUAL MEETING OF SHAREHOLDERS

Date:	May 16, 2013
Time:	10:00 a.m. Mountain Time
Place:	IDACORP, Inc. Corporate Headquarters Building 1221 W. Idaho Street Boise, Idaho 83702
Record Date:	Holders of record of IDACORP common stock at the close of business on March 28, 2013 are entitled to notice of and to vote at the meeting.
Attendance:	You are invited to attend the meeting in person. Shareholders interested in attending in person must make a reservation by calling (800) 635-5406. Proof of ownership will also be required to enter the meeting. Any shareholder voting a proxy who attends the meeting may vote in person by revoking that proxy before or at the meeting.
Proxy Voting:	Please vote your shares at your earliest convenience. Registered holders may vote (a) by Internet at www.proxypush.com/ida ; (b) by toll-free telephone by calling (866) 702-2221; or (c) by mail (if you received a paper copy of the proxy materials by mail) by marking, signing, dating, and promptly mailing the enclosed proxy card in the postage-paid envelope. If you hold your shares through an account with a bank or broker, please note that under New York Stock Exchange rules, without specific instructions from you on how to vote, brokers may not vote your shares on any of the matters to be considered at the annual meeting other than the ratification of our independent registered public accounting firm. If you hold your shares through an account with a brokerage firm, bank, or other nominee, please follow the instructions you receive from them to vote your shares.
Items of Business:	<p>To elect four directors nominated by the board of directors for a one-year term;</p> <p>To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the year ending December 31, 2013;</p> <p>To vote on an advisory resolution to approve executive compensation; and</p> <p>To transact such other business that may properly come before the meeting and any adjournments thereof.</p>

Important Notice Regarding the Availability of Proxy Materials for the 2013 Annual Meeting of Shareholders: Our 2013 proxy statement and our annual report for the year ended December 31, 2012 are available free of charge on our website at www.idacorpinc.com.

By Order of the Board of Directors

Patrick A. Harrington
Corporate Secretary

Boise, Idaho
April 3, 2013

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IDACORP, INC.
1221 West Idaho Street
Boise, Idaho 83702

PART 1 INFORMATION ABOUT THIS PROXY STATEMENT AND THE ANNUAL MEETING

General Information

This proxy statement contains information about the 2013 Annual Meeting of Shareholders (Annual Meeting) of IDACORP, Inc. (IDACORP). The Annual Meeting will be held on Thursday, May 16, 2013 at 10:00 a.m. local time at the Idaho Power Company corporate headquarters building, located at 1221 West Idaho Street in Boise, Idaho.

References in this proxy statement to the company, we, us, or our refer to IDACORP. We also refer to Idaho Power Company (Idaho Power) in this proxy statement. Idaho Power is an electric utility engaged in the generation, transmission, distribution, sale, and purchase of electric energy and is our principal operating subsidiary.

This proxy statement is being furnished in connection with the solicitation of proxies by the IDACORP board of directors (Board of Directors) for use at the Annual Meeting and any adjournment of the Annual Meeting. All returned proxies that are not revoked will be voted in accordance with your instructions.

You are entitled to attend the Annual Meeting only if you are an IDACORP shareholder as of the close of business on March 28, 2013, the record date, or hold a valid proxy for the meeting. In order to be admitted to the Annual Meeting, you must present proof of ownership of IDACORP common stock on the record date. This can be (a) a brokerage statement or letter from a bank or broker indicating ownership on the record date; (b) the Notice of Internet Availability of Proxy Materials (Notice of Internet Availability); (c) a printout of the proxy distribution email (if you received your materials electronically); (d) a proxy card; (e) a voting instruction form; or (f) a legal proxy provided by your broker, bank, or nominee. Any holder of a proxy from a shareholder must present the proxy card, properly executed, and a copy of the proof of ownership. Shareholders and proxy holders must also present a form of photo identification such as a driver's license. Finally, shareholders interested in attending in person must make a reservation by calling (800) 635-5406. We may not admit anyone who does not satisfy these requirements or who refuses to comply with our security procedures.

We make our proxy materials and our annual report to shareholders available on the Internet as our primary distribution method. Most shareholders will only be mailed a Notice of Internet Availability. We expect to mail the Notice of Internet Availability on or about April 3, 2013. The Notice of Internet Availability specifies how to access proxy materials on the Internet, how to submit your proxy vote, and how to request a hard copy of the proxy materials. On or about April 3, 2013, we also began mailing printed copies of our proxy materials to our shareholders who had previously requested paper copies of our proxy materials.

Note About Forward-Looking Statements: Statements in this proxy statement that relate to future plans, objectives, expectations, performance, events, and the like, including statements regarding future financial and operational performance (whether associated with compensation arrangements or otherwise), may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act). Forward-looking statements may be identified by words including, but not limited to, anticipates, believes, intends, estimates, expects, targets, should, and similar expressions. Shareholders are cautioned that any such forward-looking statements are subject to risks and uncertainties. Actual results may differ materially from those projected in the forward-looking statements. We assume no obligation to update any such forward-looking statement, except as required by applicable law. Shareholders should review the risks and uncertainties listed in

our most recent Annual Report on Form 10-K and other reports we file with the Securities and Exchange Commission, including the risks described therein, which contain factors that may cause results to differ materially from those contained in any forward-looking statement.

Questions and Answers About the Annual Meeting, this Proxy Statement, and Voting

Why did I receive a notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?

Pursuant to rules adopted by the Securities and Exchange Commission, we have elected to provide access to our proxy materials on the Internet. Accordingly, we are sending the Notice of Internet Availability to most of our shareholders. All shareholders will have the ability to access the proxy materials on a website referred to in the Notice of Internet Availability or may request a printed set of the proxy materials at no charge. Shareholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis by following the instructions provided in the Notice of Internet Availability.

Who is entitled to vote at the Annual Meeting?

You are entitled to notice of, and to vote at, the Annual Meeting if you owned shares of our common stock at the close of business on March 28, 2013. This is referred to as the record date. As of the record date, we had 50,232,758 outstanding shares of common stock entitled to one vote per share on all matters.

What matters are before the Annual Meeting, and how does the Board of Directors recommend I vote?

At the Annual Meeting, our shareholders will consider and vote on the matters listed below. In determining how to vote, please consider the detailed information regarding each proposal as discussed on the referenced pages in this proxy statement.

Proposal Number	Description of Proposal	Board Recommendation
1	Elect to the Board of Directors the four nominees who are named in this proxy statement to serve until the 2014 annual meeting of shareholders, and until their successors are elected and qualified.	FOR each director nominee
2	Ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the year ending December 31, 2013.	FOR
3	Approval of an advisory resolution to approve our executive compensation.	FOR

Will any other business be conducted at the Annual Meeting or will other matters be voted on?

As of the date of this proxy statement, we are unaware of any matters, other than those set forth in the Notice of Annual Meeting of Shareholders, that may properly be presented at the Annual Meeting. If any other matters are properly presented for consideration at the meeting, including, among other things, consideration of a motion to adjourn the meeting to another time or place, the persons named as proxies, or their duly constituted substitutes, will be deemed authorized to vote those shares for which proxies have been given or otherwise act on such matters in accordance with their judgment.

What is the difference between holding shares as a shareholder of record and as a beneficial owner?

If your shares are registered directly in your name with our transfer agent, Wells Fargo Bank Shareowner Services, you are considered the shareholder of record with respect to those shares. If your shares are held by a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of the shares, and those shares are referred to as being held in street name. As the beneficial owner of those shares, you have the right to direct your broker, bank, or nominee how to vote your shares, and you should receive separate instructions from your broker, bank, or other holder of record describing how to vote your shares. You also are invited to attend the Annual Meeting in person. However, because a beneficial owner is not the shareholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a legal proxy from the broker, bank, or

nominee that holds your shares, giving you the right to vote the shares at the Annual Meeting.

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How can I vote my shares before the Annual Meeting?

If you hold shares in your own name as a shareholder of record, you may vote before the Annual Meeting by following the instructions contained in the Notice of Internet Availability. If you request printed copies of the proxy materials by mail, you may also cast your vote by completing, signing, and dating the proxy card provided to you and returning it in the enclosed postage-paid envelope, which will authorize the individuals named on the proxy card to serve as your proxy to vote your shares at the Annual Meeting in the manner you indicate.

If you are a beneficial owner of shares held in street name, your broker, bank, or other nominee should provide you with materials and instructions for voting your shares. Please check with your broker or bank and follow the voting procedures your broker or bank provides to vote your shares.

Submitting a proxy or voting through the telephone or the Internet will not affect your right to attend the Annual Meeting.

If I am the beneficial owner of shares held in street name by my bank or broker, how will my shares be voted?

If you complete and return the voting instruction form provided to you by your bank or broker, we expect that your shares will be voted in accordance with your instructions. If you do not provide voting instructions, brokerage firms only have authority under applicable New York Stock Exchange rules to vote shares on discretionary matters. The ratification of Deloitte & Touche LLP as our independent registered public accounting firm for 2013 is the only matter included in the proxy statement that is considered a discretionary matter. When a proposal is not discretionary and the brokerage firm has not received voting instructions from its customers, the brokerage firm cannot vote the shares on that proposal. Those shares are considered broker non-votes. Please promptly follow the instructions you receive from your bank or broker so your vote can be counted.

If I am a shareholder of record, how will my shares be voted?

All proxies will be voted in accordance with the instructions you submitted via the Internet, by toll-free telephone, or, if you requested printed proxy materials, by completing, signing, and returning the proxy card provided to you. If you completed and submitted your proxy (and do not revoke it) prior to the Annual Meeting, but do not specify how your shares should be voted, the shares of IDACORP common stock represented by the proxy will be voted in accordance with the recommendation of our Board of Directors.

Can I vote in person at the Annual Meeting?

Yes. If you hold shares in your own name as a shareholder of record, you may attend the Annual Meeting and cast your vote at the meeting by properly completing and submitting a ballot. If you are the beneficial owner of shares held in street name, you must first obtain a legal proxy from your broker, bank, or other nominee giving you the right to vote those shares and submit that proxy along with a properly completed ballot at the meeting. Shareholders interested in attending in person must make a reservation by calling (800) 635-5406.

What do I need to bring to be admitted to the Annual Meeting?

In order to be admitted to the Annual Meeting, you must present proof of ownership of IDACORP common stock on March 28, 2013, the record date. This can be (a) a brokerage statement or letter from a bank or broker indicating ownership on the record date; (b) the Notice of Internet Availability; (c) a printout of the proxy distribution email (if you received your materials electronically); (d) a proxy card; (e) a voting instruction form; or (f) a legal proxy provided by your broker, bank, or nominee. If a shareholder desires to vote its shares held in street name in person at the meeting, the shareholder must obtain a legal proxy in the shareholder's name from the broker, bank, or other nominee who holds those shares in street name. Any holder of a proxy from a shareholder must present the proxy card, properly executed, and a copy of the proof of ownership. Shareholders and proxy holders must also present a form of photo identification such as a driver's license. Shareholders interested in attending in person must make a reservation by calling (800) 635-5406. We may not admit anyone who does not present the foregoing or refuses to comply with our security procedures.

Are shareholders who listen to the Annual Meeting through the live audio webcast deemed present at the Annual Meeting?

Shareholders accessing the Annual Meeting through the live audio webcast will not be considered present at the Annual Meeting and will not be able to vote through the webcast or ask questions.

May I change or revoke my proxy?

You may change your proxy before it is voted at the Annual Meeting by (1) granting a subsequent proxy through the Internet or by telephone, or (2) delivering to us a signed proxy card with a date later than your previously delivered proxy. If you attend the meeting and wish to vote in person, you may revoke your proxy by oral notice at that time. You may also revoke your proxy by mailing your written revocation to IDACORP's corporate secretary at 1221 West Idaho Street, Boise, Idaho 83702. We must receive your written revocation before the Annual Meeting for it to be effective.

What is the quorum for the Annual Meeting and what happens if a quorum is not present?

The presence at the Annual Meeting, in person or by proxy, of a majority of the shares issued and outstanding and entitled to vote as of March 28, 2013 is required to constitute a quorum. The existence of a quorum is necessary in order to take action on the matters scheduled for a vote at the Annual Meeting. If you vote by Internet or telephone, or submit a properly executed proxy card, your shares will be included for purposes of determining the existence of a quorum. Proxies marked abstain and broker non-votes also will be counted in determining the presence of a quorum. If the shares present in person or represented by proxy at the Annual Meeting are not sufficient to constitute a quorum, the chairman of the meeting or the shareholders may, by a vote of the holders of a majority of votes present in person or represented by proxy, without further notice to any shareholder (unless a new record date is set), adjourn the meeting to a different time and place to permit further solicitations of proxies sufficient to constitute a quorum.

What is an abstention ?

An abstention occurs when a shareholder sends in a proxy with explicit instructions to decline to vote regarding a particular matter. An abstention with respect to a matter submitted to a vote will not be counted for or against the matter. Consequently, an abstention with respect to any of the proposals to be presented at the Annual Meeting will not affect the outcome of the vote.

What is a broker non-vote ?

A broker non-vote occurs when a broker or other nominee who holds shares for another person does not vote on a particular proposal because that holder does not have discretionary voting power for the proposal and has not received voting instructions from the beneficial owner of the shares. If no voting instructions have been provided by the beneficial owner, brokers will have discretionary voting power to vote shares with respect to the ratification of the appointment of the independent registered public accounting firm, but not with respect to any of the other proposals. A broker non-vote will have the same effect as an abstention and, therefore, will not affect the outcome of the vote.

What vote is required to approve each proposal?

The following votes are required for approval of each proposal at the Annual Meeting:

Proposal Number	Vote Requirement	Affect of Withholding, Abstentions and Broker Non-Votes
1	Our directors are elected by a plurality of the votes cast by the shares entitled to vote in the election of directors.	Not voted, though a withhold vote is relevant under our director resignation policy
2	The ratification of the appointment of Deloitte & Touche LLP is approved if the votes cast in favor exceed the votes cast against ratification.	Abstentions are not voted; uninstructed shares are subject to a discretionary vote

Proposal Number	Vote Requirement	Affect of Withholding, Abstentions and Broker Non-Votes
3	The advisory resolution on executive compensation is approved if the votes cast in favor exceed the votes cast against the resolution.	Not voted

What happens if, under Proposal No. 1, a director receives a greater number of votes withheld than votes for such director?

As noted above, a plurality of votes cast by shareholders present, in person or by proxy, at the Annual Meeting is required for the election of our directors. Plurality means that the nominees receiving the largest number of votes cast are elected for the number of director positions that are to be filled at the meeting. However, under the resignation policy adopted by the Board of Directors in March 2012, if a director nominee in an uncontested election receives a greater number of votes withheld from his or her election than votes for such election, the director must promptly tender a resignation to the Board of Directors. The Board of Directors will then decide whether to accept the resignation within 90 days following certification of the shareholder vote (based on the recommendation of the Corporate Governance and Nominating Committee, which is comprised exclusively of independent directors). We will publicly disclose the Board of Directors' decision and its reasoning with regard to the offered resignation.

Who will count the votes?

An independent tabulator will tabulate the votes cast by mail, Internet, or telephone. Our corporate secretary will tabulate any votes cast at the Annual Meeting and will act as inspector of election to certify the results.

Where can I find the voting results?

We expect to report the voting results on a Current Report on Form 8-K filed with the Securities and Exchange Commission within four business days following the Annual Meeting.

Are the votes of specific shareholders confidential?

It is our policy that all proxies for the Annual Meeting that identify shareholders, including employees, are to be kept secret. Proxies will be forwarded to the independent tabulator who receives, inspects, and tabulates the proxies. No proxies are available for examination and the identity and vote of any shareholder are not disclosed to our representatives or to any third party except (a) as required by law or order or directive of a court or governmental agency; (b) to allow our corporate secretary to tabulate votes cast at the Annual Meeting; (c) to allow the independent election inspectors to certify the results of the shareholder vote; (d) in the event of a matter of significance where there is a proxy solicitation in opposition to the Board of Directors, based on an opposition proxy statement filed with the Securities and Exchange Commission; or (e) to respond to shareholders who include written comments on their proxies.

Who will pay the cost of this solicitation and how will these proxies be solicited?

We will pay the cost of soliciting your proxy. Our officers and employees may solicit proxies, personally or by telephone, fax, mail, or other electronic means, without extra compensation. In addition, Phoenix Advisory will solicit proxies from brokers, banks, nominees, and institutional investors at a cost of approximately \$6,500 plus out-of-pocket expenses. We will reimburse banks, brokerage firms, and other custodians, nominees, and fiduciaries for their expenses in providing our proxy materials to beneficial owners.

What if I have further questions not addressed in this proxy statement?

If you have any questions about voting your shares or attending the Annual Meeting, please call our Shareowner Services Department at (800) 635-5406.

Corporate Governance Principles and Practices

Overview of Our Corporate Governance Practices

The goals of our corporate governance principles and practices are to promote the long-term interests of our shareholders, as well as to maintain appropriate checks and balances and compliance systems, to strengthen management accountability, engender public trust, and facilitate prudent decision making. We evaluate our corporate governance principles and practices and modify existing, or develop new, policies and standards when appropriate. During 2012, this included the following:

- Adoption of a shareholder-approved amendment to our articles of incorporation to declassify our board of directors so that directors are subject to election annually;
- Revisions to our Corporate Governance Guidelines to expressly prohibit our directors, officers, and certain key employees from pledging our securities as collateral in order to secure personal loans or other obligations;
- An increase in the minimum stock ownership requirements for directors, from two times their base annual retainer fee to three times that fee; and
- Adoption of a director resignation policy, which provides that if any director nominee in an uncontested election receives a greater number of votes withheld from his or her election than votes for such election, the nominee must offer his or her resignation to the Board of Directors.

Other of our notable corporate governance practices include the following:

- All of our directors, other than Mr. Keen (our president and chief executive officer), are independent of the company and management;
- Our directors meet in executive session, without management present, at each regular meeting of the Board of Directors;
- All members of the audit, corporate governance and nominating, and compensation committees of the Board of Directors are independent directors;
- Any compensation consultant retained by the compensation committee must be evaluated for independence from management;
- The chairman of our Board of Directors is an independent director;
- We have minimum stock ownership requirements for both our board members and our officers;
- We prohibit the hedging of our securities by directors and officers;
- We require our directors to attend company-approved continuing education programs;
- Our Board of Directors and the audit, corporate governance and nominating, and compensation committees of the Board of Directors annually conduct a self-evaluation to assess adherence to our governing instruments and to identify opportunities to improve board performance; and
- Our Board of Directors and the committees of the Board of Directors are responsible for overseeing the risk management processes designed and implemented by our management and confirming that the processes are adequate and functioning as designed.

Director Independence and Executive Sessions

Our Board of Directors has adopted a policy, contained in our Corporate Governance Guidelines (available at www.idacorpinc.com/corpgov/default.cfm), that the Board of Directors will be composed of a majority of independent directors. The Board of Directors reviews annually the relationships that each director has with the company (either directly or as a partner, shareholder, or officer of an organization that has a relationship with the company). Following the annual review, only those directors who the Board of Directors affirmatively determines have no material relationship with the company and can exercise independent judgment will be considered independent directors, subject to additional qualifications prescribed under the listing standards of the New York Stock Exchange and under applicable laws.

All members of our Board of Directors are non-employees, except for J. LaMont Keen, our president and chief executive officer (CEO). The Board of Directors has determined that all members of our Board of Directors, other than Mr. Keen, are independent based on all relevant facts and circumstances and under the New York Stock Exchange listing standards and our Corporate Governance Guidelines.

Our independent directors meet in executive session at each regular meeting of the Board of Directors. The independent chairman of the Board of Directors presides at board meetings, regularly scheduled executive sessions of non-employee directors, and executive sessions of independent directors.

Codes of Business Conduct

We have a Code of Business Conduct that applies to all of our officers and employees. We also have a separate Code of Business Conduct and Ethics for directors. These are posted on our website at www.idacorpinc.com/corpgov/conduct_ethics.cfm. We will also post on our website any amendments to, or waivers of, our Codes of Business Conduct, as required by Securities and Exchange Commission rules or New York Stock Exchange listing standards, at www.idacorpinc.com/corpgov/conduct_ethics.cfm.

Board Leadership Structure

The Board of Directors separated the positions of chairman of the Board of Directors and CEO in 1999. Our CEO is responsible for leadership, overall management of our business strategy, and day-to-day operations, while our chairman presides over meetings of our Board of Directors and provides guidance to our CEO regarding policies and procedures approved by our Board of Directors. Separating these two positions allows our CEO to focus on our day-to-day business and operations, while allowing the chairman of the Board of Directors to lead the Board of Directors in its fundamental role of providing advice to, and independent oversight of, management. The Board of Directors recognizes the time, effort, and energy that the CEO is required to devote to his position, as well as the increasing commitment required of the chairman position, particularly as the Board of Directors' oversight responsibilities continue to grow.

While our bylaws and Corporate Governance Guidelines do not mandate that our chairman and CEO positions be separate, the Board of Directors believes for the reasons outlined above that having separate positions and having an independent director serve as chairman is the appropriate leadership structure for the company at this time and demonstrates our commitment to good corporate governance. The Board of Directors believes that this issue is part of the succession planning process and that it is in the best interests of the company for the Board of Directors to make a determination as to the advisability of continuing to have separate positions when it elects a new CEO.

The Board of Directors' Role in Risk Oversight

Our management team is responsible for the day-to-day management of risks the company faces. We have appointed a chief risk officer, who is responsible for overseeing and coordinating risk assessment processes and mitigation efforts on an enterprise wide basis. The chief risk officer administers processes intended to identify key business risks, assists in appropriately assessing and managing these risks within stated limits, enforces policies and procedures designed to mitigate risk, and reports on these items to senior management and the Board of Directors. The chief risk officer reports regularly to the Board of Directors and appropriate board committees regarding risks the company faces and how it is managing those risks.

While the chief risk officer and other members of our senior leadership team are responsible for the day-to-day management of risk, our Board of Directors is responsible for ensuring that an appropriate culture of risk management exists within our company, for setting the right tone at the top, and assisting management in addressing specific risks that our company faces. The Board of Directors has the responsibility to oversee the risk management processes designed and implemented by management and confirm the processes are adequate and functioning as designed.

While the full Board of Directors is ultimately responsible for high-level risk oversight at our company, it is assisted by the executive committee, the audit committee, the compensation committee, and the corporate governance and nominating committee in fulfilling its oversight responsibilities in certain areas of risk. The executive committee assists the Board of Directors in fulfilling its oversight responsibilities with respect to the company's risk management process

generally. The audit committee assists the Board of Directors in fulfilling its oversight responsibilities with respect to major financial risk exposures and our energy risk management practices (including hedging transactions and collateral requirements) and, in accordance with the listing standards of the New York Stock Exchange, discusses policies with respect to risk assessment and risk management. Representatives from our independent registered public accounting firm attend audit committee meetings, regularly make presentations to the audit committee, comment on management presentations, and engage in private sessions with the audit

committee, without members of management present, to raise any concerns they may have with our risk management practices. The compensation committee assists the Board of Directors in fulfilling its oversight responsibilities with respect to risks arising from our compensation policies and practices. The corporate governance and nominating committee undertakes periodic reviews of processes for management of risks associated with our company's organizational structure, governing instruments, and policies. In fulfilling their respective responsibilities, the committees meet regularly with our officers and members of senior management, as well as our internal and external auditors. Each committee has full access to management, as well as the ability to engage and compensate its own independent advisors.

The Board of Directors receives reports from the executive committee, audit committee, compensation committee, and corporate governance and nominating committee relating to the oversight of risks in their areas of responsibility. Based on this and information regularly provided by management, the Board of Directors evaluates our risk management processes and considers whether any changes should be made to those processes or the Board of Directors' risk oversight function. We believe that this division of risk oversight ensures that oversight of each type of risk the company faces is allocated, at least initially, to the particular directors most qualified to oversee it. It also promotes board efficiency because the committees are able to select the most timely or important risk-related issues for the full Board of Directors to consider.

We believe that one of the risks our company faces is the potential for a significant number of employee retirements in the coming years. As a result, our Board of Directors is actively involved in and monitors our succession planning process. The Board of Directors reviews the succession plans developed by members of senior management at least annually, with a focus on ensuring a talent pipeline at the senior officer level and for specific critical roles. We seek to ensure that our directors are exposed to a variety of members of our leadership team, and not just the senior-most officers, on a regular basis, through formal presentations and informal events. Our Board of Directors is also informed of general workforce trends, expected retirement levels or turnover, and recruiting and development programs, of particular importance given Idaho Power's specialized workforce and anticipated near-term rate of employee retirements.

Board Meetings and Director Attendance

The members of our Board of Directors are expected to attend board meetings and meetings of board committees on which they serve, and to spend the time needed and to meet as frequently as necessary to properly discharge their responsibilities. The Board of Directors held six meetings in 2012, with our directors having a 100 percent attendance rate at those meetings. Our directors also attended 100 percent of the meetings of the committees on which he or she was a member in 2012, with the exception of one member of our corporate governance and nominating committee who attended 75 percent (3 of 4 meetings) of that committee's meetings in 2012. Our Corporate Governance Guidelines provide that all directors are expected to attend our annual meeting of shareholders and be available, when requested by the chairman of the Board of Directors, to answer any questions shareholders may have. All members of the Board of Directors attended our 2012 annual meeting of shareholders.

Board Committee Charters

Our standing committees of the Board of Directors are the executive committee, the audit committee, the compensation committee, and the corporate governance and nominating committee. We have:

charters for the audit committee, compensation committee, and corporate governance and nominating committee; and Corporate Governance Guidelines, which address issues including the responsibilities, qualifications, and compensation of the Board of Directors, as well as board leadership, board committees, director resignation, and self-evaluation.

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Our committee charters and our Corporate Governance Guidelines may be accessed on our website at www.idacorpinc.com/corpgov/default.cfm. Information on our committees of the Board of Directors is set forth in Part 3 Board of Directors Committees of the Board of Directors.

Board Membership Criteria and Consideration of Diversity

Directors should possess the highest personal and professional ethics, integrity, and values and be committed to representing the long-term interests of our shareholders. Directors must also have an inquisitive and objective perspective, practical wisdom, and mature judgment. Although the corporate governance and nominating committee and the Board of Directors do not have a formal policy for considering diversity in identifying director nominees, we endeavor to have a board representing diverse experience at policy-making levels in business, finance, and accounting and in areas that are relevant to our business activities. We believe our

current directors bring a strong diversity of experiences to the Board of Directors as leaders in business, finance, accounting, regulation, and the utility industry.

Under the oversight of the corporate governance and nominating committee, the Board of Directors conducts an annual self-evaluation of its performance and utilizes the results to assess and determine the characteristics and critical skills required of directors. In addition, our Corporate Governance Guidelines and the corporate governance and nominating committee charter provide that the corporate governance and nominating committee will annually review board committee assignments and consider the rotation of the chairman and members of the committees with a view toward balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors. At least one member of our audit committee must be an audit committee financial expert. Directors are automatically retired immediately prior to the first annual meeting of shareholders after they reach age 72. A majority of board members must be independent under our Corporate Governance Guidelines and applicable New York Stock Exchange listing standards.

Director Resignation Policy

In March 2012, our Board of Directors adopted a policy that provides that if any director nominee in an uncontested election receives a greater number of votes withheld from his or her election than votes for such election, the director nominee must offer his or her resignation to the Board of Directors promptly after the voting results are certified. The corporate governance and nominating committee, comprised entirely of independent directors and which will specifically exclude any director who is required to offer his or her own resignation, will consider the tendered resignation and make a recommendation to the Board of Directors, taking into account all factors deemed relevant. These factors include, without limitation, the underlying reasons why shareholders withheld votes from the director (if ascertainable) and whether the underlying reasons are curable, the length of service and qualifications of the director whose resignation has been tendered, the director's contributions to our company, whether by accepting the resignation we will no longer be in compliance with any applicable law, rule, regulation, or governing document, and whether or not accepting the resignation is in the best interests of our company and our shareholders. Our Board of Directors will act upon the corporate governance and nominating committee's recommendation within 90 days following certification of the shareholder vote and will consider the factors considered by the corporate governance and nominating committee and any additional information and factors as the Board of Directors believes to be relevant. We will publicly disclose the Board of Directors decision and rationale with regard to any resignation offered under these circumstances.

Process for Determining Director Nominees

In determining the composition of our Board of Directors, we seek a balanced mix of local experience, which we believe is specifically relevant for a utility, and nationwide public company experience, among other factors of experience. As a utility company with operations predominantly in Idaho and Oregon, we believe it is important for our company and our local directors to be involved in and otherwise support local community and charitable organizations.

Our corporate governance and nominating committee is responsible for selecting and recommending to the Board of Directors candidates for election as directors. Our Corporate Governance Guidelines contain procedures for the committee to identify and evaluate new director nominees, including candidates our shareholders recommend in compliance with our Corporate Governance Guidelines. The corporate governance and nominating committee begins the process of identifying and evaluating nominees for director and keeps the full Board of Directors informed of the nominating process. The corporate governance and nominating committee reviews candidates recommended by shareholders and may hire a search firm to identify other candidates.

The corporate governance and nominating committee gathers additional information on the candidates to determine if they qualify to be members of our Board of Directors. The corporate governance and nominating committee examines whether the candidates are independent, whether their election would violate any federal or state laws, rules, or regulations that apply to us, and whether they meet all requirements under our Corporate Governance Guidelines, committee charters, bylaws, codes of business conduct and ethics, and any other applicable corporate document or policy. The corporate governance and nominating committee also considers whether the nominees will have potential conflicts of interest and whether they will represent a single or special interest before finalizing a list of candidates for the full Board of Directors to approve.

Process for Shareholders to Recommend Candidates for Director

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Our Corporate Governance Guidelines set forth the requirements that you must follow if you wish to recommend director candidates to our corporate governance and nominating committee. If you recommend a candidate for director, you must provide the following information:

the candidate's name, age, business address, residence address, telephone number, principal occupation, the class and number of shares of our voting stock the candidate owns beneficially and of record, a statement as to how long the candidate has held such stock, a description of the candidate's qualifications to be a director, whether the candidate would be an independent director, and any other information you deem relevant with respect to the recommendation; and your name and address as they appear on our stock records, the class and number of shares of voting stock you own beneficially and of record, and a statement as to how long you have held the stock.

Recommendations must be sent to our corporate secretary at the address provided below. Our corporate secretary will review all written recommendations and send those conforming to the requirements described above to the corporate governance and nominating committee for review and consideration. The corporate governance and nominating committee evaluates the qualifications of candidates properly submitted by shareholders in the same manner as it evaluates the qualifications of director candidates identified by the committee or the Board of Directors.

Shareholders who wish to nominate persons for election to the Board of Directors, rather than recommend candidates for consideration, must follow the procedures set forth in our bylaws. Copies of our bylaws may be obtained by writing or calling our corporate secretary at IDACORP, Inc., 1221 West Idaho Street, Boise, Idaho 83702, telephone number: (208) 388-2200. See also the section entitled *2014 Annual Meeting of Shareholders* in this proxy statement.

Communications with the Board of Directors and Audit Committee

Shareholders and other interested parties may communicate with members of the Board of Directors by:

calling (866) 384-4277 if they have a concern to bring to the attention of the Board of Directors, our chairman of the Board of Directors, or our non-employee directors as a group; or

logging on to www.ethicspoint.com and following the instructions to file a report if the concern is of an ethical nature.

Our general counsel receives all such communications and forwards them to the chairman of the Board of Directors. If your report concerns questionable accounting practices, internal accounting controls, or auditing matters, our general counsel will also forward your report to the chairman of the audit committee.

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The acceptance and forwarding of communication to any director does not imply that the director owes or assumes any fiduciary duty to the person submitting the communication, all such duties being only as prescribed by applicable law.

Environmental and Sustainability Initiatives

Our Board of Directors is responsible for the oversight of our sustainability initiatives and is regularly informed of the goals, measures, and results of our sustainability programs. As described in the inaugural sustainability report we issued in May 2012, our sustainability platform for 2012 consisted of five areas: balanced and responsible management; operational excellence; environmental stewardship; engaged, empowered workforce; and strong community partnerships. In connection with our sustainability initiatives, we have implemented steps that recognize the importance of environmental, social, and governance issues and policies.

Our Board of Directors supported management's creation of a new position focused on environmental sustainability, to drive progress and facilitate expansion in that area;

Idaho Power extended its CO₂ emission intensity reduction goal for an additional two years, to 2015;

In connection with its integrated resource planning process, Idaho Power conducted cost studies related to its jointly-owned coal-fired power plants, to determine whether plant upgrades that may be necessary to comply with environmental regulations will be prudently incurred investments, or whether it is economically preferable to replace that generation with other resources;

Idaho Power has conducted a comprehensive wind integration study, to better understand the impact of wind generation on its system and the methods and costs to integrate that power;

We developed a sustainability education program for our employees, to raise their awareness of the initiatives and to foster their participation; and

We continued to address river- and watershed-related environmental issues, advocating for the implementation of cost-effective, sustainable solutions to preserve the long-term health of the Snake River and the Eastern Snake River Plain Aquifer.

Certain Relationships and Related Transactions

Our Related Person Transactions Policy

Our related person transactions policy defines a related person transaction as one in which the amount exceeds \$100,000 and excludes:

- transactions available to all employees generally;
- the purchase or sale of electric energy at rates fixed in conformity with law or governmental authority;
- transactions involving compensation, employment agreements, or special supplemental benefits for directors or officers that are reviewed and approved by the compensation committee; and
- transactions between or among companies within the IDACORP family.

The related person transactions policy defines a related person as any:

- officer, director, or director nominee of IDACORP or any subsidiary;
- person known to be a greater than 5% beneficial owner of IDACORP voting securities;
- immediate family member of the foregoing persons, or person (other than a tenant or employee) sharing the household of the foregoing persons; or
- firm, corporation, or other entity in which any person named above is employed, is a partner or principal or in a similar position, or is a greater than 5% beneficial owner.

The corporate governance and nominating committee administers the policy, which includes procedures to review related person transactions, approve or disapprove related person transactions, and ratify unapproved transactions. The policy also specifically requires (a) prior corporate governance and nominating committee approval of proposed charitable contributions or pledges of charitable contributions in excess of \$100,000 in any calendar year to a charitable or not-for-profit organization identified as a related person, except those nondiscretionary contributions made

pursuant to our matching contribution program; and (b) prior board approval of the hiring of immediate family members of directors and officers. The policy also requires approval of any material change in the terms of employment of an immediate family member, including compensation, in the event a person becomes a director or officer and the immediate family member is already an employee of our company. The Board of Directors may approve a proposed related person transaction after reviewing the information considered by the corporate governance committee and any additional information it deems necessary or desirable:

- if it determines in good faith that the transaction is in, or is not inconsistent with, the best interests of our company and the shareholders; and
- if the transaction is on terms comparable to those that could be obtained in an arm's-length dealing with an unrelated third party.

Related Person Transactions in 2012

Steven R. Keen, our vice president of finance and treasurer and Idaho Power's senior vice president of finance and treasurer, is the brother of J. LaMont Keen, our president and CEO and a member of our Board of Directors. J. LaMont Keen is also the CEO of Idaho Power. For 2012, Steven Keen had a base salary of \$260,000, received an incentive payment under our short-term incentive plan of \$215,105, paid in 2013 for service during 2012, and received an award of (a) 1,478 time-vesting restricted shares with a three-year restricted period through December 31, 2014 and (b) 2,956 performance-based shares at target with a three-year performance period through December 31, 2014. The compensation committee and Board of Directors approved all elements of Steven Keen's 2012 compensation.

Mr. Richard Reiten retired from our Board of Directors in May 2012. Since 2006, Mr. Reiten's son has been the president of Pacific Power, a division of PacifiCorp, which, with Idaho Power, owns the Jim Bridger power plant and Bridger coal mine located in Wyoming. Idaho Power owns one-third of the power plant and mine, and PacifiCorp owns the other two-thirds. During 2012, Idaho Power funded \$52.7 million to PacifiCorp for its one-third share of the annual operating and capital costs for the Jim Bridger power

plant. Idaho Power also purchased \$78.0 million of coal from the Jim Bridger coal mine in 2012, for its one-third share of coal delivered from the mine to the Jim Bridger power plant. In 2012, Idaho Power funded \$30.8 million to the mine to cover its share of operating and capital costs and the mine distributed \$48.7 million back to Idaho Power. In addition, Idaho Power purchases wholesale energy and transmission from PacifiCorp. In 2012, these expenses totaled \$2.5 million. PacifiCorp also purchases energy and transmission from Idaho Power, and in 2012 revenues from these sales totaled \$19.2 million. Idaho Power and PacifiCorp are also parties to a number of joint funding arrangements for the permitting of two 500-kV transmission projects.

Security Ownership of Directors, Executive Officers, and Five-Percent Shareholders

The table below sets forth the number of shares of our common stock beneficially owned on March 1, 2013, by our directors and nominees, by our named executive officers listed in the *2012 Summary Compensation Table*, and by our directors and executive officers as a group. Under Securities and Exchange Commission rules, beneficial ownership for purposes of this table takes into account shares as to which the individual has or shares voting and/or investment power as well as shares that may be acquired within 60 days (such as by exercising vested stock options). The beneficial owners listed have sole voting and investment power with respect to shares beneficially owned, including shares they own through the Idaho Power Company Employee Savings Plan and our Dividend Reinvestment and Stock Purchase Plan, except as to the interests of spouses or as otherwise indicated.

Name of Beneficial Owner	Title of Class	Amount and Nature of Beneficial Ownership ¹	Stock Options ²	Percent of Class
Non-Employee Directors				
C. Stephen Allred ³	Common Stock	7,536		*
Richard J. Dahl	Common Stock	8,167		*
Judith A. Johansen ⁴	Common Stock	7,716		*
Dennis L. Johnson ⁵	Common Stock			*
Christine King	Common Stock	9,761		*
Gary G. Michael	Common Stock	18,132		*
Jan B. Packwood	Common Stock	12,822		*
Joan H. Smith ⁶	Common Stock	13,565	3,000	*
Robert A. Tinstman ⁷	Common Stock	21,338	5,250	*
Thomas J. Wilford	Common Stock	16,660	3,000	*
Named Executive Officers				
J. LaMont Keen ⁸	Common Stock	172,319		*
Darrel T. Anderson	Common Stock	69,589		*
Rex Blackburn	Common Stock	24,875		*
Daniel B. Minor	Common Stock	52,885		*
Lisa A. Grow	Common Stock	23,502		*
All directors and executive officers as a group (24 persons)⁹				
	Common Stock	615,351	11,250	1.20%

* Less than 1%.

¹ Includes shares of common stock subject to forfeiture and restrictions on transfer granted pursuant to the IDACORP Restricted Stock Plan or the IDACORP 2000 Long-Term Incentive and Compensation Plan. Also includes shares of common stock that the beneficial owner has the right to acquire within 60 days upon exercise of stock options. Share numbers are rounded to the nearest whole share.

² Exercisable within 60 days of March 1, 2013 and included in the *Amount and Nature of Beneficial Ownership* column.

³ Includes 7,436 stock units and dividend equivalents for deferred annual stock awards. The deferred compensation is payable in stock upon separation from service from the Board of Directors.

⁴ Includes 7,716 stock units and dividend equivalents for deferred annual stock awards. The deferred compensation is payable in stock upon separation from service from the Board of Directors.

⁵ Mr. Johnson was appointed to our Board of Directors on March 20, 2013, and held no shares of IDACORP common stock as of March 1, 2013.

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- ⁶ Includes 7,716 stock units and dividend equivalents for deferred annual stock awards. The deferred compensation is payable in stock upon separation from service from the Board of Directors.
- ⁷ Includes 7,716 stock units and dividend equivalents for deferred annual stock awards. The deferred compensation is payable in stock upon separation from service from the Board of Directors.
- ⁸ Mr. Keen maintains margin securities accounts at brokerage firms, which may from time to time include shares of IDACORP common stock. However, pursuant to our Corporate Governance Guidelines and our Insider Trading and Transactions in Company Securities Standard, Mr. Keen is prohibited from using the margin feature of the accounts so long as any IDACORP common stock is owned in the account. At March 1, 2013, Mr. Keen held 988 shares of common stock in these accounts.
- ⁹ Includes 103,008 shares owned by six persons who are executive officers of Idaho Power but not of IDACORP, of which no shares are represented by options to purchase common stock.

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The table below sets forth information with respect to each person we know to be the beneficial owner of more than five percent of our outstanding common stock as of March 1, 2013.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
First Eagle Investment Management, LLC 1345 Avenue of the Americas New York, NY 10105	4,436,519 ¹	8.84%
BlackRock, Inc. 40 East 52 nd Street New York, NY 10022	3,737,686 ²	7.45%
The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355	2,814,330 ³	5.61%

¹ Based on a Schedule 13G/A filed on February 11, 2013, by First Eagle Investment Management, LLC. First Eagle Investment Management, LLC reported sole voting power as to 4,336,142 shares and sole dispositive power with respect to 4,436,519 shares. The First Eagle Global Fund, a registered investment company for which First Eagle Investment Management, LLC acts as investment advisor, may be deemed to beneficially own 3,760,485 of such shares.

² Based on a Schedule 13G/A filed on February 8, 2013, by BlackRock, Inc. BlackRock, Inc. reported sole voting and dispositive power with respect to 3,737,686 shares as the parent holding company or control person of BlackRock Japan Co. Ltd.; BlackRock Advisors (UK) Limited; BlackRock Institutional Trust Company, N.A.; BlackRock Fund Advisors; BlackRock Asset Management Canada Limited; BlackRock Asset Management Australia Limited; BlackRock Advisors, LLC; BlackRock International Limited; and BlackRock Investment Management, LLC.

³ Based on a Schedule 13G filed on February 13, 2013, by The Vanguard Group, Inc. The Vanguard Group, Inc. reported sole voting power as to 84,244 shares, sole dispositive power as to 2,739,286 shares, and shared dispositive power as to 75,044 shares. Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 75,044 shares as a result of its serving as the investment manager of collective trust accounts. Vanguard Investments Australia, Ltd., a wholly owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 9,200 shares as a result of its serving as investment manager of Australian investment offerings.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors and executive officers, and persons who beneficially own more than 10% of our common stock, to file reports of beneficial ownership and changes in beneficial ownership with the Securities and Exchange Commission. Our directors, executive officers, and holders of more than ten percent of our outstanding common stock are required by Securities and Exchange Commission rules to furnish us with copies of all Section 16(a) reports that they file. We file Section 16(a) reports on behalf of our directors and executive officers to report their initial and subsequent changes in beneficial ownership of our common stock. To our knowledge, based solely on a review of the reports we filed on behalf of our directors and executive officers and written representations from these persons that no other reports were required and all reports were provided to us, all Section 16(a) filing requirements applicable to our directors and executive officers were complied with for 2012.

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PROPOSAL NO. 1: Election of Directors

Overview

One member of our Board of Directors, Mr. Gary G. Michael, has reached our mandatory retirement age of 72 and will retire from the Board of Directors effective immediately prior to the Annual Meeting, in accordance with our bylaws and Corporate Governance Guidelines. Mr. Michael has served with distinction as a director of IDACORP and Idaho Power since 2001. Upon Mr. Michael's retirement, the Board of Directors will consist of 10 members, including Dennis L. Johnson, who was appointed to our Board of Directors in March 2013 and who is nominated for election for the first time at the Annual Meeting. As Mr. Michael is the Chairman of our Board of Directors, chairman of the corporate governance and nominating committee, and a member of the executive committee of the Board of Directors, his retirement from the Board of Directors will require appointment of a new chairperson and will affect the composition of the Board of Directors' committees in May 2013.

Prior to May 2012, our articles of incorporation, as amended (which we refer to as the articles of incorporation in this proxy statement), provided that directors are elected for three-year terms, with approximately one-third of the Board of Directors elected at each annual meeting of shareholders. Effective May 2012, we amended our articles of incorporation, following a shareholder vote, to provide that the company's classified (three-year, staggered term) board structure would be phased out, and the annual election of the entire Board of Directors for a one-year term would be phased in over a three-year period commencing at the 2013 Annual Meeting and concluding at the 2015 annual meeting of shareholders. The director-nominees elected at the 2013 Annual Meeting are the first group of directors elected to serve for an annual term; director-nominees elected at all annual meetings subsequent to the 2013 Annual Meeting will also be elected to serve for an annual term expiring at the following annual meeting of shareholders.

Under the resignation policy adopted by the Board of Directors and included in our Corporate Governance Guidelines, if a director nominee in an uncontested election receives a greater number of votes withheld from his or her election than votes for such election, the director must promptly tender a resignation to the Board of Directors. The Board of Directors will then decide whether to accept the tendered resignation within 90 days following certification of the shareholder vote (based on the recommendation of the Corporate Governance and Nominating Committee, which is comprised exclusively of independent directors). We will publicly disclose the Board of Directors' decision and its reasoning with regard to the offered resignation.

Information about our directors as of the date of this proxy statement is included below. There are no family relationships among the directors. While we expect that all of the nominees will be able to qualify for and accept office, if for any reason one or more should be unable to do so, the proxies will be voted for nominees selected by the Board of Directors. The composition of our Board of Directors is identical to the composition of Idaho Power's board of directors. Where indicated by an ^ the company is a public reporting company. Where indicated by an * the company is a subsidiary of IDACORP.

Nominees for Election One-Year Term to Expire in 2014

JUDITH A. JOHANSEN Age: 54 Director Since: 2007	Committees: Corp. Gov. & Nominating Compensation	Other Directorships (since): Cascade Bancorp (2006)^ Schnitzer Steel (2006)^ Idaho Power Company (2007)** Roseburg Forest Products (2011) Kaiser Permanente (2006)
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Additional Information

President of Marylhurst University, Oregon, since July 2008
 Former president and CEO from 2001 to 2006, and executive vice president from 2000 to 2001, of PacifiCorp
 Former CEO and Administrator from 1998 to 2000, and vice president from 1992 to 1996, of the Bonneville Power Administration
 Former vice president, from 1996 to 1998, of Avista Energy

Other Skills and Qualifications

Ms. Johansen brings a wealth of electric utility industry knowledge and experience to our Board of Directors. Based on her prior service as president and CEO of PacifiCorp, as CEO and Administrator of the Bonneville Power Administration, and as vice president of

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Avista Energy, Ms. Johansen provides valuable industry insight and guidance regarding our regulated utility business as well as financial reporting and risk management as it relates to utility companies. She also brings to our Board of Directors her experience from service on the boards of two other unaffiliated public companies.

J. LAMONT KEEN

Age: 60
Director Since: 2004

Committees:
Executive

Other Directorships (since):

Cascade Bancorp (2011)^
Idaho Power Company (2004)^*
Idaho Energy Resources Co. (2004)*

Additional Information

President and CEO of IDACORP since July 2006 and CEO of Idaho Power since January 2012
Former President and CEO of Idaho Power Company from 2005 to 2011; executive vice president of IDACORP from 2002 to 2006; president and chief operating officer of Idaho Power Company from 2002 to 2005; senior vice president administration and chief financial officer of IDACORP and Idaho Power Company from 1999 to 2002; senior vice president administration, chief financial officer and treasurer of IDACORP and Idaho Power Company in 1999; vice president, chief financial officer and treasurer of Idaho Power Company from 1996 to 1999; vice president and chief financial officer of Idaho Power Company from 1991 to 1996; controller of Idaho Power Company from 1988 to 1991

Other Skills and Qualifications

As our CEO, with over 38 years of experience at Idaho Power Company, including over 24 years in a capacity as an officer, Mr. Keen has developed an expansive understanding of our company, our state, and the electric utility industry. Mr. Keen's detailed knowledge of our operations, finances, and executive administration and his active industry involvement make him a key resource and contributor to our Board of Directors. Mr. Keen is the only IDACORP executive officer serving on our Board of Directors.

ROBERT A. TINSTMAN

Age: 66
Director Since: 1999

Committees:
Compensation
Executive

Other Directorships (since):

Home Federal Bancorp (1999)^
Primoris Services Corp. (2009)
Idaho Power Company (1999)^*

Additional Information

Former executive chairman of James Construction Group from 2002 to 2007
Former president and CEO from 1995 to 1999, and director from 1995 to 1999, of Morrison Knudsen Corporation

Former chairman of Contractorhub.com from 2000 to 2001

Former director of CNA Surety Corporation from 2004 to 2011

Other Skills and Qualifications

Mr. Tinstman brings extensive operational and executive experience in the construction industry to our Board of Directors. The electric utility business is capital intensive, involving heavy construction work for generation, transmission, and distribution projects. Mr. Tinstman's construction industry knowledge and expertise provide a valuable contribution to the Board of Directors' oversight function at a time when Idaho Power Company has embarked on major generation and transmission line construction projects. Mr. Tinstman's experience from serving on the compensation committees of other public company boards also provides the company with an experienced compensation committee chairman, a position he has held at IDACORP for almost nine years.

DENNIS L. JOHNSON Age: 58 Director Since: 2013	Committees: None	Other Directorships (since): United Heritage Mutual Holding Co. (2001) United Heritage Financial Group (2001) United Heritage Life Insurance Co. (1998) Sublimity Insurance Company (2003) Idaho Power Company (2013)*^
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Additional Information

President and CEO of United Heritage Mutual Holding Company since 2001, and United Heritage Financial Group and United Heritage Life Insurance Company since 1999

Former president and CEO of United Heritage Financial Services, a broker-dealer, from 1994 to 1998

Former general counsel of United Heritage Mutual Holding Company and certain of its affiliates since 1983

Former director of the Public Employee Retirement System of Idaho (1995-2005) and Idaho Banking Company (1996-2003)

Other Skills and Qualifications

Mr. Johnson, who was appointed to our Board of Directors in March 2013, brings financial, risk management, and legal experience to our Board of Directors. Mr. Johnson acquired his extensive experience through his positions at the insurance companies at which he is the President and CEO, and from his former position as the companies' general counsel. He also brings to the Board of Directors his knowledge of economics and finance and experience with employee benefits and auditing matters. Mr. Johnson's long-standing ties to Idaho also provide an important connection to Idaho Power Company's service territory and allow him to offer insight into local, state, and regional issues where Idaho Power Company conducts business.

Board of Directors Recommendation

The Board of Directors unanimously recommends a vote **FOR** the nominees listed above for one-year terms expiring in 2014.

Information About Continuing Directors Terms to Expire in 2014 (One-Year Terms Thereafter)

RICHARD J. DAHL Age: 61 Director Since: 2008	Committees: Audit Executive	Other Directorships (since): International Rectifier Corp. (2008)^ DineEquity, Inc. (2004)^ Idaho Power Company (2008)*^
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Additional Information

Chairman of the board, president and CEO of James Campbell Company LLC, a privately held real estate investment and development company, since July 2010

Former president and chief operating officer of Dole Food Company, Inc. from 2004 to 2007, senior vice president and chief financial officer from 2002 to 2004, and a director from 2003 to 2007

Former director, president, and chief operating officer of Bank of Hawaii Corp. from 1994 to 2002

Former director of Pacific Health Research Institute, a not-for-profit biomedical research organization, from 1990 to 2010

Other Skills and Qualifications

Mr. Dahl's financial, operational, and executive experience make him an outstanding asset to our Board of Directors. Mr. Dahl acquired his extensive financial background through his former positions at major corporations, as well as with the Ernst & Young accounting firm. His service on other public company boards, including as chairman of the board of International Rectifiers and as lead director and an audit committee member of DineEquity's board, enable him to provide valuable experience to our Board of Directors and audit committee, of which he is the chairman.

JOAN H. SMITH

Age: 70
Director Since: 2004

Committees:
Audit
Corp. Gov. &
Nominating

Other Directorships (since):
Idaho Power Company (2004)**

Additional Information

Self-employed consultant, consulting on regulatory strategy and telecommunications, since 2003
Former senior fellow at the University of Maryland's Center for International Development and Conflict Management from 2004 to 2009

Former Oregon Public Utility Commissioner from 1990 to 2003

Former affiliate director with Wilk & Associates/ LECG LLP, a public consulting organization, from 2003 to 2008

Other Skills and Qualifications

Ms. Smith's experience in the state regulatory setting, particularly in her role as former Oregon Public Utility Commissioner, provides a key component to our Board of Directors' knowledge base. Appropriate rate recovery at the state level is critical to Idaho Power Company's and our success, and Ms. Smith provides a high level of knowledge and expertise in this area. This knowledge and experience allows her to make valuable contributions to the Board of Directors' deliberations and decision making.

THOMAS J. WILFORD

Age: 70
Director Since: 2004

Committees:
Audit

Other Directorships (since):
Idaho Power Company (2004)**

Additional Information

Former president and director of Alscott, Inc., involved in real estate development and other investments, from 1993 to 2012

Former CEO of J.A. and Kathryn Albertson Foundation, Inc., a family foundation committed and striving to be a catalyst for positive educational change, from 2003 to 2012, and former president from 1995 to 2003

Former director of K12, Inc., an organization that provides individualized, one-to-one learning solutions for students from kindergarten through high school, from 2002 to 2010

Other Skills and Qualifications

Mr. Wilford's extensive business, accounting, and investment background is valuable to our Board of Directors and audit committee. As a Certified Public Accountant and a former partner with Ernst & Young, Mr. Wilford also brings significant auditing, finance, and risk management experience to our Board of Directors. His expertise continues to be critical to the Board of Directors' ongoing oversight of financial reporting and risk management.

Information About Continuing Directors Terms Expiring in 2015 (One-Year Terms Thereafter)

C. STEPHEN ALLRED

Age: 71
Director Since: 2009
Retirement: 2014

Committees:
Audit

Other Directorships (since):
Idaho Power Company (2009)**
Longenecker & Associates (2009)

Additional Information

Managing member, Allred Consulting LLC, a provider of consulting services for management, environmental, waste management, and real estate issues, since 2004

Former Assistant Secretary, Land and Minerals Management for the U.S. Department of the Interior from 2006 to 2009

Former Director of the Idaho Department of Environmental Quality from 2000 to 2004

Other Skills and Qualifications

Mr. Allred, through his former positions as Assistant Secretary, Land and Minerals Management for the U.S. Department of the Interior and as Director of the Idaho Department of Environmental Quality and Director of the Idaho Department of Water Resources, as well as his role at Allred Consulting and Longenecker & Associates, brings perspective and experience to the Board of Directors in several key areas of Idaho Power Company's business, including engineering, environmental quality, and water resources. Mr. Allred's experience in these areas provides a critical skill set for our Board of Directors' oversight of Idaho Power Company's operations (including water management and environmental resource issues) and strategic planning.

CHRISTINE KING Age: 63 Director Since: 2006	Committees: Compensation	Other Directorships (since): Idaho Power Company (2006)**
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Additional Information

Former president and CEO and director of Standard Microsystems Corporation from 2008 to 2012
 Former CEO and director of AMI Semiconductor from 2001 to 2008
 Former director of Open Silicon, Inc. from 2008 to 2012
 Former director of Atheros Communications, Inc., a developer of semiconductor system solutions for wireless and other network communications products, from 2008 to 2011
 Former director of ON Semiconductor, a supplier of silicon solutions for green electronics, from March 2008 to October 2008
 Former director of Analog Devices, a manufacturer of analog and digital signal processing circuits, from 2001 to 2008

Other Skills and Qualifications

Ms. King brings a key element of business diversity to our Board of Directors with her advanced level of experience and success in the high-tech industry. Her experience from serving as the former CEO of Standard Microsystems Corporation and former CEO of AMI Semiconductor, as well as her prior service on the boards of other public companies, provides important perspectives for our Board of Directors' deliberations.

JAN B. PACKWOOD Age: 69 Director Since: 1998	Committees: None	Other Directorships (since): Westmoreland Coal Co. (2011)^ Idaho Power Company (1997)** IDACORP Financial Services (1997)* Ida-West Energy Company (1999)*
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Additional Information

Former president and CEO of IDACORP from 1999 to 2006; CEO of Idaho Power Company from 2002 to 2005; president and CEO of Idaho Power Company from 1999 to 2002; president and chief operating officer of Idaho Power Company from 1997 to 1999; executive vice president from 1996 to 1997, and vice president - bulk power from 1989 to 1996, of Idaho Power Company

Other Skills and Qualifications

Former director of the BSU Foundation from 2002 to 2011
 As the former president and CEO of IDACORP and Idaho Power Company, Mr. Packwood brings to the Board of Directors vast knowledge of the companies, including an understanding of the risks they face. His engineering and operations background complement the backgrounds of our other board members. Mr. Packwood's operational experience is especially important as Idaho Power Company proceeds with major transmission expansion plans in the current and coming years.

Information About Our Retiring Director - Term to Expire Immediately Prior to the 2013 Annual Meeting

GARY G. MICHAEL Age: 72 Director Since: 2001	Committees: Corp. Gov. & Nominating Executive	Other Directorships (since): The Clorox Company (2001)^ Questar Corporation (1994)^ Questar Pipeline (1994)^ Idaho Power Company (2001)**
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Additional Information

Former chairman of the board of directors and CEO, 1991 to 2001, of Albertson's, Inc.
Former director on the Advisory Board of Graham Packaging Company from 2002 to 2011

Director of OfficeMax Incorporated from 2004 to 2008

Director of Harrah's Entertainment, Inc. from 2001 to 2008

Other Skills and Qualifications

Mr. Michael has brought to our Board of Directors a wealth of public company leadership experience at the board and executive levels. His 10 years of service as Chairman and CEO of Albertson's, Inc. and his service on multiple public company boards of directors has provided an invaluable source of knowledge and experience for our Board of Directors. Mr. Michael's long-standing ties to Idaho have also provided an important connection to Idaho Power Company's service territory and gave him a firm grasp of the local, state, and regional issues where our utility operations are conducted.

Committees of the Board of Directors**Overview**

Our standing committees of the Board of Directors are the audit committee, the compensation committee, the corporate governance and nominating committee, and the executive committee. The committee memberships as of the date of this proxy statement are set forth below. We also describe our board committees and their principal responsibilities in the table that follows.

Name	Audit Committee	Compensation Committee	Corp. Gov. & Nomin. Committee	Executive Committee
C. Stephen Allred ¹	n			
Richard J. Dahl ¹	n ²			n
Judith A. Johansen ¹		n	n	
J. LaMont Keen				n ²
Christine King ¹		n		
Gary G. Michael ^{1,3}			n ^{2,3}	n ³
Jan B. Packwood ¹				
Dennis L. Johnson ¹				
Joan H. Smith ¹	n		n	
Robert A. Tinstman ¹		n ²	n	n
Thomas J. Wilford ¹	n			

¹ Independent according to New York Stock Exchange listing standards and our Corporate Governance Guidelines

² Committee chairperson

³ Will retire from the Board of Directors effective immediately prior to the Annual Meeting

Audit Committee

The audit committee is a separately designated standing committee. The audit committee:

assists the Board of Directors in the oversight of the integrity of our financial statements; our compliance with legal and regulatory requirements; the qualifications, independence, and performance of our independent registered public accounting firm; the performance of our internal audit department; and our major financial risk exposures;

monitors compliance under the code of business conduct for our officers and employees and the code of business conduct and ethics for our directors, and is responsible for considering and granting any waivers for directors and

executive officers from the codes, and informs the general counsel immediately of any violation or waiver; and prepares the audit committee report required to be included in the proxy statement for our annual meeting of shareholders.

As of the date of this proxy statement, the members of the audit committee include Mr. Allred, Mr. Dahl, Mr. Wilford, and Ms. Smith. All members of the audit committee are independent under our Corporate Governance Guidelines and applicable New York Stock Exchange listing standards, including the Securities and Exchange Commission's audit committee member independence standards. The Board of Directors has determined that committee members Mr. Dahl and Mr. Wilford are audit committee financial experts as defined by the rules of the Securities and Exchange Commission. During 2012, the audit committee met nine times.

Compensation Committee

The compensation committee has direct responsibility to:

- review and approve corporate goals and objectives relevant to our CEO's compensation;
- evaluate our CEO's performance in light of those goals and objectives;
- either as a committee or together with the other independent directors, as directed by the Board of Directors, determine and approve our CEO's compensation based on this evaluation;
- make recommendations to the Board of Directors with respect to executive officer compensation, incentive compensation plans, and equity-based plans that are subject to Board of Director approval;
- review and discuss with management the compensation discussion and analysis and based on such review and discussion determine whether to recommend to the Board of Directors that the compensation discussion and analysis be included in our proxy statement for the annual meeting of shareholders;
- produce the compensation committee report as required by the Securities and Exchange Commission to be included in our proxy statement for the annual meeting of shareholders;
- oversee our compensation and employee benefit plans and practices; and
- assist the Board of Directors in the oversight of risks arising from our compensation policies and practices.

The compensation committee and the Board of Directors have sole responsibility to determine executive officer compensation, which responsibility may not be delegated. The compensation committee has sole authority to retain and terminate any consulting firm to assist the compensation committee in carrying out its responsibilities, including sole authority to approve the consulting firm's fees and other retention terms. In retaining compensation consultants, the compensation committee's charter provides that the committee is required to consider factors bearing on the independence from management of the compensation consultant and whether the work performed by the compensation consultant will raise any conflict of interest. The consulting firm also provides compensation and benefits survey data, which management and the compensation committee review in evaluating our compensation and benefit plans. Although management may request services, the compensation committee must pre-approve the engagement of the consulting firm for any services to be provided to management. These services may not interfere with the consulting firm's advice to the compensation committee. The chairperson may pre-approve services between regularly scheduled meetings of the compensation committee. Pre-approval of services by the chairperson must be reported to the compensation committee at its next meeting.

In addition, the compensation committee has responsibility for reviewing and making recommendations with respect to director compensation to the Board of Directors. For information on director compensation, refer to *Director Compensation for 2012* in this proxy statement.

Each member of the compensation committee is independent under our Corporate Governance Guidelines and applicable New York Stock Exchange listing standards. During 2012, the compensation committee met five times.

Compensation Committee Interlocks and Insider Participation

No person who served as a member of the compensation committee during 2012 has (a) served as one of our officers or employees or (b) any relationship requiring disclosure under Item 404 of the Securities and Exchange Commission's Regulation S-K. None of our executive officers serve as a member of the board of directors or compensation committee of any other company that has an executive officer serving as a member of our Board of Directors or our compensation committee.

Corporate Governance and Nominating Committee

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The corporate governance and nominating committee's responsibilities include:

- identifying individuals qualified to become directors, consistent with criteria approved by the Board of Directors;
- selecting, or recommending that the Board of Directors select, the candidates for all directorships to be filled by the Board of Directors or by the shareholders;
- developing and recommending to the Board of Directors our Corporate Governance Guidelines;
- overseeing the evaluation of the Board of Directors and management; and
- taking a leadership role in shaping our corporate governance.

Each member of the corporate governance and nominating committee is independent under our Corporate Governance Guidelines and the applicable New York Stock Exchange listing standards. During 2012, the corporate governance and nominating committee met four times.

Executive Committee

The executive committee acts on behalf of the Board of Directors when the Board of Directors is not in session, except on those matters that require action of the full Board of Directors. The executive committee also assists the Board of Directors in overseeing risk management. The executive committee is composed of our CEO and the chairpersons of each of our other standing committees. During 2012, the executive committee met once.

Director Compensation for 2012

Name (a)	Fees Earned or Paid in Cash (\$) (b)	Stock Awards (\$) (c) ¹	Option Award (\$) (d) ²	Non-Equity Incentive Plan Compensation (\$) (e)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) (f)	All Other Compensation (\$) (g)	Total (\$) (h)
C. Stephen Allred	69,000	59,991					128,991
Richard J. Dahl	83,000	59,991					142,991
Judith A. Johansen	67,500	59,991					127,491
J. LaMont Keen ³	3	3	3	3	3	3	3
Christine King	63,000	59,991					122,991
Gary G. Michael	143,500	59,991			19,130		222,621
Jan B. Packwood	75,300	59,991					135,291
Richard G. Reiten ⁵	23,250	59,991			10,407		93,648
Joan H. Smith	75,000	59,991					134,991
Robert A. Tinstman	77,500	59,991			46,326		183,817
Thomas J. Wilford	69,000	59,991			11,576		140,567

¹ This column reflects the grant date fair value of IDACORP common stock awarded to our non-employee directors measured in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 *Stock Compensation*. The grant date fair value is based on the closing price of IDACORP common stock on the business day before the grant date. The grant date fair value for the awards included in this column is based on the closing price of IDACORP common stock on February 29, 2012, which was \$40.48.

² No options were awarded to directors in 2012. The following table represents options outstanding at December 31, 2012 for each non-employee director:

Name	Options Outstanding	Name	Options Outstanding
C. Stephen Allred	0	Jan B. Packwood	0
Richard J. Dahl	0	Richard G. Reiten	0

Name	Options Outstanding	Name	Options Outstanding
Judith A. Johansen	0	Joan H. Smith	3,000
J. LaMont Keen	0	Robert A. Tinstman	5,250
Christine King	0	Thomas J. Wilford	3,000
Gary G. Michael	0		

³ Mr. Keen is also our CEO, and thus does not receive fees or awards for his service as a member of our Board of Directors. Mr. Keen's compensation as our CEO is discussed in *Part 4 Executive Compensation* in this proxy statement.

⁴ Represents above-market interest on deferred fees.

⁵ Retired from the Board of Directors effective as of May 17, 2012.

⁶ Represents \$29,238 in above-market interest accrued on deferred fees and \$17,088 relating to the change in present value of Mr. Tinstman's retirement benefit payments under the Idaho Power Company Security Plan for Directors, which was terminated on April 1, 2002.

Director Compensation Amounts for 2012

In late 2011, our compensation committee requested that Pay Governance LLC, a national compensation advisory service, perform an analysis of the competitive positioning of our non-employee director compensation program. Pay Governance evaluated the competitiveness, mix, and form of pay vehicles, stock ownership guidelines, and other elements of director compensation. After comparing our non-employee directors' compensation against a utility peer group, Pacific Northwest peer group, and blended group, Pay Governance determined that our non-employee director compensation was below market median levels, primarily due to below market equity awards, with stock-based compensation in the 25th percentile of the utility group and blended group, and between the 25th and 50th percentile of the Pacific Northwest peer group. Pay Governance presented the results of its analysis to our Board of Directors in January 2012. Based on the results of the analysis, the Board of Directors elected to leave the base retainer fee unchanged but increase the dollar amount of annual stock awards from \$45,000 to \$60,000, and increase the annual retainer fee for the chairman from \$75,000 to \$85,000.

The table that follows sets forth the fees payable to our non-employee directors as of the date of this proxy statement. The fees and other compensation shown in the table and discussed below are for service on both boards as well as for service on any subsidiary board. All directors of IDACORP also serve as directors of Idaho Power. Employee directors receive no compensation for service on the boards.

Form of Fee	Amount
Base Retainer	\$ 45,000
Additional Retainers:	
Chairman of the board	85,000
Chairman of audit committee	12,500
Chairman of compensation committee	10,000
Chairman of corporate governance committee	6,000
Meeting Fees: ¹	
Board meeting	1,500
Committee meeting	1,500
Shareholder meeting	1,500
Annual Stock Awards	60,000
Subsidiary Board Fees:	
IDACORP Financial Services: ²	
Monthly retainer	750
Meeting fees	600
Ida-West Energy: ³	
Monthly retainer	750

Form of Fee	Amount
Meeting fees	600

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- 1 The chairman of the board does not receive fees for attendance at full board or shareholder meetings.
- 2 Mr. Packwood serves on the IDACORP Financial Services board.
- 3 Mr. Packwood serves on the Ida-West Energy board.

Deferral Arrangements

Directors may defer all or a portion of their annual IDACORP, Idaho Power, IDACORP Financial Services, Inc., and Ida-West Energy retainers and meeting fees and receive a lump-sum payment of all amounts deferred with interest or a series of up to 10 equal annual payments after they separate from service with IDACORP and Idaho Power. Any cash fees that were deferred before 2009 for service as a member of the Board of Directors are credited with the preceding month's average Moody's Long-Term Corporate Bond Yield for utilities, or the Moody's Rate, plus 3%, until January 1, 2019 when the interest rate will change to the Moody's Rate. All cash fees that are deferred for service as a member of the Board of Directors beginning January 1, 2009 are credited with interest at the Moody's Rate. Interest is calculated on a pro rata basis each month using a 360-day year and the average Moody's Rate for the preceding month.

Directors may also defer their annual stock awards, which are then held as deferred stock units with dividend equivalents reinvested in additional deferred stock units. Upon separation from service with IDACORP and Idaho Power, directors will receive either a lump-sum distribution or a series of up to 10 equal annual installments. Upon a change in control the directors' deferral accounts will be distributed to each participating director in a lump sum. The distributions will be in shares of our common stock, with each deferred stock unit equal to one share of our common stock and any fractional shares paid in cash.

Stock Ownership Guidelines for Directors

The Board of Directors adopted stock ownership guidelines for non-employee directors in January 2006, which provided that each non-employee director is expected to own IDACORP common stock equal in value to two times his or her current base annual retainer fee. A director is allowed three years to meet these requirements. In January 2012, commensurate with the increase in dollar amount of annual stock awards, the stock ownership guidelines were amended to provide that each non-employee director is expected to own IDACORP common stock equal in value to three times his or her current base annual retainer fee. As of December 31, 2012, all of our directors were in compliance with the amended guidelines. Once a director reaches the stock ownership target under the guidelines, based on the then-current stock price, the director will remain in compliance with the guidelines, despite future changes in stock price, as long as the director continues to own the minimum number of shares that brought the director into compliance with the stock ownership target. If the base annual retainer fee increases, directors who have already met their stock ownership targets will need to meet the stock ownership guidelines only for the amount of increase in the base annual retainer fee.

Anti-Hedging and Anti-Pledging Policy for Directors

The same prohibitions on hedging ownership of our common stock and the pledging of our securities as collateral that apply to our executive officers, which are described in Part 4 Executive Compensation Other Compensation Policies and Information of this proxy statement, apply equally to members of our Board of Directors.

Retirement Benefits

Effective April 1, 2002, we terminated the Idaho Power Company Security Plan for Directors. At that time, current directors were entitled to their vested benefits under the plan as of January 15, 2002. The plan was a nonqualified deferred compensation plan that provided for retirement benefit payments. The maximum payment is \$17,500 per year for a period of 15 years. Directors elected prior to November 30, 1994 could elect 180 monthly installments or a single life annuity with a joint and survivor option. Directors elected after November 1994 receive a single life annuity with a joint and survivor option. Benefits are paid to inside directors on the 10th day of the month after severance from service on the Board of Directors. Benefits are paid to outside directors on the 10th date of the month after the later of severance from service on the board or reaching age 65. During 2012, Mr. Tinstman, who was elected after November 30, 1994, was the only director with vested benefits in the plan.

PART 4 EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Our review of executive compensation in this *Compensation Discussion and Analysis* begins with an overview of our 2012 performance and related executive-level compensation, followed by a description of our overall executive compensation philosophy and policy, which are the general principles that guide our executive compensation decisions. We then describe the components of our executive compensation and the process that our compensation committee uses to set executive compensation. Finally, we explain how the compensation committee applied this process to establish our named executive officers (referred to as NEOs) compensation for 2012. For 2012, our NEOs were:

J. LaMont Keen, president and CEO of IDACORP and CEO of Idaho Power;
Darrel T. Anderson, executive vice president administrative services and chief financial officer (CFO) of IDACORP and president and CFO of Idaho Power;
Daniel B. Minor, executive vice president of IDACORP and executive vice president and chief operating officer of Idaho Power;
Rex Blackburn, senior vice president and general counsel of IDACORP and Idaho Power; and
Lisa A. Grow, senior vice president power supply of Idaho Power.

This *Compensation Discussion and Analysis* contains statements regarding future performance targets and goals. These targets and goals are disclosed in the limited context of our compensation programs and should not be understood to be statements of management's expectations or estimates of results or other guidance. We caution readers not to apply these statements to other contexts.

Executive Overview***General Compensation Goals and Emphasis on At-Risk Compensation for NEOs***

The general design of our 2012 executive compensation program was largely unchanged relative to 2011, and has remained substantially the same for several years, other than changes to metrics to incent continuous improvement and changes to conform to what we view as best practices. Our retention of the general program design has been influenced in part by the voice of our shareholders, as indicated by the results of the say-on-pay vote at the 2011 annual meeting. At that meeting, and again at the 2012 annual meeting, approximately 95 percent of votes cast were cast in favor of our executive compensation program.

We believe strong performance by our executive officers is essential to achieving long-term growth in shareholder value and to delivering superior service to our utility customers. We seek to accomplish this by making the majority of an executive officer's pay at risk, meaning we tie executive compensation to our financial and operational performance of interest to both our shareholders and our customers. The amount of the at-risk portion of our executives' compensation depends on our achieving successful results over one- and three-year performance periods. As an executive's level of responsibility increases, so does the percentage of total compensation at risk, which we believe aligns the interests of our executives who have the highest level of decision-making authority with the interests of our stakeholders.

Our 2012 Financial and Operational Performance

The year 2012 was a successful one for our company. There were a number of achievements during 2012 that we believe are representative of that success, most notably the following:

our 2012 earnings per diluted share were \$3.37, compared to \$3.36 per diluted share in 2011;
in furtherance of the previously adopted dividend policy, our Board of Directors voted to increase the quarterly dividend from \$0.30 per share to \$0.38 per share;

Idaho Power placed its Langley Gulch natural gas-fired power plant into service in June 2012, ahead of schedule and within budget, and received orders from regulators authorizing increases in Idaho and Oregon base rates for recovery of Idaho Power's investment in the power plant and associated costs;

Idaho Power extended for two years its voluntary CO₂ emission intensity reduction goal, through 2015;

Idaho Power ranked in the top quartile of the 126 largest utilities in the country for customer satisfaction in the J.D. Power and Associates 2012 Electric Utility Residential Customer Satisfaction Survey, and was recognized for Highest Customer Satisfaction with Business Electric Service in the Western U.S. among Midsize Utilities in a Tie in the J.D. Power and Associates 2012 Electric Utility Business Customer Satisfaction Study of more than 90 utility brands across the U.S.; and Idaho Power ranked among the 40 Best Energy Companies by *Public Utilities Fortnightly*.

2012 NEO Compensation Design and Mix

A significant aspect of our compensation-setting process is our annual market compensation analysis. We use the competitive data as one important element in determining base salaries and target incentive compensation for our executives. In general, the compensation committee seeks to compensate our executive officers near the market median of the peer groups used in our market compensation analysis. In determining the 2012 base salary and target incentive compensation of each executive officer, the compensation committee also considered incentive pay weighting, differentials related to experience and job responsibilities, individual performance, company performance, external market conditions, and pay equity among the officer team.

Consistent with prior years, we designed our 2012 executive compensation program to provide fixed compensation (base salary) to promote retention of our executives and provide at-risk compensation (short-term and long-term incentive compensation) to help ensure a focus on operational and financial performance for the benefit of our company, our shareholders, and our other stakeholders. Our short-term incentive compensation is paid in cash, if earned, based on single-year performance. Our long-term incentive compensation is paid in IDACORP common stock based on performance over a three-year period. The allocation of the target direct compensation mix for 2012 is illustrated below.

We set rigorous performance goals for our short- and long-term incentive compensation programs to assure that payouts are only earned upon positive performance benefiting our shareholders and other stakeholders. The nature of the 2012 performance goals and their respective weightings for our short- and long-term incentive compensation were unchanged from 2011 and are illustrated in the charts that follow (CEPS refers to cumulative earnings per share and TSR refers to relative total shareholder return).

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Short-term Incentive (One Year)

Long-term Incentive (Three Year)

By using metrics tied to both operational and financial performance, as shown in the charts above, our executives' annual compensation can vary considerably depending on our actual operational and financial performance in any period. This is the at risk component of our executives' compensation.

Each year our compensation committee reviews and establishes a threshold, target, and maximum performance level for each of our short- and long-term incentive plan goals. The compensation committee seeks to establish performance levels that assure the goals properly reflect our performance, are realistic enough to be achievable, and are difficult enough to incentivize outstanding performance. The compensation committee has adjusted the required performance levels for our incentive plan goals over time to encourage year-over-year performance improvement. For our two short-term incentive operational goals of customer satisfaction and service reliability, we have either maintained or increased the target performance levels each year since the operational goals were first adopted in 2006. For our short-term incentive financial goal of consolidated net income, we have increased the target performance level significantly, from a target of \$87 million in 2007 to \$150 million in 2012. For our long-term incentive goal of CEPS, we have also increased the target performance level significantly, from \$6.20 for the 2007-2009 performance period to \$9.50 for the 2012-2014 performance period. Our other long-term incentive goal, TSR, is a relative goal and thus we have not increased the target performance level for that goal, which for 2012 grants remained at the 55th percentile of our total shareholder return peer group.

Our incentive plan goals are intended to motivate our executive officers to achieve results that will benefit our shareholders and customers. We have needed to produce significantly increased net income over the past five years to reach our increasing short- and long-term incentive goals. And, in fact, our net income has increased every year over the five-year period, from \$98.4 million for 2008 to \$168.8 million for 2012.

Impact of Change in Pension Value on Reported Total CEO Compensation

As we noted in last year's proxy statement for the 2012 annual meeting of shareholders, we believe the significant levels of Change in Pension Value and Nonqualified Deferred Compensation Earnings in the 2012 Summary Compensation Table, and inclusion of that amount in the calculation of total compensation shown in the Total column in the 2012 Summary Compensation Table as required by the rules of the Securities and Exchange Commission, distort Mr. Keen's actual compensation and underemphasize the degree to which his compensation is dependent upon the achievement of performance-related goals. Of the amount listed as Total 2011 compensation for Mr. Keen in the 2012 proxy statement, nearly half was attributable to the change in actuarial present value of his estimated pension benefits, reflective of his over 38-year tenure with our company and changes in the various actuarial assumptions (like discount rates) that are used to derive the change in present value of pension benefits. For 2012, the result is similar. While we have presented Mr. Keen's compensation in the 2012 Summary Compensation Table in the manner required by Securities and Exchange Commission rules, we believe it results in a Total compensation amount that is not useful for direct comparison of Mr. Keen's 2012 compensation to the compensation of our peers' CEOs. We instead believe a focus on his salary and performance-based (at risk) compensation is more appropriate.

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Our Compensation Philosophy and Policy

Compensation decisions for our executive officers, including our NEOs, are made in the context of our overall compensation philosophy. Our executive compensation philosophy is to provide balanced and competitive compensation to our executive officers to ensure that we are able to attract and retain high-quality executive officers, and to motivate our executive officers to achieve performance goals that will benefit our shareholders and customers and contribute to the long-term success and stability of our business without excessive risk-taking. Our Board of Directors adopted a formal executive compensation policy in January 2007, upon the recommendation of the compensation committee, and the compensation committee reviews the policy annually. The policy includes the following compensation-related objectives:

- manage officer compensation as an investment with the expectation that officers will contribute to our overall success;
- recognize officers for their demonstrated ability to perform their responsibilities and create long-term shareholder value;
- be competitive with respect to those companies in the markets in which we compete to attract and retain the qualified executives necessary for long-term success;
- be fair from an internal pay equity perspective;
- ensure effective utilization and development of talent by working in concert with other management processes, such as performance appraisal, management succession planning, and management development; and
- balance total compensation with our ability to pay.

In addition to the process and tools our compensation committee uses for setting executive compensation, our compensation philosophy involves a number of governance principles, including:

- stock ownership and retention requirements for our officers and directors;
- an independent compensation committee, and retention by the compensation committee of an independent compensation consultant;
- maintaining the separation of the roles of chairman of our Board of Directors and CEO, and strong board committee chairs;
- prohibitions on insider trading and on hedging and pledging of our common stock by our officers;
- an annual review of compensation-related risks, and mitigating risk by capping the maximum payout of incentive compensation;
- limiting the availability and use of executive perquisites; and
- considering the results of the annual say-on-pay advisory vote.

Components of Our Executive Compensation

Compensation for our executive officers is comprised of:

<p>Base Salary</p>	<p>Base salary consists of fixed cash payments. We pay base salaries in order to provide our executive officers with sufficient regularly paid income and to secure officers with the knowledge, skills, and abilities necessary to successfully execute their job duties and responsibilities. Base salary is not based on or adjusted pursuant to pre-determined numeric enterprise performance goals, but rather is based on or adjusted pursuant to a series of factors related to the officer's position, experience, and individual and company performance.</p>
<p>Short-Term Incentive Compensation</p>	<p>Short-term incentive compensation under our Executive Incentive Plan is based on annual performance goals and is intended to encourage and reward short-term financial and operational performance results. We provide executive officers the opportunity to earn cash-based short-term incentives in order to be competitive from a total compensation standpoint and to ensure focus on annual financial, operational, and customer service goals.</p>

<p>Long-Term Incentive Compensation</p>	<p>Long-term incentive compensation is intended to encourage and reward long-term performance and promote retention and is based on performance goals achievable over a period of years. We grant executive officers the opportunity to earn stock-based long-term compensation in order to be competitive from a total compensation standpoint, to ensure focus on long-term financial goals, to develop and retain a strong management team through share ownership, to recognize future performance, and to maximize shareholder value by aligning executive interests with shareholder interests.</p>
<p>Health and Welfare Benefits</p>	<p>We make available general employee benefits for medical, dental, and vision insurance, an employee stock purchase plan (a 401(k) plan), and disability coverage to all management employees, including our NEOs. Our NEOs are also eligible to participate in an executive physical program, which provides executive management employees access to a comprehensive physical exam.</p>
<p>Post-Termination Benefits</p>	<p>We offer two tax-qualified retirement plans, including the 401(k) plan, to provide retirement savings opportunities. Both of these plans are available to most employees. Our NEOs are also entitled to benefits under our Senior Management Security Plans. We believe the retirement benefits we provide encourage our executive officers to make long-term commitments to our company and serve as an important retention tool because benefits under our retirement benefit plans (including our defined benefit pension plan) increase with an employee's period of service and earnings and, with respect to the pension plan and Senior Management Security Plans, are not portable. We also have change in control severance agreements with each of our NEOs. We believe the change in control severance agreements promote retention during periods of uncertainty. Details and specific amounts and calculations of retirement</p>

Other Benefits

benefits and change in control arrangements for our NEOs are set forth below under Post-Termination Compensation Programs and in the compensation tables provided later in this proxy statement. Other benefits include an Executive Deferred Compensation Plan and limited perquisites. We believe these other benefits, though limited, are important in recruiting and retaining executive talent.

Role of the Compensation Consultant and Management in Establishing Executive Compensation

The compensation committee, our compensation consultant, and management all participate in the process of setting executive compensation. The compensation committee has primary responsibility for determining the compensation provided to our executive officers. The compensation committee receives information and advice from its compensation consultant and from management and makes a determination of executive officer compensation, which the committee then recommends to the full Board of Directors for approval.

The compensation committee retained Pay Governance, LLC (Pay Governance) for advice regarding executive officer compensation for 2012, primarily to provide the compensation committee with general compensation market information and trends, to review the structure of our compensation programs, and to provide insight and analysis to the compensation committee at committee meetings. During 2012, Pay Governance did not provide services to us beyond its advice regarding executive officer and director compensation. In connection with its retention of Pay Governance as an advisor, the compensation committee assessed the independence of Pay Governance and determined that Pay Governance was independent. In September 2012, and again in January 2013 in connection with the execution of a new engagement agreement, the compensation committee evaluated whether the work to be performed by Pay Governance would raise any conflicts of interest, and determined that no such conflicts of interest existed.

Our executive officers are also involved in the process of reviewing executive compensation, and Mr. Keen, Mr. Anderson, our vice president of human resources, and our corporate secretary regularly attend compensation committee meetings. Mr. Keen and several of our executive and senior vice presidents review and comment on the market compensation data provided by our human resources department, including the make-up of market comparison groups and the description of comparable officer positions. Mr. Keen and the other participating executive and senior vice presidents utilize the competitive market data, along with other factors related to an executive officer s position,

experience, and individual performance, to develop proposed compensation levels for those executive vice presidents, senior vice presidents, or vice presidents that report to them. Our executive officers also review and recommend performance goals and goal weightings for our short-term and long-term incentive plans. Mr. Anderson presents these compensation proposals to the compensation committee, which reviews and may modify the proposals before approving them. Mr. Keen is not involved in the review of his own compensation, though he does prepare and deliver a self-evaluation to the compensation committee, and performs and delivers to the compensation committee an evaluation of the performance of other executive officers.

The Process, Data, and Metrics We Use for Establishing Executive Compensation

Consistent with prior years, our 2012 executive compensation decisions were made in the following four steps:

- Conduct a general review of the components of executive compensation and industry practices and consider potential changes;
- Analyze peer groups and market data to assess competitiveness of compensation and consider potential changes;
- Review total compensation structure, internal pay equity analysis, and the allocation of various forms of compensation; and
- Review organizational results and individual executive officer performance, responsibility, and experience to determine compensation levels and opportunities for each executive officer.

Market Compensation Data and Analysis

Overview of Our Use of Market Compensation Data

In September 2011, our human resources department used market compensation data to prepare a market compensation analysis, which our compensation committee then used to assist with setting base salaries and target incentive compensation levels for our executive officers. The market compensation analysis provides a market compensation range for each of our executive officer positions for base salary, short-term incentive compensation, and long-term incentive compensation, and for combinations of these three elements, based on compensation provided to officers in similar positions at peer group companies. We believe the market compensation information is important because it provides an indication of the levels of compensation that are needed to enable us to remain competitive with other companies in attracting and retaining executive officers. An individual executive officer's compensation may be positioned above or below the market level for his or her position, depending on the level of experience, responsibility, and performance. The compensation committee uses its judgment and Mr. Keen's performance feedback in assessing experience, responsibility, and performance in determining where an executive officer's compensation should align relative to the market level.

The two sources of market compensation data we used to prepare the market compensation analysis for the development of our 2012 executive officer compensation were:

Towers Watson's 2011 annual private nationwide survey of corporate executive compensation; and
2011 public proxy statement compensation data from designated peer group companies.

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Our Private Survey Compensation Data Source

Following is a breakdown of Towers Watson's 2011 private survey data used in our market compensation analysis (see Appendix A to this proxy statement for the names of the companies included in the survey data):

Survey ¹	Annual Revenues Less Than \$1 Billion		Publicly Traded Companies Participating		Annual Revenues Between \$1 Billion and \$3 Billion	
	Companies Participating (#)	Average Revenues (\$)	(#)	(#)	Average Revenues (\$)	Publicly Traded Companies (#)
General Industry Executive Compensation Database	38	\$699 million	32	105	\$2.0 billion	82
Energy Services Industry Executive Compensation Database	25	\$513 million	7	36	\$1.9 billion	25

¹ The information in the table is based solely on information provided by the publishers of the surveys and is not deemed filed or a part of this *Compensation Discussion and Analysis* for certification purposes.

Our annual revenues were approximately \$1.1 billion in 2012 and approximately \$1.0 billion in each of 2010 and 2011, which places us in close proximity to the \$1.0 billion annual revenue division point between the two survey groups indicated above. However, we believe that our revenues tend to be lower, as compared with other companies of similar size and complexity, due to our relatively low electricity prices, and thus we believe companies with revenues in the \$1 billion to \$3 billion range of annual revenues are suitable peers for compensation comparison purposes.

For purposes of determining 2012 compensation, the private survey groups were divided into an energy industry comparison group, a general industry comparison group, and a blended comparison group weighted 80 percent for energy companies and 20 percent for general industry companies.

Our Public Proxy Compensation Data Source

Our second source of market compensation data comes from the public proxy statements of our selected peer group companies. Our management and the compensation committee worked together in developing and approving two peer groups of companies consisting of a national energy industry peer group and a regional general industry peer group, which were the same companies we used for the prior year. The national energy industry peer group companies were:

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Avista Corp.	Empire District Electric Co.	NV Energy Inc.
Cleco Corp.	Great Plains Energy Inc.	UniSource Energy Corp.
DPL Inc.	PNM Resources Inc.	Westar Energy Inc.
El Paso Electric Co.	Portland General Electric Co.	

The regional general industry peer group companies were:

Avista Corp.	Nautilus Inc.	Portland General Electric Co.
Coldwater Creek Inc.	Northwest Natural Gas Co.	Questar Corp.
Columbia Sportswear Co.	Nu Skin Enterprises Inc.	Schnitzer Steel Industries Inc.
Micron Technology Inc.	Plum Creek Timber Co. Inc.	Sky West Inc.

While we have lower revenues than a number of the peer group companies, this reflects the fact that our electricity prices are among the lowest in the nation. The compensation committee believes that our low electricity prices do not reduce the size or complexity of our business and that our peer groups are appropriate for executive officer compensation comparison purposes. Our total assets are above the average of the two peer groups, and our market capitalization is similar in size to the peer group averages.

While the Towers Watson private survey data apply to all of our executive officer positions, the public proxy compensation data are limited to the NEO positions of the peer group companies reviewed. Accordingly, our use of public proxy compensation data in the market compensation analysis is focused on our NEOs.

How We Use the Private and Public Proxy Compensation Data Sources

In connection with the market compensation analysis, our human resources department identified comparable executive officer positions within the private survey compensation information and developed tables showing the comparable executive officers' base salary, short-term incentive compensation, long-term incentive compensation, and combinations of these elements. Our human resources department then compared our executive officer compensation with the executive officer compensation from the private survey compensation database.

Because the public proxy compensation data is not nearly as broad or detailed as the private survey data, the compensation committee used the public proxy compensation data as a secondary data source to provide general confirmation of the compensation levels for our NEOs. The compensation committee's primary information source in assessing competitive compensation levels is the more comprehensive private survey compensation data.

In establishing a target for compensation of each executive officer, we generally begin with the market median of the comparison group data—the 50th percentile of that group. Based on a recommendation from our compensation consultant, our human resources department has historically, and for 2012, established and recommended to the compensation committee a competitive range of target direct compensation for our executive officers. For 2012, the total target direct compensation range was 85 percent to 115 percent of the market median for each position. Our executive officer compensation typically will fall within that range, but we may set compensation levels above or below the range depending on the experience, responsibility, and performance of the particular executive officer. For 2012, the total target direct compensation for each of our NEOs was within the established 85 percent to 115 percent of market median range, with the exception of Ms. Grow. Ms. Grow's total target direct compensation was 120 percent of the market median for her peer comparison, which reflects her strong performance and the fact that the duties and responsibilities of her position are greater overall than the comparable market positions used for her compensation analysis.

Review of Total Compensation Structure

Each year, the compensation committee reviews the total compensation structure for each NEO. As in prior years, the compensation committee began this process for 2012 executive compensation with a review of the compensation elements set forth in the *Summary Compensation Table* and other compensation disclosures from the previous year's proxy statement, including the potential termination and change in control payments to which the NEOs would be entitled upon the occurrence of certain events. The compensation committee also reviewed an internal pay equity analysis presented by our management, which showed the following ratios for internal pay equity based on proposed (as of the date of the review) 2012 target direct compensation amounts:

Officer Comparison	Internal Pay Ratio 2012 Target Direct Compensation
Chief executive officer to executive and senior vice presidents	2.81x
Chief executive officer to senior managers (grade S-3 compensation)	9.55x

The review of our executive officers' levels of historical compensation, potential termination and retirement benefits, internal equity, and IDACORP stock ownership help the compensation committee determine whether the compensation committee should adjust an executive officer's target direct compensation. The compensation committee also reviews the mix of compensation of our executive officers against the mix of compensation of our peers, information about which is provided in connection with the market studies described above. Based on these reviews, the compensation committee determined that no changes to the overall structure of our compensation programs or the forms of compensation payable to our executive officers for 2012 were necessary. In making this determination, the compensation committee exercised its subjective judgment and did not rely on specific information resources.

Allocation of Compensation

Our executive compensation policy provides that cash compensation (including base salary and short-term incentive payments) at target for all of our executive officers should range from 55 percent to 80 percent of total target direct compensation. In addition, the policy provides that the short-term incentive compensation target should vary by position and range from approximately 15 percent to 25 percent of an executive officer's total target direct compensation. The policy also provides that long-term incentive compensation (consisting of two-thirds performance-

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based shares and one-third time-vesting restricted stock) at target for our executive officers should range from 20 percent to 50 percent of total target direct compensation. We also apply a policy that provides that the higher the executive officer's position, the greater the emphasis on long-term results and, therefore, on equity-based compensation. Accordingly, our CEO's compensation is typically weighted more heavily toward long-term incentive compensation in the form of stock grants compared to our other executive officers' compensation. This structure is intended to provide the appropriate balance between at-risk compensation tied to executive performance and base salary to promote executive retention.

We believe that combined short- and long-term incentive compensation comprising 35 percent to 75 percent of total target compensation is appropriate because:

- our executive officers, including our NEOs, are in positions to drive, and therefore bear high levels of responsibility for, our corporate performance;
- incentive compensation is at risk and dependent upon our performance; and
- making a significant amount of our executive officers' (including our NEOs') target compensation contingent upon results that are beneficial to shareholders helps ensure focus on the goals that are aligned with our overall strategy.

We believe that our executive compensation structure is well balanced in addressing our compensation objectives. In particular, base salary and severance/retirement benefits provide competitive income security for our executives, and short- and long-term incentive awards provide additional compensation opportunities for achieving outstanding performance and motivation for our executive officers to achieve our operational and financial goals. We also believe that our executive compensation structure is meeting our fundamental compensation objectives of attracting and retaining qualified executives and motivating those executives to achieve key performance goals for the benefit of our customers and shareholders. Retaining officers over the long term has helped us to establish a cohesive executive team that takes a long-term view and has delivered superior results for our shareholders and customers.

Individual Executive Officer Performance Criteria and Evaluation

After the compensation committee reviews the market compensation data and has considered the structure and proper allocation of compensation, it reviews each executive officer’s level of experience, responsibility, and performance to determine what the executive officer’s base salary and target incentive compensation should be relative to the market median, keeping in mind the 85 percent to 115 percent target total direct compensation range and the allocation of compensation outlined by our executive compensation policy as described above. For the review of Mr. Keen’s performance, each of our directors completes an annual written evaluation, which addresses strengths, achievements, opportunities for improvement, and other attributes of Mr. Keen’s performance, the results of which are discussed by the full Board of Directors. This evaluation covers the fourteen attributes in the table that follows.

Strategic Capability	Leadership	Performance
<i>Vision</i> builds and articulates a shared vision	<i>Character</i> committed to personal and business values and serves as a trusted example	<i>Financial</i> financial performance meets or exceeds plan and is competitive relative to industry peers
<i>Strategy</i> develops a sound, long-term strategy	<i>Temperament</i> emotionally stable and mature in the use of power	<i>Relationships</i> builds and maintains relationships with key stakeholders
<i>Implementation</i> ensures successful implementation; makes timely adjustments when external conditions change	<i>Insight</i> understands own strengths and weaknesses and is sensitive to the needs of others	<i>Leadership</i> dynamic, decisive, strong confidence in self and others; demonstrates personal sacrifice, determination, and courage
<i>Courage</i> handles adversity and makes the tough calls when necessary	<i>Operational</i> establishes performance standards and clearly defines expectations	
<i>Charisma</i> paints an exciting picture of change; sets the pace of change and orchestrates it well	<i>Succession</i> develops and enables a talented team	

	Strategic Capability	Leadership	Performance
Compliance	establishes strong auditing and internal controls and fosters a culture of ethical behavior		

For other executive officer reviews, Mr. Keen provides to the compensation committee an evaluation of each executive officer's accomplishments during the year and overall performance under the following primary categories:

financial strength	customer satisfaction
operational excellence	safe, engaged, and effective employees

In addition, each executive officer, including Mr. Keen, is evaluated against the following eight competencies:

establishing strategic direction	operational decision making	driving for results
building organizational talent	business acumen	developing strategic relationships
customer orientation	leadership	

While the general factors used for evaluation are the same, the evaluation of each of our executive officers under each category involves a review of more specific factors relevant to that officer's position. For instance, in connection with its evaluation of the operational decision making competency for an officer involved in Idaho Power's power supply operations, the compensation committee may take into consideration progress on Idaho Power's environmental stewardship initiatives, maintenance of Idaho Power's hydroelectric generation base, improvements in compliance programs, and the matching of Idaho Power's loads with its resources. These sub-factors considered by the compensation committee vary based on the specific functions and responsibilities of each executive officer. Each executive officer must also generate specific performance goals for each year, which the compensation committee reviews and evaluates in connection with its compensation decisions.

2012 NEO Performance Evaluation Results

In connection with its annual evaluation of our NEOs' performance, the compensation committee identified the following non-exclusive contributions and accomplishments during 2011 that were relevant to establishing the NEOs' base salaries and incentive compensation opportunities for 2012:

Mr. Keen	The Board of Directors and compensation committee provided positive reviews of Mr. Keen's performance in 2011. The Board of Directors and compensation committee found that Mr. Keen provided continued strong leadership during a weak economic climate in Idaho Power's service territory. Mr. Keen's evaluation also reflected as positive factors his contributions to establishing a purposeful regulatory strategy that resulted in a number of important orders from the Idaho and Oregon public utility commissions, and his efforts to further our capital projects. The Board of Directors also acknowledged his 38 years of service to the company and the value of his broad experience to the enterprise as a whole and to our existing executive leadership.
Mr. Anderson	In November 2011, Mr. Anderson was promoted to president and CFO of Idaho Power, from his previous position as executive vice president of administrative services and CFO. As a result of his promotion at Idaho Power, his duties and responsibilities were expanded. Mr. Anderson also accomplished several key initiatives during 2011, including setting long-term strategy, enhancing investor relations, contributions to tax projects and regulatory initiatives, effective oversight of capital budgets, and involvement in enhancements to safety programs.
Mr. Minor	In November 2011, Mr. Minor was promoted to the role of executive vice president and chief operating officer of Idaho Power, from his previous position as executive vice president - operations

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of Idaho Power. Mr. Minor's accomplishments during 2011 included his contributions to further construction of Idaho Power's Langley Gulch power plant, which was ultimately completed in mid-2012 within budget and ahead of schedule, negotiation with third parties and permitting of Idaho Power's 500-kV transmission line projects, successful oversight of Idaho Power's effort to develop a load-serving organization structure, and continued integration of operating units.

Mr. Blackburn

When evaluating Mr. Blackburn's 2012 compensation, the compensation committee noted several accomplishments during 2011, including his oversight of effective legal services relating to hydroelectric relicensing, capital projects, litigation, and compliance, as well as continued significant reductions in external legal fees and expenses and increases in client satisfaction. The compensation committee also acknowledged his contributions to a number of significant regulatory proceedings and settlements, including general rate cases.

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Ms. Grow

In connection with determining Ms. Grow's 2012 compensation, the compensation committee noted that she had led to completion during 2011 a number of important initiatives in the power supply area. She also made positive contributions to the evaluation of Idaho Power's Shoshone Falls hydroelectric generation expansion project, Idaho Power's 2011 Integrated Resource Plan and a wind integration study, and the development of new operational metrics for the power supply area. She also continued to act as an effective spokesperson for Idaho Power.

Consideration of Shareholder Advisory Say-on-Pay Vote Results

At the May 2012 annual meeting of shareholders, approximately 95 percent of votes cast were cast in favor of our executive compensation program, roughly equivalent to the voting result from the May 2011 annual meeting of shareholders. The compensation committee believes that the level of support indicated by the say-on-pay vote reflects favorably on our executive compensation program. The shareholder vote we received in 2011 was an important indicator to management, the compensation committee, and the Board of Directors regarding investor sentiment about our executive compensation philosophy, policies, and practices. Based in part on the results of the vote held in 2011, the compensation committee continued to apply the same principles and philosophy it has used in previous years in determining executive compensation for 2012.

2012 Named Executive Officer Compensation

Base Salary

As discussed above, the compensation committee reviewed the base salary market data from the market compensation analysis, including a comparison of each NEO's current base salary with the market median from the peer comparison for that position. As a component of determining appropriate 2012 compensation levels, the compensation committee also reviewed the 2011 performance evaluations for each NEO. Based on its review and analysis of this information, in January 2012 the compensation committee recommended, and the Board of Directors approved, the following NEO base salaries for 2012:

Executive	2012 Base Salary (\$)	% Increase from 2011 Year-End Base Salary ¹		2012 Market Median Base Salary ² (\$)	Base Salary as a % of Market Median	
		(%)	(%)		(%)	(%)
Mr. Keen	\$ 675,000	6.3	%	\$ 627,000	108	%
Mr. Anderson	420,000	9.7	%	505,000	83	%
Mr. Minor	385,000	6.9	%	394,000	98	%
Mr. Blackburn	300,000	11.1	%	302,000	99	%
Ms. Grow	260,000	8.3	%	238,000	109	%

¹ Represents the increase relative to the amount of annual base salary in effect as of year-end 2011.

² In determining the market median base salaries, the compensation committee used the energy industry comparison group as the market benchmark for Ms. Grow and the blended comparison group (weighted 80 percent for energy companies) as the market benchmark for our other NEOs.

In establishing the 2012 base salaries, the compensation committee considered the following:

Mr. Keen's 2012 base salary as a percent of market median was 108 percent, an increase from 102 percent of the market median in 2011. His 2012 base salary was, however, within the targeted range of 85 percent to 115 percent of market median for his position.

Mr. Anderson's November 2011 promotion resulted in a change to the comparable position at peer companies, resulting in a significant increase in the market median base salary from \$383,000 in 2011 (for his prior position) to \$505,000 in 2012. As a result of his new duties and responsibilities, the significant change in the market median, as well as his performance during 2011, Mr. Anderson's 2012 base salary was increased by 9.7 percent from his 2011 base salary. As a result of the significant increase in the market median for his position, without a corresponding proportionate increase in Mr. Anderson's base salary, Mr. Anderson's 2012 base salary was below the targeted range of 85 percent to 115 percent of market median, reflecting his short tenure in his new position.

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Mr. Minor's base salary for 2012 was 98 percent of the market median for his position, an increase from 95 percent of market median in 2011, reflective of his positive performance, additional tenure, and November 2011 promotion and associated new responsibilities.

Mr. Blackburn's 2012 base salary increased 11 percent compared to his 2011 base salary, bringing his 2012 base salary to 99 percent of the market median, as a result of his positive performance in 2011 and due to the compensation committee's desire to align his base salary more closely with the market median, particularly considering the breadth of his responsibility over our legal, risk management, and regulatory functions.

Ms. Grow's 2012 base salary increased 8 percent over 2011, placing her base salary at 109 percent of the market median, within our target range, reflective of her positive 2011 performance and substantial project oversight responsibilities.

2012 Short-Term Incentive Plan Awards

For 2012, the compensation committee retained the same short-term incentive goals as were used in 2011, described below. The compensation committee determined that operational goals of customer satisfaction and network reliability and the financial goal of IDACORP consolidated net income provide effective measures of the overall performance of our company for compensation purposes. The compensation committee also retained the same weightings for the incentive goals as in 2011—15 percent for customer satisfaction, 15 percent for network reliability, and 70 percent for consolidated net income. Following is a more detailed description of the 2012 short-term incentive performance goals:

Customer Satisfaction The customer satisfaction goal focuses on our relationship with and service to our customers. We measure customer satisfaction by quarterly surveys conducted by an independent survey firm. The customer relationship index details our performance through the eyes of the customer and was based on a rolling four-quarter average for the period beginning January 1, 2012 through December 31, 2012. The survey data covered five specific performance qualities: overall satisfaction, quality, value, advocacy, and loyalty.

Network Reliability The network reliability goal is also intended to focus executive officers on our relationships with customers. We measure this goal by the number of interruptions greater than five minutes in duration experienced by our small and large general service customers. The goal also includes a hurdle of no more than 10 percent of small and large general service customers being subjected to more than six interruptions during the 2012 calendar year. If this hurdle is not met, we will not make a payout for this goal.

Consolidated Net Income Our compensation committee believes that the IDACORP consolidated net income goal provides the most important overall measure of our financial performance, and thus the compensation committee gave it the greatest weighting. This goal aligns management and shareholder interests by motivating our executive officers to increase earnings for the benefit of shareholders.

After determining the nature of the 2012 performance goals, the compensation committee set the specific performance targets for each goal, based on three levels of performance: threshold, target, and maximum. To incentivize continuous improvement, the compensation committee increased the customer satisfaction and network reliability performance targets for 2012, based on a review of forecast financial and operational information. The table below shows the specific threshold, target, and maximum performance targets for each short-term incentive performance goal and the qualifying payout multiplier for each target (with linear interpolation for achievement between the levels specified). The short-term cash incentive award opportunities are calculated by multiplying base salary by the product of the approved incentive percentage and the qualifying multiplier for each goal. The table also shows the actual 2012 performance results for all three performance goals. The executive incentive plan under which the short-term awards are made to executives does not permit the payment of awards if there is no payment of awards under the employee incentive plan (which uses the same metrics and performance levels) or if IDACORP does not have net income sufficient to pay dividends on its common stock. Neither of these restrictions applied for 2012.

Performance Goal		Performance Levels		Qualifying Multiplier	2012 Actual Results
Customer Satisfaction	Customer Relations Index Score	Threshold:	81.5 %	7.5 %	

Performance Goal	Performance Levels			Qualifying Multiplier	2012 Actual Results
	Target:	82.5	%	15.0 %	82.9%
	Maximum:	84.0	%	30.0 %	

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Performance Goal	Performance Levels			Qualifying Multiplier	2012 Actual Results
Network Reliability	Number of Outage Incidents	Threshold:	<2.0	7.5 %	
		Target:	<1.7	15.0 %	1.5%
		Maximum:	<1.4	30.0 %	
IDACORP 2012 Consolidated Net Income (in millions)		Threshold:	\$145	35.0 %	
		Target:	\$150	70.0 %	\$168.8
		Maximum:	\$160	140.0 %	

Once the compensation committee established the performance levels and qualifying multipliers for the short-term incentive award design, it then determined the target award amount for each NEO and the threshold required to receive an award, as well as a maximum amount of award, based on a percentage of base salary. The table below shows the 2012 short-term incentive award opportunities for the NEOs recommended by the compensation committee and approved by the Board of Directors, and the 2012 awards earned based on 2012 actual performance results. Based on its review of market compensation and individual NEO performance, for 2012 the compensation committee increased the threshold, target, and maximum awards as a percentage of base salaries for each of our NEOs, other than Mr. Keen, as follows:

For Mr. Anderson, the compensation committee noted an undesired disconnect between his 2011 target award as a percentage of base salary and the 2012 market median for his position, and increased his target award by 15 percentage points. A portion of this was attributable to his promotion and resulting increased responsibility and the corresponding change to the comparison group of officers used for benchmarking purposes.

The target award for each of Mr. Minor and Mr. Blackburn was increased by five percentage points, which was intended to align their target award more closely with the 2012 market median for their positions and reflect their positive performance during 2011, and to incent continued positive performance.

Ms. Grow's target award was also increased by five percentage points and was above the 2012 market median for her position in recognition of the expansiveness of her responsibilities, her significant contributions to the organization during 2011, and the magnitude of the operational initiatives she was tasked with overseeing during 2012.

Executive	2012 Base Salary (\$)	Threshold ¹	Target ¹	Maximum ¹	2012 Market Median (at Target) (% of Base Salary) ²	2012 Award Earned (% of Base Salary)	2012 Award Earned
Mr. Keen	\$675,000	40%	80%	160%	80%	147 %	\$ 992,790
Mr. Anderson	\$420,000	32.5%	65%	130%	68%	120 %	\$ 501,911
Mr. Minor	\$385,000	27.5%	55%	110%	54%	101 %	\$ 389,302
Mr. Blackburn	\$300,000	22.5%	45%	90%	47%	83 %	\$ 248,198
Ms. Grow	\$260,000	22.5%	45%	90%	40%	83 %	\$ 215,105

¹ The percentage shown represents the percent of base salary to be awarded, assuming achievement of the relevant performance level.

² Represents the market median short-term incentive opportunity, as a percentage of base salary, at the target performance level.

2012 Long-Term Incentive Plan Awards

Our 2012 long-term incentive awards were allocated as follows:

time-vesting restricted stock, with a vesting date of January 1, 2015, representing one-third of the awards; and

performance-based shares with a three-year performance period of 2012-2014, representing two-thirds of the awards.

Consistent with our historical practice, the compensation committee recommended, and the Board of Directors approved, the 2012 long-term incentive grants at their February 2012 meetings, which occurred after we released our 2011 full year earnings. Following is a more detailed description of the time-vesting restricted stock and performance-based shares that comprise the long-term incentive grants.

Time-Vesting Restricted Stock:

The time-vesting restricted stock awards made to our NEOs in 2012 will cliff vest in January 2015, as long as the NEO remains employed by us throughout the restriction period. The NEOs receive dividends on the stock during the restriction period, since the officer is assured of vesting in the stock as long as he or she remains employed by the company. The restricted stock and dividend payments provide a strong incentive for the officer to continue working for us for the entire three-year restriction period. Because the restricted stock is intended to serve as a retention tool, the compensation committee decided to use cliff vesting, rather than ratable vesting. However, if the NEO's employment terminates before the vesting date, subject to board approval, the officer may receive a pro-rated payout, depending on the reason for or circumstances surrounding the termination.

Performance-Based Shares:

Performance-based shares are based entirely on our financial performance over a three-year performance period and will not be earned at any level if our minimum performance goals are not met at the end of the performance period. For example, all performance-based shares for the performance periods ending in the years 2003, 2004, and 2005 were forfeited. Dividends on the performance-based shares are not paid to our NEOs during the performance period. Instead, they are paid at the end of the performance period only on performance-based shares that are actually earned, if any.

The performance-based shares granted in February 2012 may be earned by the NEOs based on performance against two financial measures over the 2012-2014 performance period that the compensation committee believes represent key measures of performance for the benefit of our shareholders and align our executive officers' management efforts with our shareholders performance objectives: CEPS and TSR. The CEPS levels are indicative of management performance, as this goal relates to revenue enhancement and cost containment. Relative TSR is determined by our common stock price change and dividends paid over a three-year performance period compared to that achieved by a comparison group of companies over the same three-year period. For 2012 grants, we changed the peer group we use for calculating TSR from the S&P MidCap 400 Index peer group to the EEI Index of U.S. Shareholder-Owned Electric Utilities, based on an analysis we conducted in late 2011 that suggested the EEI Index is a more stable and representative index for TSR purposes. We compare our TSR with these companies' TSRs on a percentile basis. For example, if our TSR falls exactly in the middle of the TSR of the comparison companies, we would rank at the 50th percentile of the comparison group.

<p>The CEPS performance levels for the 2012-2014 performance period are as follows:</p>	<p>The TSR performance levels for the 2012-2014 performance period are as follows:</p>
<p>Threshold: \$9.00</p>	<p>Threshold: 35th percentile</p>
<p>Target: \$9.50</p>	<p>Target: 55th percentile</p>
<p>Maximum: \$10.00</p>	<p>Maximum: 75th percentile</p>

The compensation committee increased the CEPS performance levels compared to the levels approved in 2011 based on its assessment of our potential performance and to motivate our NEOs to drive company performance.

The table below shows the long-term incentive award opportunities recommended by the compensation committee and approved by the Board of Directors for 2012 for each NEO. We use linear interpolation for achievement within the levels specified.

Executive	Time-Vesting Restricted Stock (Percent of Base Salary) (%)	Performance-Based Shares (CEPS and TSR) (Percent of Base Salary) (%)	Total Long-Term Incentive Award (Percent of Base Salary) (%)	Total Long-Term Incentive Award (Dollar Value Based on 2012 Base Salary) (\$)	2012 Market Median (at Target) ¹ (\$ and Percent of Base Salary)
Mr. Keen	45%	Threshold: 90.0 %	Threshold: 90.0 %	\$607,500	\$984,390
		Target: 90.0 %	Target: 135.0 %	\$911,250	157%
		Maximum: 135.0 %	Maximum: 180.0 %	\$1,215,000	
Mr. Anderson	36.7%	Threshold: 73.3 %	Threshold: 73.3 %	\$308,000	\$646,400
		Target: 73.3 %	Target: 110.0 %	\$462,000	128%
		Maximum: 110.0 %	Maximum: 146.7 %	\$616,000	
Mr. Minor	33.3%	Threshold: 66.7 %	Threshold: 66.7 %	\$258,667	\$453,100
		Target: 66.7 %	Target: 100.0 %	\$385,000	115%
		Maximum: 100.0 %	Maximum: 133.3 %	\$513,333	
Mr. Blackburn	23.3%	Threshold: 46.7 %	Threshold: 46.7 %	\$140,000	\$265,760
		Target: 46.7 %	Target: 70.0 %	\$210,000	88%
		Maximum: 70.0 %	Maximum: 93.3 %	\$280,000	
Ms. Grow	23.3%	Threshold: 46.7 %	Threshold: 46.7 %	\$142,333	\$130,900
		Target: 46.7 %	Target: 70.0 %	\$182,000	55%
		Maximum: 70.0 %	Maximum: 93.3 %	\$242,667	

¹ Represents the market median payout for long-term incentive compensation at target-level performance based on market data from the market compensation analysis.

As with base salary and short-term incentive opportunities, the compensation committee established the 2012 long-term incentive opportunities based on the market compensation analysis and individual executive officer experience and performance. Following its review, the compensation committee increased the target total long-term incentive award opportunities for each of Mr. Anderson (by 20 percentage points at target) and Mr. Minor (by 10 percentage points at target), based on their positive contributions during 2011 and the relatively substantial difference between their prior target long-term incentive compensation and the long-term incentive compensation of their respective peers. The more substantial increase in total target long-term incentive compensation for Mr. Anderson, from 90 percent to 110 percent of base salary, was largely attributable to his promotion and resulting increased responsibility and the corresponding change to the comparison group of officers used for benchmarking purposes.

Payment of 2009-2011 and 2010-2012 Performance-Based Shares

The performance-based shares granted for the 2009 to 2011 performance period were paid at 116.7 percent of target on February 24, 2012, based on our CEPS of \$8.96 and our relative TSR at the 50th percentile. The table that follows lists (1) the target performance-based restricted stock awards granted on February 24, 2009, (2) the shares issued on February 24, 2012, and (3) the dividend equivalents earned.

Executive	Awards Granted on February 24, 2009 (#)	Shares Issued on February 24, 2012 (#)	Dividend Equivalents (\$)
Mr. Keen	21,193	24,726	\$ 97,173
Mr. Anderson	8,007	9,342	36,714
Mr. Minor	5,312	6,198	24,358
Mr. Blackburn	3,938	4,595	18,058
Ms. Grow	2,119	2,473	9,719

The performance-based shares granted for the 2010 to 2012 performance period were paid at 107.5 percent of target on February 22, 2013, based on our CEPS of \$9.69 and our relative TSR at the 41st percentile. The table below lists (1) the target performance-based restricted stock awards granted on February 26, 2010, (2) the shares issued on February 22, 2013, and (3) the dividend equivalents earned.

Executive	Awards Granted on February 26, 2010 (#)	Shares Issued on February 22, 2013 (#)	Dividend Equivalents (\$)
Mr. Keen	16,894	18,162	\$ 75,372
Mr. Anderson	6,630	7,128	29,581
Mr. Minor	6,176	6,640	27,556
Mr. Blackburn	3,462	3,723	15,450
Ms. Grow	3,108	3,342	13,869

Post-Termination Compensation Programs

Idaho Power Company Retirement Plan

The Idaho Power Company Retirement Plan is available to all of our full-time employees. We discuss the material terms of the plan later in this proxy statement in the narrative following the *Pension Benefits for 2012* table. Because benefits under the plan increase with an employee's continued service and earnings, the compensation committee believes that providing a pension serves as an important retention tool by encouraging our employees to make long-term commitments to the company.

Idaho Power Company Security Plans for Senior Management Employees

We have two nonqualified defined benefit plans that provide supplemental retirement benefits for certain key employees beyond our retirement plan benefits—the Security Plan for Senior Management Employees I, or Security Plan I, and the Security Plan for Senior Management Employees II, or Security Plan II. We have two separate plans to take advantage of grandfathering rules under Section 409A of the Internal Revenue Code. The compensation committee views these supplemental retirement benefits as a key component in attracting and retaining qualified executives. Benefits under the security plans continue to accrue for up to 25 years of continuous service at a senior management level. Because benefits under the security plans increase with period of service and earnings, the compensation committee believes that providing a supplemental pension under these plans serves as an additional retention tool that encourages our executives to make long-term commitments to the company. The security plans provide income security for our executives and are balanced with the at-risk compensation represented by our incentive plans. We discuss the other material terms of the security plans later in this proxy statement in the narrative following the *Pension Benefits for 2012* table.

Executive Deferred Compensation Plan

Our executive officers are eligible to participate in the Executive Deferred Compensation Plan, which is a nonqualified supplemental deferred compensation plan that allows participants to defer compensation in excess of certain statutory limits in the tax-qualified 401(k) plan. Prior to 2009, participants could defer up to 100 percent of base salary and up to 100 percent of any short-term incentive. Effective January 1, 2009, participants may defer up to 50 percent of base salary and up to 50 percent of any short-term incentive compensation. The compensation committee views the plan as a supplemental benefit to attract and retain qualified executive officers. For 2012, no NEO made any contributions to the plan. We discuss the material terms of the plan later in this proxy statement in the narrative following the *Nonqualified Deferred Compensation for 2012* table.

Change in Control Agreements

We have change in control agreements with all of our executive officers. The compensation committee believes that change in control agreements are an important benefit to promote officer retention during periods of uncertainty around acquisitions and to

motivate officers to weigh acquisition proposals in a balanced manner for the benefit of shareholders, rather than resisting such proposals for the purpose of job preservation.

The compensation committee adopted a new policy regarding change in control agreements on November 18, 2009, and the compensation committee approved a new form of change in control agreement in March 2010. As provided in the new policy, change in control agreements executed after March 17, 2010, do not include any 13th-month trigger (a provision permitting an officer to terminate employment for any reason during the first month following the one-year anniversary of the change in control and receive a reduced payout) or tax gross-up provisions. The compensation committee made these changes based on the growing trend away from single-trigger and modified single-trigger provisions and tax gross-up provisions in executive change in control agreements. Existing change in control agreements were not affected by the new policy. All of our NEOs are parties to change in control agreements executed prior to March 17, 2010.

The agreements we have with our current NEOs are double-trigger agreements in the sense that two events must occur in order for payments to be made: a change in control and a termination of employment in connection with the change in control. If a change in control occurs and the officer is not terminated, the agreements permit a NEO to terminate employment for any reason during the first month following the one-year anniversary of the change in control. In this event, the NEO would receive a lesser severance payout. This provision was historically included because the first year after a change in control is a critical transition period, and we believe the 13th-month trigger serves as an important tool to encourage our executive officers to remain with the company or our successor.

We discuss the other material terms of our change in control agreements later in this proxy statement in the section entitled *Potential Payments Upon Termination or Change in Control*.

Other Compensation Policies and Information

Prohibitions on Hedging Transactions and Pledges of Our Securities

Our compensation policy and Corporate Governance Guidelines prohibit executive officers (as well as directors) from hedging their ownership of company common stock. An executive officer may not enter into transactions that allow the officer to benefit from devaluation of our stock or be the technical legal owner of our stock without the full benefits and risks of such ownership. The forms of prohibited hedging strategies include, among others, zero-cost collars, equity swaps, straddles, prepaid variable forward contracts, and security futures contracts. In addition, we recently amended our Corporate Governance Guidelines to provide that our directors, officers (including NEOs), and certain key employees are prohibited from pledging (through a margin feature or otherwise) our securities as collateral in order to secure personal loans or other obligations.

Impact of Tax and Accounting Treatment on Compensation Decisions

The compensation committee may consider the impact of tax and/or accounting treatment in determining compensation, but we may pay compensation to our executive officers that is not deductible. Section 162(m) of the Internal Revenue Code places a limit of \$1,000,000 on the amount of compensation paid to certain officers that we may deduct as a business expense in any tax year unless, among other things, the compensation qualifies as performance-based compensation, as that term is used in Section 162(m). Generally, stock options, performance-based shares, and short-term incentive awards are structured to be deductible for purposes of Section 162(m); time-vesting restricted stock awards are not structured to be deductible for purposes of Section 162(m). At the annual meeting of shareholders held on May 20, 2010, the shareholders approved the amended IDACORP Executive Incentive Plan and re-approved the material terms of the performance goals under the IDACORP 2000 Long-Term Incentive and Compensation Plan to permit awards granted under the plans to qualify as performance-based compensation under Section 162(m), for compensation under those plans that we intend to be deductible for purposes of Section 162(m).

Section 409A of the Internal Revenue Code imposes additional income taxes for certain types of deferred compensation if the deferral does not comply with Section 409A. We administer our compensation plans and arrangements affected by Section 409A with the objective of not triggering any additional income taxes under Section 409A.

Stock Ownership and Stock Retention Guidelines

Our Board of Directors, upon recommendation of the corporate governance and nominating committee, adopted minimum stock ownership guidelines for our officers in November 2007. Company stock ownership enhances officers' commitment to our future and further aligns our officers' interests with those of our shareholders. The guidelines require ownership of IDACORP common stock valued at a multiple of each officer's annual base salary, as follows:

- president and chief executive officer 3x annual base salary;
- executive and senior vice presidents 2x annual base salary; and
- vice presidents 1x annual base salary.

Our graduated stock ownership requirements reflect the fact that compensation is weighted more heavily toward equity compensation for our most senior positions. Based on this consideration, we believe that our stock ownership requirements are appropriate for our officers.

Officers are provided five years to meet the guidelines, commencing on the effective date of appointment, including by virtue of a promotion to a position that requires a greater multiple of common stock ownership. In circumstances where the stock ownership guidelines would result in a severe financial hardship, the officer may request an extension of time from the corporate governance committee to meet the guidelines.

Our Board of Directors has also adopted minimum stock retention guidelines for our officers to further align our executive officers' interests with shareholder interests. The guidelines state that until the officer has achieved the minimum stock ownership requirements described above, the officer must retain at least 50 percent of the net shares he or she receives from the vesting of restricted and performance-based share awards and stock option exercises. The retention guidelines apply to restricted and performance-based share awards granted on and after April 1, 2009. For restricted and performance-based shares, net shares means the number of shares acquired upon vesting, less the number of shares withheld or sold to pay withholding taxes. For stock options, which we no longer grant, net shares means the number of shares acquired upon exercise, less the number of shares sold to pay the exercise price and withholding taxes.

Compensation Risk and Discretion to Adjust Awards

We believe that our mix of compensation elements and the design features of our plans described in this *Compensation Discussion and Analysis* help to ensure that our executive officers focus on the long-term best interests of our company and its shareholders, with appropriate incentives to avoid taking excessive risks in pursuit of unsustainable short-term results. The compensation committee and our Board of Directors retain the discretion to adjust awards under the short- and long-term incentive plans, when deemed appropriate, including in any circumstance where the compensation committee or our Board of Directors believes there has been misconduct by one or more executive officers. However, as of the date of this proxy statement we do not have a more formal compensation recovery policy, often referred to as a clawback policy. The compensation committee has discussed and plans to adopt such a policy once the final rules relating to such policies are decided upon and issued pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Compensation Committee Report

The compensation committee has reviewed and discussed with management the *Compensation Discussion and Analysis* contained in this proxy statement. Based on its review and these discussions, the compensation committee has recommended to our Board of Directors that the *Compensation Discussion and Analysis* be included in this proxy statement and incorporated by reference into our Annual Report on Form 10-K for the year ended December 31, 2012.

THE COMPENSATION COMMITTEE
Robert A. Tinstman, Chairman
Judith A. Johansen
Christine King

Our Compensation Policies and Practices as They Relate to Risk Management

We have reviewed our compensation policies and practices for all employees and concluded that any risks arising from these policies and practices are not reasonably likely to have a material adverse effect on our company. At least annually, members of our human resources department and executive management met to discuss risks that may arise from our compensation policies and practices. The discussions involved a review and consideration of several of the factors set forth in Item 402(s) of Regulation S-K under the Securities Act of 1933, as amended, as well as the following items:

- the vast majority of IDACORP's income from continuing operations is contributed by Idaho Power, which is a regulated electric utility, and management believes its regulated operations do not lend themselves to or incentivize significant risk-taking by employees;
- our employees and executives are limited from taking operational risks by the extensive regulation of our operations by multiple agencies, including the Federal Energy Regulatory Commission and state public utility commissions;
- we use a balanced and diverse compensation structure designed to link an appropriate portion of compensation to the company's long-term performance, while at the same time capping the maximum incentive payouts and providing a base salary, to prevent undue emphasis on incentive compensation;
- we benchmark compensation to be consistent with industry practice;
- incentive compensation is based on performance metrics that are consistent with our long-term goals;
- we have internal controls and standards of business conduct that support our compensation goals and mitigate risk, and we use internal and external auditing processes on a regular basis to ensure compliance with these controls and standards; and
- the compensation committee, the members of which are independent, oversees our compensation policies and practices and is responsible for reviewing and approving executive compensation, and it considers potential risks when evaluating executive compensation policies and practices.

At its November 2011 meeting, in advance of making compensation decisions for 2012, the compensation committee members discussed, together with management and its compensation consultant, whether our compensation programs incentivized risk-taking behavior. The compensation committee undertook this same analysis at its November 2012 meeting. In each case, the compensation committee analyzed the fixed and variable components of compensation and considered whether a balance between prudent business risk and resulting reward is maintained. After this evaluation, the compensation committee determined that our compensation practices do not increase the company's risk exposure. The compensation committee has also observed that the company has an extensive risk management policy and that the company's compensation practices are not a significant factor in the overall risk profile of the company's business.

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Compensation Tables

The following tables set forth information about the compensation paid to or accrued by our NEOs for services in all capacities to IDACORP and its subsidiaries. The amounts set forth as compensation in the tables are calculated and presented pursuant to applicable Securities and Exchange Commission and accounting rules and may not represent amounts actually realized by the NEOs for the periods presented.

2012 Summary Compensation Table

Name and Principal Position (a)	Year (b)	Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation	Total
		(\$) (c)	(\$) (d)	(\$) (e) ¹	(\$) (f)	(\$) (g)	(\$) (h) ²	(\$) (i) ³	(\$) (j)
J. LaMont Keen President and CEO, IDACORP; CEO, Idaho	2012	673,462		852,069		992,790	2,278,066	10,254	4,806,641
	2011	634,423		714,827		942,340	2,162,667	10,054	4,464,311

Name and Position ^(a)	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation	All Other Compensation (\$)	Total (\$)
							Earnings (\$)		
	(b)	(c)	(d)	(e) ¹	(f)	(g)	(h) ²	(i) ³	(j)
Power Principal Position	2010	619,231		693,921		759,822	1,609,836	10,052	3,692,862
Darrel T. Anderson	2012	418,577		432,002		501,911	1,071,782	10,572	2,434,844
EVP Admin. Services and CFO, IDACORP; President and CFO, Idaho Power	2011	382,308		287,436		355,233	801,294	10,373	1,836,644
	2010	364,038		272,360		279,572	572,694	10,368	1,499,032
Daniel B. Minor	2012	384,039		360,000		389,302	967,055	10,660	2,111,056
EVP, IDACORP and EVP and COO, Idaho Power	2011	359,231		270,173		333,900	726,883	10,461	1,700,648
	2010	340,000		253,712		260,423	513,230	10,455	1,377,820
Rex Blackburn	2012	298,846		196,372		248,198	357,877	10,000	1,111,293
SVP and General Counsel, IDACORP and Idaho Power	2011	269,038		157,595		200,340	352,835	9,800	989,608
	2010	243,846		142,202		150,126	256,700	9,800	802,674
Lisa A. Grow	2012	259,231		170,192		215,105	505,004	11,320	1,160,852
SVP Power Supply, Idaho Power	2011	239,231		140,124		178,080	382,923	11,112	951,470
	2010	220,000		127,694		134,807	248,426	11,111	742,038

¹ Amounts in this column represent the aggregate grant date fair value of the time-vesting restricted stock and the performance-based shares (at target) granted in each of the years shown calculated in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718 *Stock Compensation*. Consistent with FASB ASC Topic 718, the full grant date fair value for the market-related TSR component of the performance-based shares for the entire three-year performance cycle is included in the amounts shown for 2012 (the year of grant) and was determined using a Monte Carlo simulation model. The column was prepared assuming none of the awards will be forfeited. Additional information on the assumptions used to determine the fair value of the restricted stock and performance-based share awards is contained in Note 7 to the financial statements in our Annual Report on Form 10-K for the year ended December 31, 2012, on file with the U.S. Securities and Exchange Commission.

The table below shows the grant date fair values of the CEPS component of the performance-based share awards granted in 2012, assuming that the highest levels of performance conditions are achieved for the awards. The grant date fair value for the market-related TSR component is not subject to probable or maximum outcome assumptions.

Name	CEPS
J. LaMont Keen	\$ 455,100
Darrel T. Anderson	\$ 230,748
Daniel B. Minor	\$ 192,249
Rex Blackburn	\$ 104,858
Lisa A. Grow	\$ 90,897

² Values shown represent the change in actuarial present value of the accumulated benefit under the pension plan and the Senior Management Security Plans. Assumptions included a discount rate of 5.4% for 2010, 4.9% for 2011, and 4.2% for 2012; the RP-2000 Annuitant Mortality Table projected to 2018 for 2010; the RP-2000 Annuitant Mortality Table with Scale AA Generational Projection for 2011 and 2012; and retirement at age 62. There were no above-market earnings on deferred compensation in 2012.

³ For 2012, includes our contribution to the Idaho Power Company Employee Savings Plan, which is our 401(k) plan, and a charitable match contribution for Mr. Keen, Mr. Anderson, Mr. Minor, and Ms. Grow.

Grants of Plan-Based Awards in 2012

Estimated Future Payouts Under Non-Equity Incentive Plan Awards	Estimated Future Payouts Under Equity Incentive Plan Awards
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Name (a)	Grant Date (b)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#) (i)	Grant Date Fair Value of Stock and Option Awards (\$) (l)
		Threshold (\$) (c)	Target (\$) (d)	Maximum (\$) (e)	Threshold (#) (f)	Target (#) (g)	Maximum (#) (h)		
J. LaMont Keen									
Short-Term Incentive	2/24/2012 ¹	270,000	540,000	1,080,000					
Restricted Stock	Time 2/24/2012 ²							7,399	303,729
Restricted Stock	Perf. 2/24/2012 ³				7,400	14,800	22,200		548,340
Darrel T. Anderson									
Short-Term Incentive	2/24/2012 ¹	136,500	273,000	546,000					
Restricted Stock	Time 2/24/2012 ²							3,751	153,979
Restricted Stock	Perf. 2/24/2012 ³				3,752	7,504	11,256		278,023
Daniel B. Minor									
Short-Term Incentive	2/24/2012 ¹	105,875	211,750	423,500					
Restricted Stock	Time 2/24/2012 ²							3,127	128,363
Restricted Stock	Perf. 2/24/2012 ³				3,126	6,252	9,378		231,637
Rex Blackburn									
Short-Term Incentive	2/24/2012 ¹	67,500	135,000	270,000					
Restricted Stock	Time 2/24/2012 ²							1,706	70,031
Restricted Stock	Perf. 2/24/2012 ³				1,705	3,410	5,115		126,341
Lisa A. Grow									
Short-Term Incentive	2/24/2012 ¹	58,500	117,000	234,000					
Restricted Stock	Time 2/24/2012 ²							1,478	60,672
Restricted Stock	Perf. 2/24/2012 ³				1,478	2,956	4,434		109,520

- ¹ Represents short-term incentive cash compensation for 2012 awarded pursuant to the IDACORP Executive Incentive Plan. Actual short-term incentive payouts during 2012 are shown in the Non-Equity Incentive Plan Compensation column of the 2012 Summary Compensation Table.
- ² Represents time-vesting restricted stock awarded pursuant to the IDACORP 2000 Long-Term Incentive and Compensation Plan.
- ³ Represents performance-based shares for the 2012-2014 performance period awarded pursuant to the IDACORP 2000 Long-Term Incentive and Compensation Plan.

2012 Short-Term Incentive Awards

Consistent with prior years, in 2012 the compensation committee approved short-term incentive award opportunities for our NEOs. The short-term cash incentive award opportunities are calculated by multiplying base salary by the product of the approved incentive percentage and the qualifying multiplier for each goal. We discuss the short-term incentive award opportunities and results in more detail in the *Compensation Discussion and Analysis*.

2012 Long-Term Incentive Awards

In February 2012, the compensation committee approved long-term incentive awards with the following two components:

Time-vesting shares: Each NEO received an award of time-vesting restricted shares equal to a percentage of his or her base salary in 2012. These shares vest in January 2015 if the NEO remains continuously employed with the company during the entire restricted period. Dividends are paid on the shares during the restricted period and are not subject to forfeiture; and

Performance-based shares: Each NEO received an award of performance-based shares at the target level equal to a percentage of his or her base salary in 2012. The shares will vest at the end of the performance period to the extent we achieve our performance goals (CEPS and TSR, weighted equally) and the NEO remains employed by the company during the entire performance period, with certain exceptions. Dividends will accrue during the performance period and will be paid in cash based on the number of shares that are

earned. Performance-based shares are paid out in accordance with the payout percentages set forth in the *Compensation Discussion and Analysis*. We discuss in further detail the long-term incentive award opportunities and results in the *Compensation Discussion and Analysis*.

Salary and Bonus in Proportion to Total Compensation

The following table shows the proportion of salary and bonus to total compensation for 2012:

Name	Salary (\$)	Bonus (\$)	Total Compensation (\$)	Salary and Bonus as a % of Total Compensation
J. LaMont Keen	\$673,462		\$4,806,641	14.0%
Darrel T. Anderson	\$418,577		\$2,434,844	17.2%
Daniel B. Minor	\$384,039		\$2,111,056	18.2%
Rex Blackburn	\$298,846		\$1,111,293	26.9%
Lisa A. Grow	\$259,231		\$1,160,852	22.3%

Outstanding Equity Awards at Fiscal Year-End 2012

Name (a)	Option Awards					Stock Awards		
	Number of Securities Underlying Unexercised Options Exercisable (#) (b)	Number of Securities Underlying Unexercised Options (#) (c)	Option Exercise Price (\$) (e)	Option Expiration Date (f)	Number of Shares or Units of Stock That Have Not Vested (g) ¹	Market Value of Shares or Units of Stock That Have Not Vested (h) ³	Equity Incentive Plan Awards: Number of Shares, Units or Other Rights That Have Not Vested (i) ²	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (j) ³
J. LaMont Keen								
Restricted Stock Time-Vesting					23,423	1,015,387		
Restricted Stock Performance							40,319	1,747,829
Darrel T. Anderson								
Restricted Stock Time-Vesting					10,114	438,442		
Restricted Stock Performance							16,744	725,852
Daniel B. Minor								
Restricted Stock Time-Vesting					9,080	393,618		
Restricted Stock Performance							15,254	661,261
Rex Blackburn								
Restricted Stock Time-Vesting					5,107	221,388		
Restricted Stock Performance							8,569	371,466
Lisa Grow								
Restricted Stock Time-Vesting					4,519	195,899		
Restricted Stock Performance							7,625	330,544

¹ The number of shares of restricted stock underlying the awards of time-vesting restricted stock and the applicable vesting dates are as follows:

NEO	Award	Shares of Restricted Stock	Vesting Date
J. LaMont Keen	2010	8,447	1/01/2013
	2011	7,577	1/01/2014
	2012	7,399	1/02/2015
Darrel T. Anderson	2010	3,316	1/01/2013
	2011	3,047	1/01/2014
	2012	3,751	1/02/2015
Daniel B. Minor	2010	3,089	1/01/2013
	2011	2,864	1/01/2014
	2012	3,127	1/02/2015
Rex Blackburn	2010	1,731	1/01/2013
	2011	1,670	1/01/2014

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NEO	Award	Shares of	
		Restricted Stock	Vesting Date
Lisa Grow	2012	1,706	1/02/2015
	2010	1,555	1/01/2013
	2011	1,486	1/01/2014
	2012	1,478	1/02/2015

² The number of shares underlying the performance-based grants and the applicable performance periods are as follows:

NEO	Award	Shares	End of Performance
			Period
J. LaMont Keen	2010	25,341	12/31/2012
	2011	7,578	12/31/2013
	2012	7,400	12/31/2014
Darrel T. Anderson	2010	9,945	12/31/2012
	2011	3,047	12/31/2013
	2012	3,752	12/31/2014
Daniel B. Minor	2010	9,264	12/31/2012
	2011	2,864	12/31/2013
	2012	3,126	12/31/2014
Rex Blackburn	2010	5,193	12/31/2012
	2011	1,671	12/31/2013
	2012	1,705	12/31/2014
Lisa Grow	2010	4,662	12/31/2012
	2011	1,485	12/31/2013
	2012	1,478	12/31/2014

Shares for the 2010 award are shown at the maximum level based on results for the 2010-2012 performance period above target but below maximum. Shares for the 2011 award are shown at the threshold level based on results for the first two years of the 2011-2013 performance period at threshold. Shares for the 2012 award are shown at the threshold level based on results for the first year of the 2012-2014 performance period at threshold. Shares do not vest until the compensation committee and the Board of Directors determine that goals have been met. This generally occurs in February following the end of the performance period.

³ Shares that have not vested are valued at \$43.35 per share, the closing price of IDACORP common stock on December 31, 2012.

Option Exercises and Stock Vested During 2012

Name	Option Awards		Stock Awards	
	Number of Shares	Value	Number of Shares Acquired on Vesting	Value Realized on Vesting
	Acquired on Exercise	Realized on Exercise		
	(#)	(\$)	(#)	(\$)
(a)	(b)	(c)	(d)	(e) ¹
J. LaMont Keen			35,323	1,457,957
Darrel T. Anderson			13,345	550,815
Daniel B. Minor			8,854	365,449
Rex Blackburn			6,564	270,929
Lisa A. Grow			3,533	145,825

¹ Based on the closing price of IDACORP common stock on the vesting date.

Pension Benefits for 2012

Name	Plan Name	Number of Years of	Present Value of	Payments During
		Credited Service	Accumulated Benefit	Last Fiscal Year
(a)	(b)	(#)	(\$)	(\$)
		(c)	(d) ³	(e)
J. LaMont Keen	Retirement Plan	39	1,846,554	
	Security Plan I ¹	22	1,687,789	
	Security Plan II ²	8	8,173,807	

Name (a)	Plan Name (b)	Number of Years of Credited Service (#) (c)	Present Value of Accumulated Benefit (\$) (d) ³	Payments During Last Fiscal Year (\$) (e)
Darrel T. Anderson	Retirement Plan	16	608,347	
	Security Plan I ¹	9	199,912	
	Security Plan II ²	8	3,527,114	
Daniel B. Minor	Retirement Plan	27	1,049,655	
	Security Plan I ¹	6		
	Security Plan II ²	8	2,744,974	
Rex Blackburn	Retirement Plan	5	161,315	
	Security Plan I ¹	0		
	Security Plan II ²	5	1,034,892	
Lisa A. Grow	Retirement Plan	25	726,962	
	Security Plan I ¹	3		
	Security Plan II ²	8	848,036	

- ¹ Security Plan for Senior Management Employees I, which has grandfathered benefits under Section 409A of the Internal Revenue Code.
- ² Security Plan for Senior Management Employees II, which does not have grandfathered benefits under Section 409A of the Internal Revenue Code.
- ³ Values shown represent the present value of the accumulated pension benefit under each plan as of December 31, 2012, calculated using the Securities and Exchange Commission-mandated assumptions and a discount rate of 4.2% for 2012, a salary growth rate of 0%, the RP-2000 Annuitant Mortality Table with Scale AA Generational Projection, and retirement at age 62.

Idaho Power Company Retirement Plan

Description

The Idaho Power Company Retirement Plan is a qualified, defined benefit pension plan for all regular employees of Idaho Power, its subsidiaries, and its affiliate companies. The plan was established in 1943 to help employees meet the important long-term goal of building for financial security at retirement. Idaho Power makes all contributions to the plan. The dollar amount of the contribution is determined each year based on an actuarial evaluation.

Eligibility Standards and Vesting

Regular and part-time employees who are 18 years of age or older are eligible to participate once they complete 12 consecutive months of employment. Participation begins the first day of the month after meeting this requirement, with credit for purposes of vesting and term of service for the initial 12 consecutive months of employment. Employees become vested and eligible for benefits under the plan after completing 60 months of credited service.

Retirement Age

Under the terms of the plan, normal retirement is at age 65; however, an employee may retire at age 62 without a reduction in pension benefits. Employees are eligible for early retirement when:

- they have reached the age of 55 and have 10 years of credited service; or
- they have 30 years of credited service.

Employees electing to retire before reaching age 62 receive a reduced benefit calculated as follows:

Age When Payments Begin	Reduced Benefit as a Percentage of Earned Pension	Reduced Benefit as a Percentage When of Payments Begin Earned Pension

Age When Payments Begin	Reduced Benefit as a Percentage of Earned Pension	Age When Payments Begin	Reduced Benefit as a Percentage of Earned Pension
61	96%	54	62%
60	92%	53	57%
59	87%	52	52%
58	82%	51	47%
57	77%	50	42%
56	72%	49	38%
55	67%	48	34%

Benefits Formula

For employees hired before January 1, 2011, plan benefits for employees age 62 or older at the time of retirement are calculated based on 1.5 percent of their final average earnings multiplied by their years of credited service. Final average earnings is the average total wages base pay plus short-term incentive compensation plus overtime during the highest 60 consecutive months in the final 120 months of service. For employees hired on or after January 1, 2011, plan benefits are calculated based on 1.2 percent of their final average earnings multiplied by their years of credited service. Plan benefits for employees who at the time of retirement are under the age of 62 are calculated based on this same formula and are then reduced using the appropriate early retirement factor.

Joint and Survivor Options

Employees who have a spouse at retirement have a survivor option at an amount equal to 50%, 75%, or 100% of the employee's benefit, or they may choose a single life benefit. Under the survivor options, the benefit payments are reduced to allow payments for the longer of two lives. The reduction factor is determined by the age difference between the employee and spouse. Under a single life benefit, no benefits will be payable to the spouse after the employee's death.

The spouse is protected if the employee dies after being vested in the plan but before retirement. The spouse will receive a lifetime benefit payment equal to 50% of the benefit payment the employee had earned at the date of death. This benefit payment is calculated without an early retirement reduction and is not reduced for the age difference between the employee and the spouse. Payment commences on the date the employee could have retired had he or she survived. If the employee has 10 or more years of service at the time of death, payments would begin at age 55. With less than 10 years of service, payments would begin at age 65.

Policy on Granting Extra Years of Credited Service

We do not have a policy on granting extra years of credited service under the plan and have not granted any extra years of credited service under the plan.

Idaho Power Company Security Plans for Senior Management Employees

Description

The Idaho Power Company Security Plans for Senior Management Employees are nonqualified defined benefit plans. To meet the requirements of Section 409A of the Internal Revenue Code and to take advantage of grandfathering rules under that section, which exclude from Section 409A's coverage certain deferrals made before January 1, 2005, we divided our original plan into two plans, which we refer to as Security Plan I and Security Plan II. Security Plan I governs grandfathered benefits and Security Plan II governs non-grandfathered benefits, which are subject to Section 409A. Benefits under Security Plan I are limited to the present value of the benefits that would have been paid under the plan if the participant had terminated employment on December 31, 2004. Benefits under Security Plan II are based on services through the date of termination and are reduced by benefits under Security Plan I. Two of the key differences between the plans are:

if required to comply with Section 409A of the Internal Revenue Code, payment of benefits under Security Plan II may be delayed for six months following termination of employment; and

Security Plan I contains a 10% haircut provision, which allows participants to elect to receive their benefits early in exchange for a 10% reduction in their benefits and cessation of further benefit accruals.

The purpose of the plans is to provide supplemental retirement benefits for certain key employees. We intend the plans to aid in retaining and attracting individuals of exceptional ability by providing them with these benefits. The terms of the plans have evolved over time based on our view of common practices with respect to such plans.

Eligibility Standards and Vesting

Security Plan II was amended in November 2009 to limit eligibility to participate in the plan after December 31, 2009 to Idaho Power officers and certain key employees. Key employees participating in Security Plan II as of December 31, 2009 may continue participating in the plan if they maintain a senior manager or officer pay grade during their continuous employment with Idaho Power. Before Security Plan II was amended, eligibility to participate in the plan was limited to those key employees who were designated by their employers and approved by the plan's administrative committee. The plan's administrative committee is made up of the CEO and a committee of individuals that is approved by the compensation committee. Participation in the plan by Section 16 officers is approved in advance by the compensation committee.

Employees who were participants as of December 31, 2009 are 100% vested. New plan participants after December 31, 2009 become 100% vested in their benefits only after five years of participation, with no partial vesting before that time.

Retirement Age

Under the terms of the plans, normal retirement age, which is the earliest age at which a participant may retire without a reduction in benefits, is 62. Participants are eligible for early retirement when they have:

reached the age of 55; or

completed 30 years of credited service under the Idaho Power Company Retirement Plan.

Benefits Commencement

If a participant terminates employment on or after attaining normal retirement age or after satisfying the early retirement conditions, benefits commence on the first day of the month following the termination date unless the participant is a specified employee, as that term is used in Section 409A of the Internal Revenue Code, in which case commencement of benefits under Security Plan II is delayed for six months from the date of termination or until the participant's death, if earlier. Benefits provided to participants whose employment terminates, other than due to death, before attaining early retirement eligibility commence on the first day of the month following attainment of age 55, provided that if the participant is a specified employee, benefits under Security Plan II may not be paid within six months following termination of employment except in the event of death.

Benefits Formula

Normal retirement benefits under the combined plans equal the participant's target retirement percentage multiplied by the participant's final average monthly compensation less the amount of the participant's retirement benefits under the Idaho Power Company Retirement Plan. Normal retirement benefits under Security Plan II are also reduced by the amount of the participant's retirement benefits under Security Plan I. For participants in Security Plan II as of December 31, 2009, the target retirement percentage is 6% for each of the first 10 years of participation plus an additional 1% for each year in excess of 10 years, with a maximum target retirement percentage of 75%. For new plan participants after December 31, 2009, the target retirement percentage is equal to 5% for each of the first 10 years of participation plus an additional 1% for each year in excess of 10 years, with a maximum target retirement percentage of 65%. Effective January 1, 2018, the reduced target retirement percentages in the prior sentence will apply to all participants in Security Plan II who are Idaho Power officers or certain specified key employees, regardless of when they commenced participation in the plan, but this change will not reduce the benefits accrued by these participants as of December 31, 2017. Effective December 31, 2017, the target retirement percentage accrued under Security Plan II

for all other participants will be frozen. Final average monthly compensation is based on the participant's base salary plus short-term incentive compensation, which may not exceed one times base salary for the year in which the short-term incentive compensation was paid, during the 60 consecutive months in the final 10 years of service in which the participant's compensation was the highest, divided by 60. Final average monthly compensation does not include compensation paid to a participant pursuant to a written severance agreement.

Early retirement benefits under the combined plans equal the participant's target retirement percentage multiplied by the participant's early retirement factor and by the participant's final average monthly compensation, less the amount of the participant's retirement benefit under the Idaho Power Company Retirement Plan. Early retirement benefits under Security Plan II are also reduced by the amount of the participant's retirement benefits under Security Plan I. The early retirement factors under Security Plan I based on applicable ages are as follows:

Age When Payments Begin	Early Retirement Factor
61	96%
60	92%
59	87%
58	82%
57	77%
56	72%
55	67%

Under Security Plan II, retirement benefits are reduced in the same manner as under Security Plan I if the termination qualifies as early retirement or if the termination occurs within a limited period following a change in control.

Plan benefits for participants who are not eligible for early retirement benefits and, under Security Plan II, who do not terminate within the limited period following a change in control, are further reduced, as the participant would be entitled to the amount otherwise payable multiplied by a fraction, the numerator of which is their actual years of participation and the denominator of which is the number of years of participation they would have had at normal retirement.

Limit on Benefits Under Security Plan I

To comply with grandfathering rules under Section 409A of the Internal Revenue Code, a participant's benefit under Security Plan I is determined based on the participant's average monthly compensation, age, and years of participation as of December 31, 2004, and is limited to the present value of the amount to which the participant would have been entitled under the plan had termination occurred on December 31, 2004. For this purpose, it is assumed the benefits would have been paid at the earliest possible date allowed under the plan. Benefits under Security Plan I may not be increased by events occurring after December 31, 2004, such as a change in control or increases in age, compensation, or years of participation.

Form of Payment

Under the plans, once benefits commence, payments are generally made in the form of a single life annuity for the lifetime of the participant. A participant may also elect to receive actuarial equivalent payments in the form of a joint and survivor annuity benefit. The two forms of joint and survivor annuity offered are a joint and survivor annuity with payments continued to the surviving spouse at an amount equal to the participant's benefit and a joint and survivor annuity with payments continued to the surviving spouse at an amount equal to 75 percent of the participant's benefit (66 2/3 percent prior to plan amendments effective in May 2012), in each case subject to an actuarial adjustment to the benefit amount. Under a single life annuity, no benefits will be payable to the spouse after the participant's death.

Under Security Plan I, if a participant dies before retirement, the beneficiary (which must be the participant's spouse if the participant is married on the date of death; otherwise, the beneficiary may be a non-spouse) is entitled to receive an amount equal to 66 2/3 percent of the benefit that would be payable under the normal retirement benefit provisions of the plan, assuming death occurred at the later of age 62 or the date of death. Under Security Plan II, if the participant dies before retirement, the beneficiary

(which may be a spouse or non-spouse) is entitled to receive an amount equal to the greater of (a) 66 2/3 percent of the benefit that would be payable under the normal retirement

benefit provisions of the plan, assuming retirement occurred at the later of age 62 or the date of death, or (b) if death occurs after eligibility for early retirement, a joint and survivor annuity benefit calculated under the early retirement benefit provisions of the plan.

Under the plans, if the participant dies after retirement but before commencement of benefits, the beneficiary is entitled to receive a payout equal to 66 2/3 percent of the retirement benefit payable to the participant. Security Plan I provides that if the participant is married on the date of death, the benefit will be paid to the spouse of the participant as an annuity for the life of the spouse. If the participant is not married on the date of death, Security Plan I provides that the benefit will be paid in the form of a lump sum. Under Security Plan II, the participant may elect the payment to be in the form of an annuity or lump sum to a spouse or other beneficiary.

Under the plans, if the beneficiary is a surviving spouse and the surviving spouse is 10 or more years younger than the participant, the monthly survivor benefit will be reduced using the actuarial equivalent factors to reflect the number of years over 10 that the spouse is younger than the participant. If the beneficiary is a person other than a surviving spouse, the survivor benefit payment amount will be calculated assuming the beneficiary is the same age as the participant.

Policy on Granting Extra Years of Credited Service

The plans are unfunded and nonqualified with the intention of providing deferred compensation benefits for a select group of management or highly compensated employees within the meaning of Sections 201, 301, and 401 of the Employee Retirement Income Security Act of 1974, as amended, or ERISA, and are therefore exempt from the provisions of Parts 2, 3, and 4 of Title I, Subtitle B, of ERISA. As such, the company is permitted to provide extra years of credited service, which the plans refer to as years of participation, at its discretion, but has not done so.

Named Executive Officers Eligible for Early Retirement

Mr. Keen was eligible for early retirement under the Idaho Power Company Retirement Plan, Security Plan I, and Security Plan II at December 31, 2012 because he was both over the age of 55 and had over 30 years of credited service. At December 31, 2012, Mr. Minor was eligible for early retirement under the Idaho Power Company Retirement Plan as a result of being over the age of 55 and having greater than 10 years of credited service, and both Mr. Minor and Mr. Blackburn were eligible for early retirement under Security Plan II at that date because they were over the age of 55.

Nonqualified Deferred Compensation for 2012

Name	Executive Contributions in Last Fiscal Year	Registrant Contributions in Last Fiscal Year	Aggregate Earnings in Last Fiscal Year	Aggregate Withdrawals/ Distributions	Aggregate Balance at Last Fiscal Year End
(a)	(\$)	(\$)	(\$)	(\$)	(\$)
	(b)	(c)	(d)	(e)	(f)
J. LaMont Keen					
Darrel T. Anderson			906		11,045
Daniel B. Minor					
Rex Blackburn					
Lisa A. Grow					

The Idaho Power Company Executive Deferred Compensation Plan is a nonqualified deferred compensation plan for a select group of management or highly compensated employees within the meaning of Sections 201, 301, and 401 of ERISA, and therefore is exempt from the provisions of Parts 2, 3, and 4 of Title I of ERISA. To comply with the requirements of Section 409A of the Internal Revenue Code, and to take advantage of grandfathering rules under that section, the plan distinguishes between amounts that are subject to Section 409A and amounts that are not.

Eligibility Standards

The compensation committee designates from time to time which key employees of Idaho Power and its affiliates are eligible to participate in the plan. In selecting eligible employees, the compensation committee considers the position and responsibilities of such individuals, the value of their services, and other factors the compensation

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committee deems pertinent. The compensation committee may rescind its designation of an eligible employee and discontinue an employee's future participation in the plan at any time.

Deferred Compensation

Prior to 2009, the plan permitted a participant to defer up to 100% of base salary and up to 100% of any short-term incentive compensation. Effective January 1, 2009, the plan permits a participant to defer up to 50% of base salary and up to 50% of any short-term incentive compensation.

Accounts

Participants' interests in the plan are reflected in bookkeeping accounts representing unfunded and unsecured obligations of the company. The amount deferred by a participant is credited to the participant's bookkeeping account, and the participant selects how the amounts in the account are deemed invested. The company contributes the deferred amounts to a trust and the trust assets are used to satisfy plan obligations. The assets of the trust are subject to the claims of general creditors if the company were to become insolvent or file for bankruptcy.

Investment Options

The investment options available to participants are the same as those investments permitted under the Idaho Power Company Employee Savings Plan, which is our 401(k) plan. Participants are able to change fund investments on a daily basis.

Distribution

The portion of a participant's account that is not subject to Section 409A of the Internal Revenue Code is distributed on the earliest of the following events: (a) the participant's death; (b) the participant's termination of employment; (c) the participant's disability; or (d) termination of the plan. Participants may request earlier distribution in the case of an unforeseeable emergency. Participants may also elect to receive this portion of their accounts at any time, subject to a 10% reduction. The portion of a participant's account that is subject to Section 409A is distributed on the earliest of the following events: (a) the participant's death; (b) the participant's termination of employment; or (c) the participant's disability. If required to comply with Section 409A, distribution of this portion of a participant's account may be delayed for six months following the participant's termination of employment. In limited circumstances, this portion of a participant's account may be distributed upon plan terminations.

Distributions may be made either in one lump sum or in five annual installments, as selected by the participant. With respect to the portion of the participant's account that is not subject to Section 409A, this selection must be made at least one year prior to the occurrence of the event triggering payment. With respect to the portion of the participant's account that is subject to Section 409A, this selection generally must be made before the year in which the services that give rise to the base salary or short-term incentive compensation being deferred are provided.

Potential Payments Upon Termination or Change in Control

The tables below show the payments and benefits our NEOs would receive in connection with a variety of hypothetical employment termination scenarios and upon a change in control. For purposes of the calculations, we assumed the change in control or terminations occurred on December 31, 2012 and used the closing price of our common stock on that date, which was \$43.35. Actual amounts payable can only be determined at the time of a change in control or termination. All of the payments and benefits described below would be provided by IDACORP or Idaho Power.

The tables do not include base salary and short-term incentive awards, to the extent earned due to employment through December 31, 2012. In addition, the tables exclude compensation or benefits provided under plans or arrangements that do not discriminate in favor of the NEOs and that are generally available to all salaried employees. These include benefits under our qualified defined benefit pension plan, post-retirement health care benefits, life insurance, and disability benefits. The tables also do not include the amounts reported in the *Nonqualified Deferred Compensation for 2012* table. See the *Nonqualified Deferred Compensation for 2012* table and the accompanying

narrative for a description of accumulated benefits under our nonqualified deferred compensation plans. The present value of the accumulated pension benefit for each NEO is set forth in the *Pension Benefits for 2012* table.

The tables below include only the incremental increase in the present value of the Security Plan I and Security Plan II benefit, as applicable, that would be payable upon the occurrence of the events listed (other than upon death or disability) over the amount shown as the present value of the accumulated benefit for Security Plan I and Security Plan II in the *Pension Benefits for 2012* table.

Time-Vesting Restricted Stock and Performance-Based Shares

The IDACORP Restricted Stock Plan and the IDACORP 2000 Long-Term Incentive and Compensation Plan and/or the award agreements provide that, except for retirement with the approval of the compensation committee, death, disability, or change in control, all unvested shares, whether time-vesting or performance-based shares, are forfeited upon termination. In the event of retirement with the approval of the compensation committee, death, or disability, the NEO receives a prorated number of shares based on the number of full months employed during the restricted/performance period. For time-vesting restricted stock, the prorated shares vest at termination. In the case of performance-based shares, the performance goals must be met at some level before the shares vest and vesting only occurs after completion of the performance period. For purposes of these tables, we have assumed target performance levels would be achieved. Although vesting would not occur until after completion of the performance period, the amounts shown in the tables were not reduced to reflect the present value of the performance-based shares that could vest. In the event of a change in control, the restrictions on the time-vesting restricted stock are deemed to have expired and the payout opportunity on the performance-based shares is deemed to have been achieved at the target level. Dividend equivalents attributable to earned performance-based shares would also be paid. Dividend equivalents accrued through December 31, 2012 are included in the amounts shown.

As the compensation committee has discretion to determine whether a voluntary termination constitutes retirement for purposes of the vesting of time-based and performance-based restricted stock awards (for NEOs over the age of 55), we have assumed for purposes of the tables that voluntary termination would constitute a retirement with approval of the compensation committee for vesting purposes if the NEO was over the age of 55 as of December 31, 2012. This includes Mr. Keen, Mr. Minor, and Mr. Blackburn.

Summary of Change in Control Agreements

We have entered into change in control agreements with all our NEOs. The agreements become effective for a three-year period upon a change in control. If a change in control occurs, the agreements provide for severance benefits in the event of termination of the NEO's employment by IDACORP or any subsidiary or successor company, other than for cause (and not due to death or disability), or by the NEO for constructive discharge.

In such event, the NEO would receive:

- a lump-sum payment equal to 2.5 times his or her annual compensation, which is his or her base salary at the time of termination and his or her target short-term incentive compensation in the year of termination, or, if not yet determined at the time of termination, the prior year's target short-term incentive compensation;
- vesting of stock options, stock appreciation rights, restricted stock, restricted stock units, performance-based shares, and performance units, with performance-based awards vesting at target levels;
- outplacement services for 12 months, not to exceed \$12,000; and
- continuation of welfare benefits for a period of 24 months or, if earlier, until eligible for comparable coverage with another employer, with the NEO paying the full cost of such coverage and receiving a monthly reimbursement payment.

We define a change in control as:

- the acquisition of 20% or more of our outstanding voting securities;
- the commencement of a tender or exchange offer for 20% or more of our outstanding voting securities;
- shareholder approval, or consummation if shareholder approval is not required, of a merger or similar transaction or the sale of all or substantially all of the assets of IDACORP or Idaho Power unless our shareholders will hold more than 50% of the voting securities of the surviving entity, no person will own 20%

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- or more of the voting securities of the surviving entity, and at least a majority of the board of directors will be composed of our directors;
- shareholder approval, or consummation if shareholder approval is not required, of a complete liquidation or dissolution of IDACORP or Idaho Power; or
- a change in a majority of the board of directors within a 24-month period without the approval of two-thirds of the members of the board.

The agreements also permit an NEO to terminate employment for any reason during the first month following the one-year anniversary of the change in control. We refer to this as the 13th-month trigger in the tables. In such event, the NEO would receive the same severance benefits except that the lump-sum payment equal to 2.5 times annual compensation is reduced by one-third and the welfare benefits continue for 18 months, not 24 months.

Under the agreements, cause means the NEO's fraud or dishonesty that has resulted or is likely to result in material economic damage to us or one of our subsidiaries, as determined in good faith by at least two-thirds of our non-employee directors at a meeting of the board of directors at which the NEO is provided an opportunity to be heard.

A NEO is considered constructively discharged under the provisions of his or her change in control agreement if, within 90 days after the occurrence of such event, but in no event later than 36 months following a change in control, the NEO gives written notice to IDACORP or any successor company specifying one of the following events relied upon for such termination and the company has not remedied the matter within 30 days of receipt of such notice:

- IDACORP or any successor company fails to comply with any provision of the agreement;
- the NEO is required to be based at an office or location more than 50 miles from the location where the NEO was based on the day prior to the change in control;
- a reduction that is more than *de minimis* in
 - base salary or maximum short-term incentive award opportunity;
 - long-term incentive award opportunity; or
 - the combined annual benefit accrual rate in our defined benefit plans, unless such reduction is effective for all executive officers;
- our failure to require a successor company to assume and agree to perform under the agreement; or
- a reduction that is more than *de minimis* in the long-term disability and life insurance coverage provided to the NEO and in effect immediately prior to the change in control.

The agreements include a parachute tax provision. Section 280G of the Internal Revenue Code disallows a corporate tax deduction for any excess parachute payments and Section 4999 imposes a 20% excise tax payable by the NEO on any excess parachute payments. Generally stated, these sections apply if the change in control related payments and benefits equal or exceed 300% of the NEO's prior five-year average Form W-2 income. In the event the 300% threshold is met or exceeded, the NEO's excess parachute payments generally equal the amount by which the change in control related payments and benefits exceed 100% of the NEO's prior five-year average Form W-2 income. Except for Ms. Grow's agreement, the NEOs' agreements provide for either (1) a gross-up payment if the 20% excise tax cannot be avoided by reducing the parachute payments and benefits by 15% or less, or (2) a reduction in parachute payments and benefits if the 20% excise tax can be avoided by reducing the parachute payments and benefits by 15% or less. Ms. Grow's agreement provides for her to receive the greater net benefit of (i) full severance benefits with Ms. Grow paying any Section 280G excise tax, or (ii) severance benefits capped at the Section 280G excise tax limit.

The compensation committee adopted a new change in control agreement policy in November 2009, and the compensation committee approved a new form of change in control agreement in March 2010. The new change in control agreement does not include the 13th-month trigger provision, or any other single-trigger or modified single-trigger provisions, or any tax gross-up provisions. The compensation committee did not apply the new policy to existing change in control agreements, since those agreements were previously executed and agreed to with our NEOs.

J. LaMont Keen

Executive Benefits and Payments Upon Termination or Change in Control (a)	Voluntary Termination (b)		Not for Cause Termination (c)		For Cause Termination (d)		Death or Disability (e)		Without Termination (f)		Change in Control Not for Cause or Constructive Discharge Termination (g)		13th-Month Trigger (h)	
	(\$)		(\$)		(\$)		(\$)		(\$)		(\$)		(\$)	
Compensation:														
Base Salary											1,687,500 ¹		1,125,000 ²	
Short-Term Incentive Plan											1,350,000 ¹		900,000 ²	
Long-Term Incentive Plan Time-Vesting	673,052	3,4		5		5	673,052	3		1,015,387 ⁶	1,015,387 ⁶		1,015,387 ⁶	
Long-Term Incentive Plan Performance Vesting	1,480,625	4,7		5		5	1,480,625	7		2,153,865 ⁶	2,153,865 ⁶		2,153,865 ⁶	
Benefits and Perquisites:														
Security Plan I		8		8		8	1,579,980	9			8,10		8,10	
Security Plan II	261,735	8	261,735 ⁸		261,735 ⁸		7,623,354	9			261,735	8,10	261,735	8,10
Welfare Benefits											52,675	11	39,496	12
Outplacement Services											12,000	13		
280G Tax Gross-up												14		15
Total:	2,415,412		261,735		261,735		11,357,011		3,169,252		6,533,162		5,495,483	

¹ Mr. Keen's change in control agreement provides for a lump sum cash severance payment of 2.5 times his base salary and short-term incentive plan target amount.

² The 13th-month trigger provision in Mr. Keen's change in control agreement provides for the payment of two-thirds of his severance payment.

³ Mr. Keen would receive full vesting of his 2010 time-vesting restricted stock award and pro rata vesting of his 2011 (64.7%) and 2012 (29.4%) time-vesting restricted stock. The dollar amount is determined by multiplying the number of shares by \$43.35.

⁴ As of the assumed voluntary termination date of December 31, 2012, Mr. Keen was over the age of 55. To illustrate potential termination-related benefits, we have assumed Mr. Keen's voluntary termination would constitute retirement with approval of the compensation committee for purposes of his time-vesting restricted stock and performance-based share awards.

⁵ We have assumed a not for cause termination and a for cause termination would not constitute retirement with approval of the compensation committee for purposes of Mr. Keen's time-vesting restricted stock and performance-based share awards.

⁶ Mr. Keen would receive full vesting of his time-vesting restricted stock awards and payout of the performance-based shares at target. The dollar amounts are determined by multiplying the number of shares by \$43.35 and include the cash payment of dividend equivalents, as applicable.

⁷ Mr. Keen would receive full vesting of his 2010 award assuming the performance goals are met at the target level and pro rata vesting of his 2011 (66.7%) and 2012 (33.3%) awards assuming the performance goals are met at the target level. The amount shown assumes a share price of \$43.35 and includes the cash payment of dividend equivalents.

⁸ The values shown represent the incremental increase in the Security Plan I and Security Plan II benefit based on Mr. Keen's actual age and termination as of December 31, 2012, relative to the amount shown for Security Plan I and Security Plan II in the *Pension Benefits for 2012* table. We used a discount rate of 4.2% and the RP-2000 Annuitant Mortality Table with Scale AA Generational Projection. Payments would begin in January 2013 under Security Plan I and July 2013 under Security Plan II.

⁹ In the event of death, the values shown represent the present value of the Security Plan I and Security Plan II death benefits. During a period of disability, a participant will continue to accrue years of participation under Security Plan II, and compensation will be credited to a participant who is receiving disability benefits at the full-time equivalent rate of pay that was being earned immediately prior to the participant's becoming disabled.

¹⁰ Mr. Keen's benefits under Security Plan I and Security Plan II would not be enhanced due to a termination within a change in control period. However, Mr. Keen would be entitled to benefits under these plans upon a termination as of December 31, 2012.

¹¹ Mr. Keen's change in control agreement provides for the continuation of welfare benefits for a period of 24 months. The value shown represents the cost to the company of continuing these benefits.

¹² The 13th-month trigger provision in Mr. Keen's change in control agreement provides for the continuation of welfare benefits for a period of 18 months. The value shown represents the cost to the company of continuing these benefits.

¹³ Mr. Keen's change in control agreement provides for outplacement services commencing within 12 months of a change in control up to a maximum of \$12,000 for a 12-month period.

¹⁴ The not for cause or constructive discharge termination did not result in a parachute payment that would cause excise tax, and thus no 280G tax gross-up would be provided.

¹⁵ The 13th-month trigger did not result in a parachute payment that would cause excise tax, and thus no 280G tax gross-up would be provided.

Darrel T. Anderson

Executive Benefits and Payments Upon Termination or Change in Control (a)	Voluntary Termination (\$) (b)	Not for Cause Termination (\$) (c)	For Cause Termination (\$) (d)	Death or Disability (\$) (e)	Without Termination (\$) (f)	Change in Control Not for Cause or Constructive Discharge Termination (\$) (g)		13th-Month Trigger (\$) (h)
Compensation:								
Base Salary						1,050,000 ¹		189,959 ²
Short-Term Incentive Plan						682,500 ¹		455,000 ²
Long-Term Incentive Plan Time-Vesting	3	4	4	277,050 ⁵	438,442 ⁶	438,442 ⁶		438,442 ⁶
Long-Term Incentive Plan Performance Vesting	3	4	4	610,824 ⁷	927,821 ⁶	927,821 ⁶		927,821 ⁶
Benefits and Perquisites:								
Security Plan I	8	8	8	177,207 ⁹			10	10
Security Plan II	8	8	8	4,969,674 ⁹		183,099 ¹¹		183,099 ¹¹
Welfare Benefits						38,150 ¹²		28,584 ¹³
Outplacement Services						12,000 ¹⁴		
280G Tax Gross-up						1,894,156 ¹⁵		2
Total:				6,034,755	1,366,263	5,226,168		2,222,905

- ¹ Mr. Anderson's change in control agreement provides for a lump-sum cash severance payment of 2.5 times his base salary and short-term incentive plan target amount.
- ² The 13th-month trigger provision in Mr. Anderson's change in control agreement provides for the payment of two-thirds of his severance payment. Base salary was reduced by \$510,041 to avoid excise tax.
- ³ As of the assumed voluntary termination date of December 31, 2012, Mr. Anderson was not over the age of 55. Thus, we have assumed Mr. Anderson's voluntary termination would not constitute retirement with approval of the compensation committee for purposes of his time-vesting restricted stock and performance-based share awards.
- ⁴ We have assumed a not for cause termination and a for cause termination would not constitute retirement with approval of the compensation committee for purposes of Mr. Anderson's time-vesting restricted stock and performance-based share awards.
- ⁵ Mr. Anderson would receive full vesting of his 2010 time-vesting restricted stock award and pro rata vesting of his 2011 (64.7%) and 2012 (29.4%) time-vesting restricted stock. The dollar amount is determined by multiplying the prorated number of shares by \$43.35.
- ⁶ Mr. Anderson would receive full vesting of his time-vesting restricted stock awards and payout of the performance-based shares at target. The dollar amounts are determined by multiplying the number of shares by \$43.35 and include the cash payment of dividend equivalents, as applicable.
- ⁷ Mr. Anderson would receive full vesting of his 2010 award assuming the performance goals are met at the target level and pro rata vesting of his 2011 (66.7%) and 2012 (33.3%) awards assuming the performance goals are met at the target level. The amount shown assumes a share price of \$43.35 and includes the cash payment of dividend equivalents.
- ⁸ Mr. Anderson would not receive a payout greater than the amounts shown for Security Plan I and Security Plan II in the *Pension Benefits for 2012* table, and thus the table reflects no enhanced value upon the applicable events. We used a discount rate of 4.2% and the RP-2000 Annuitant Mortality Table with Scale AA Generational Projection, and assumed Mr. Anderson was 55 as of December 31, 2012.
- ⁹ In the event of death, the values shown represent the present value of the Security Plan I and Security Plan II death benefits. During a period of disability, a participant will continue to accrue years of participation under Security Plan II, and compensation will be credited to a participant who is receiving disability benefits at the full-time equivalent rate of pay that was being earned immediately prior to the participant's becoming disabled.
- ¹⁰ Mr. Anderson's benefits under Security Plan I and Security Plan II would not be enhanced due to a termination within a change in control period. However, Mr. Anderson would be entitled to benefits under these plans upon a termination as of December 31, 2012. Mr. Anderson would not receive a payout greater than the amounts shown for Security Plan I in the *Pension Benefits for 2012* table, and thus the table reflects no enhanced value upon the applicable events.
- ¹¹ Under Security Plan II, if employment is terminated within a change in control period prior to the executive officer's normal retirement, the benefit is calculated using age 55 or the officer's age at termination if greater than 55. The values shown (which reflect only the incremental amount payable over the amount shown for Security Plan II in the *Pension Benefits for 2012* table) were determined as described in footnote 8, except it was assumed Mr. Anderson was 55 as of December 31, 2012.
- ¹² Mr. Anderson's change in control agreement provides for the continuation of welfare benefits for a period of 24 months. The value shown represents the cost to the company of continuing these benefits.
- ¹³ The 13th-month trigger provision in Mr. Anderson's change in control agreement provides for the continuation of welfare benefits for a period of 18 months. The value shown represents the cost to the company of continuing these benefits.

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¹⁴ Mr. Anderson's change in control agreement provides for outplacement services commencing within 12 months of a change in control up to a maximum of \$12,000 for a 12-month period.

¹⁵ The value shown assumes an incremental overall tax rate of 47.006% increased by the Internal Revenue Code Section 4999 excise tax of 20%.

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Daniel B. Minor

Executive Benefits and Payments Upon Termination or Change in Control (a)	Voluntary Termination (\$) (b)	Not for Cause Termination (\$) (c)	For Cause Termination (\$) (d)	Death or Disability (\$) (e)	Without Termination (\$) (f)	Change in Control Not for Cause or Constructive Discharge Termination (\$) (g)	13th-Month Trigger (\$) (h)
Compensation:							
Base Salary						849,554 ¹	641,667 ²
Short-Term Incentive Plan						529,375 ¹	352,917 ²
Long-Term Incentive Plan Time-Vesting	254,118 ^{3,4}	5	5	254,118 ³	393,618 ⁶	393,618 ⁶	393,618 ⁶
Long-Term Incentive Plan Performance Vesting	559,577 ^{4,7}	5	5	559,577 ⁷	833,632 ⁶	833,632 ⁶	833,632 ⁶
Benefits and Perquisites:							
Security Plan I							
Security Plan II	125,267 ⁸	125,267 ⁸	125,267 ⁸	3,422,993 ⁹		125,267 ¹⁰	125,267 ¹⁰
Welfare Benefits						31,568 ¹¹	23,673 ¹²
Outplacement Services						12,000 ¹³	
280G Tax Gross-up							1 ¹⁴
Total:	938,962	125,267	125,267	4,236,688	1,227,250	2,775,014	2,370,774

¹ Mr. Minor's change in control agreement provides for a lump sum cash severance payment of 2.5 times his base salary and short-term incentive plan target amount. Base salary was reduced by \$112,946 to avoid excise tax.

² The 13th-month trigger provision in Mr. Minor's change in control agreement provides for the payment of two-thirds of his severance payment.

³ Mr. Minor would receive full vesting of his 2010 time-vesting restricted stock award and pro rata vesting of his 2011 (64.7%) and 2012 (29.4%) time-vesting restricted stock. The dollar amount is determined by multiplying the number of shares by \$43.35.

⁴ As of the assumed voluntary termination date of December 31, 2012, Mr. Minor was over the age of 55. To illustrate potential termination-related benefits, we have assumed Mr. Minor's voluntary termination would constitute retirement with approval of the compensation committee for purposes of his time-vesting restricted stock and performance-based share awards.

⁵ We have assumed a not for cause termination and a for cause termination would not constitute retirement with approval of the compensation committee for purposes of Mr. Minor's time-vesting restricted stock and performance-based share awards.

⁶ Mr. Minor would receive full vesting of his time-vesting restricted stock awards and payout of the performance-based shares at target. The dollar amounts are determined by multiplying the number of shares by \$43.35 and include the cash payment of dividend equivalents, as applicable.

⁷ Mr. Minor would receive full vesting of his 2010 award assuming the performance goals are met at the target level and pro rata vesting of his 2011 (66.7%) and 2012 (33.3%) awards assuming the performance goals are met at the target level. The amount shown assumes a share price of \$43.35 and includes the cash payment of dividend equivalents.

⁸ The values shown represent the incremental increase in the Security Plan II benefit based on Mr. Minor's actual age and termination as of December 31, 2012, relative to the amount shown for Security Plan II in the *Pension Benefits for 2012* table. We used a discount rate of 4.2% and the RP-2000 Annuitant Mortality Table with Scale AA Generational Projection. Payments would begin in July 2013 under Security Plan II.

⁹ In the event of death, the values shown represent the present value of the Security Plan II death benefits. During a period of disability, a participant will continue to accrue years of participation under Security Plan II, and compensation will be credited to a participant who is receiving disability benefits at the full-time equivalent rate of pay that was being earned immediately prior to the participant's becoming disabled.

¹⁰ Under Security Plan II, if employment is terminated within a change in control period prior to the executive officer's normal retirement, the benefit is calculated using age 55 or the officer's age at termination if greater than 55. The values shown (which reflect only the incremental amount payable over the amount shown for Security Plan II in the *Pension Benefits for 2012* table) were determined as described in footnote 8.

¹¹ Mr. Minor's change in control agreement provides for the continuation of welfare benefits for a period of 24 months. The value shown represents the cost to the company of continuing these benefits.

¹² The 13th-month trigger provision in Mr. Minor's change in control agreement provides for the continuation of welfare benefits for a period of 18 months. The value shown represents the cost to the company of continuing these benefits.

¹³ Mr. Minor's change in control agreement provides for outplacement services commencing within 12 months of a change in control up to a maximum of \$12,000 for a 12-month period.

¹⁴ The 13th-month trigger did not result in a parachute payment that would cause excise tax, and thus no 280G tax gross-up would be provided.

Rex Blackburn

Executive Benefits and Payments Upon Termination or Change in Control (a)	Voluntary Termination (\$) (b)	Not for Cause Termination (\$) (c)	For Cause Termination (\$) (d)	Death or Disability (\$) (e)	Without Termination (\$) (f)	Change in Control Not for Cause or Constructive Discharge Termination (\$) (g)	13th-Month Trigger (\$) (h)
Compensation:							
Base Salary						750,000 ¹	423,818 ²
Short-Term Incentive Plan						337,500 ¹	225,000 ²
Long-Term Incentive Plan							
Time-Vesting	143,662 ^{3,4}	5	5	143,662 ³	221,388 ⁶	221,388 ⁶	221,388 ⁶
Long-Term Incentive Plan							
Performance Vesting	316,286 ^{4,7}	5	5	316,286 ⁷	469,089 ⁶	469,089 ⁶	469,089 ⁶
Benefits and Perquisites:							
Security Plan I							
Security Plan II	227,103 ⁸	227,103 ⁸	227,103 ⁸	1,809,716 ⁹		227,103 ¹⁰	227,103 ¹⁰
Welfare Benefits						47,033 ¹¹	35,100 ¹²
Outplacement Services						12,000 ¹³	
280G Tax Gross-up						758,203 ¹⁴	
Total:	687,051	227,103	227,103	2,269,664	690,477	2,822,316	1,601,498

¹ Mr. Blackburn's change in control agreement provides for a lump sum cash severance payment of 2.5 times his base salary and short-term incentive plan target amount.

² The 13th-month trigger provision in Mr. Blackburn's change in control agreement provides for the payment of two-thirds of his severance payment. Base salary was reduced by \$76,182 to avoid excise tax.

³ Mr. Blackburn would receive full vesting of his 2010 time-vesting restricted stock award and pro rata vesting of his 2011 (64.7%) and 2012 (29.4%) time-vesting restricted stock. The dollar amount is determined by multiplying the number of shares by \$43.35.

⁴ As of the assumed voluntary termination date of December 31, 2012, Mr. Blackburn was over the age of 55. To illustrate potential termination-related benefits, we have assumed Mr. Blackburn's voluntary termination would constitute retirement with approval of the compensation committee for purposes of his time-vesting restricted stock and performance-based share awards.

⁵ We have assumed a not for cause termination and a for cause termination would not constitute retirement with approval of the compensation committee for purposes of Mr. Blackburn's time-vesting restricted stock and performance-based share awards.

⁶ Mr. Blackburn would receive full vesting of his time-vesting restricted stock awards and payout of the performance-based shares at target. The dollar amounts are determined by multiplying the number of shares by \$43.35 and include the cash payment of dividend equivalents, as applicable.

⁷ Mr. Blackburn would receive full vesting of his 2010 award assuming the performance goals are met at the target level and pro rata vesting of his 2011 (66.7%) and 2012 (33.3%) awards assuming the performance goals are met at the target level. The amount shown assumes a share price of \$43.35 and includes the cash payment of dividend equivalents.

⁸ The values shown represent the incremental increase in the Security Plan II benefit based on Mr. Blackburn's actual age and termination as of December 31, 2012, relative to the amount shown for Security Plan II in the *Pension Benefits for 2012* table. We used a discount rate of 4.2% and the RP-2000 Annuitant Mortality Table with Scale AA Generational Projection. Payments would begin in July 2013 under Security Plan II.

⁹ In the event of death, the values shown represent the present value of the Security Plan II death benefits. During a period of disability, a participant will continue to accrue years of participation under Security Plan II, and compensation will be credited to a participant who is receiving disability benefits at the full-time equivalent rate of pay that was being earned immediately prior to the participant's becoming disabled.

¹⁰ Under Security Plan II, if employment is terminated within a change in control period prior to the executive officer's normal retirement, the benefit is calculated using age 55 or the officer's age at termination if greater than 55. The values shown (which reflect only the incremental amount payable over the amount shown for Security Plan II in the *Pension Benefits for 2012* table) were determined as described in footnote 8.

¹¹ Mr. Blackburn's change in control agreement provides for the continuation of welfare benefits for a period of 24 months. The value shown represents the cost to the company of continuing these benefits.

¹² The 13th-month trigger provision in Mr. Blackburn's change in control agreement provides for the continuation of welfare benefits for a period of 18 months. The value shown represents the cost to the company of continuing these benefits.

¹³ Mr. Blackburn's change in control agreement provides for outplacement services commencing within 12 months of a change in control up to a maximum of \$12,000 for a 12-month period.

¹⁴ The value shown assumes an incremental overall tax rate of 47.006% increased by the Internal Revenue Code Section 4999 excise tax of 20%.

Lisa A. Grow

Executive Benefits and Payments Upon Termination or Change in Control (a)	Voluntary Termination (\$) (b)	Not for Cause Termination (\$) (c)	For Cause Termination (\$) (d)	Death or Disability (\$) (e)	Without Termination (\$) (f)	Change in Control Not for Cause or Constructive Discharge Termination (\$) (g)		13th-Month Trigger (\$) (h)	
Compensation:									
Base Salary						650,000	1	433,333	2
Short-Term Incentive Plan						292,500	1	195,000	2
Long-Term Incentive Plan Time-Vesting	3	4	4	127,969	5	195,899	6	195,899	6
Long-Term Incentive Plan Performance Vesting	3	4	4	281,420	7	415,024	6	415,024	6
Benefits and Perquisites:									
Security Plan I									
Security Plan II	8	8	8	1,663,160	9	22,331	10	22,331	10
Welfare Benefits						18,668	11	14,031	12
Outplacement Services						12,000	13		
280G Tax Gross-up						1,139,823	14	939,302	14
Total:				2,072,549		610,923		2,746,245	2,214,920

¹ Ms. Grow's change in control agreement provides for a lump-sum cash severance payment of 2.5 times her base salary and short-term incentive plan target amount.

² The 13th-month trigger provision in Ms. Grow's change in control agreement provides for the payment of two-thirds of her severance payment.

³ As of the assumed voluntary termination date of December 31, 2012, Ms. Grow was not over the age of 55. Thus, we have assumed Ms. Grow's voluntary termination would not constitute retirement with approval of the compensation committee for purposes of her time-vesting restricted stock and performance-based share awards.

⁴ We have assumed a not for cause termination and a for cause termination would not constitute retirement with approval of the compensation committee for purposes of Ms. Grow's time-vesting restricted stock and performance-based share awards.

⁵ Ms. Grow would receive full vesting of her 2010 time-vesting restricted stock award and pro rata vesting of her 2011 (64.7%) and 2012 (29.4%) time-vesting restricted stock. The dollar amount is determined by multiplying the prorated number of shares by \$43.35.

⁶ Ms. Grow would receive full vesting of her time-vesting restricted stock awards and payout of the performance-based shares at target. The dollar amounts are determined by multiplying the number of shares by \$43.35 and include the cash payment of dividend equivalents, as applicable.

⁷ Ms. Grow would receive full vesting of her 2010 award assuming the performance goals are met at the target level and pro rata vesting of her 2011 (66.7%) and 2012 (33.3%) awards assuming the performance goals are met at the target level. The amount shown assumes a share price of \$43.35 and includes the cash payment of dividend equivalents.

⁸ Ms. Grow would not receive a payout greater than the amounts shown for Security Plan II in the *Pension Benefits for 2012* table, and thus the table reflects no enhanced value upon the applicable events. We used a discount rate of 4.2% and the RP-2000 Annuitant Mortality Table with Scale AA Generational Projection, and assumed Ms. Grow was 55 as of December 31, 2012.

⁹ In the event of death, the value shown represents the present value of the Security Plan II death benefits. During a period of disability, a participant will continue to accrue years of participation under Security Plan II, and compensation will be credited to a participant who is receiving disability benefits at the full-time equivalent rate of pay that was being earned immediately prior to the participant's becoming disabled.

¹⁰ Under Security Plan II, if employment is terminated within a change in control period prior to the executive officer's normal retirement, the benefit is calculated using age 55 or the officer's age at termination if greater than 55. The values shown represent the incremental increase in the Security Plan II benefit relative to the amount shown for Security Plan II in the *Pension Benefits for 2012* table. The values shown are based on a discount rate of 4.2% and the RP-2000 Annuitant Mortality Table with Scale AA Generational Projection, and assume Ms. Grow was 55 as of December 31, 2012. Payments would not commence until Ms. Grow reaches age 55.

¹¹ Ms. Grow's change in control agreement provides for the continuation of welfare benefits for a period of 24 months. The value shown represents the cost to the company of continuing these benefits.

¹² The 13th-month trigger provision in Ms. Grow's change in control agreement provides for the continuation of welfare benefits for a period of 18 months. The value shown represents the cost to the company of continuing these benefits.

¹³ Ms. Grow's change in control agreement provides for outplacement services commencing within 12 months of a change in control up to a maximum of \$12,000 for a 12-month period.

¹⁴ The company may make a gross-up payment to Ms. Grow if she receives a claim from the Internal Revenue Service that, if successful, would require her to pay an excise tax in connection with any excess parachute payments, as that term is described in Internal Revenue Code Section 280G. The amounts shown assume that Ms. Grow is provided such a tax gross-up, and assume an incremental overall tax rate of 47.006% increased by the Internal Revenue Code Section 4999 excise tax of 20%.

PROPOSAL NO. 2: Advisory Resolution to Approve Executive Compensation

As required by Section 14A of the Exchange Act, the Board of Directors is submitting a separate resolution approving on an advisory basis the compensation of our named executive officers. This is an opportunity for our shareholders, through what is commonly referred to as a say-on-pay vote, to endorse or not endorse our executive compensation program. At the 2012 annual meeting of shareholders, we provided our shareholders with the same opportunity to cast an advisory vote on the compensation of our named executive officers as disclosed in the proxy statement for the 2012 annual meeting of shareholders, and our shareholders approved the proposal, with nearly 95% of the votes cast in favor. We experienced similar results at the 2011 annual meeting of shareholders. We considered this as evidence of broad-based support for our compensation program and decisions as described in the 2011 and 2012 proxy statements, and as a component of our basis for maintaining a similar approach to executive compensation for 2012 and 2013.

As described in more detail in the *Compensation Discussion and Analysis*, the philosophy that underlies our executive compensation policy is to provide balanced and competitive compensation to our officers to (1) ensure that our company is able to attract and retain high-quality officers, and (2) motivate our officers to achieve performance goals that will benefit our shareholders and customers. This philosophy is implemented in tandem with our three-part business strategy of responsible planning, responsible development and protection of resources, and responsible energy use to ensure adequate energy supplies. At the core of this philosophy is our pay-for-performance model, which links competitive levels of compensation to achievements of our overall strategy and business goals and predetermined objectives.

We urge our shareholders to read the *Compensation Discussion and Analysis* in this proxy statement, which describes in more detail how our executive compensation policies and procedures operate and are designed to achieve our compensation objectives, as well as the *2012 Summary Compensation Table* and other related compensation tables and narrative included in Part 4 Executive Compensation in this proxy statement, which provide detailed information on the compensation of our named executive officers. The compensation committee and the Board of Directors believe that the policies and procedures articulated in that discussion are effective in achieving our goals and that the compensation of our named executive officers reported in this proxy statement has contributed to our company's recent and long-term successes.

Accordingly, we are requesting that our shareholders approve the following advisory resolution at the Annual Meeting:

RESOLVED, that the shareholders of IDACORP, Inc. (the Company) approve, on an advisory basis, the compensation of the Company's named executive officers, as disclosed in the *Compensation Discussion and Analysis* and the accompanying tables and related narrative in the proxy statement for the Company's 2013 Annual Meeting of Shareholders.

The vote on this resolution is not intended to address any specific element of compensation, but rather relates to the overall compensation of our named executive officers, as described in this proxy statement in accordance with the compensation disclosure rules of the Securities and Exchange Commission. The shareholder vote will not be binding on the company or our Board of Directors, and it will not be construed as overruling any decision by the company or the Board of Directors or creating or implying any change to, or additional, fiduciary duties for our company or our Board of Directors. Although nonbinding, the Board of Directors and the compensation committee will review and consider the voting results when making future decisions regarding our executive compensation program.

Our Board of Directors, at its May 19, 2011 meeting, determined that we will hold an annual advisory vote on executive compensation, and has adopted a policy consistent with this determination. Unless the Board of Directors modifies this policy, the next say-on-pay vote will be held at our 2014 annual meeting of shareholders.

Board of Directors Recommendation

The Board of Directors unanimously recommends a vote **FOR** the approval of the advisory resolution on executive compensation.

PROPOSAL NO. 3: Ratification of Appointment of Independent Registered Public Accounting Firm

At the Annual Meeting, we will ask you to ratify the audit committee's appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2013. This firm has conducted our consolidated annual audits since 1998 and is one of the world's largest firms of independent certified public accountants. We expect a representative of Deloitte & Touche LLP to be present at the Annual Meeting. He or she will have an opportunity to make a statement and to respond to appropriate questions.

The audit committee will consider your vote as a factor in selecting our independent registered public accounting firm for 2014. The audit committee reserves the right, in its sole discretion, to change the appointment of the independent registered public accounting firm at any time if it determines that such a change would be in the best interests of the company and our shareholders.

Board of Directors Recommendation

The Board of Directors unanimously recommends a vote **FOR** ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the year ending December 31, 2013.

Independent Accountant Billings

The aggregate fees our principal independent registered public accounting firm, Deloitte & Touche LLP, billed or are expected to bill us for the years ended December 31, 2012 and 2011 are as follows:

Fees billed	2012	2011
Audit Fees	\$ 1,263,189	\$ 1,205,400
Audit-Related Fees ¹	95,300	93,300
Tax Fees ²	43,236	87,648
All Other Fees ³	2,200	2,200
Total Fees	\$ 1,403,925	\$ 1,388,548

¹ Includes fees for audits of our benefit plans, grant compliance audits, and agreed upon procedures at a subsidiary.

² Includes fees for planning, consulting, compliance, and preparation of tax forms for IDACORP and its subsidiaries, including Idaho Power Company employee benefit plans.

³ Accounting research tool subscription.

Policy on Audit Committee Pre-Approval of Audit and Non-Audit Services

We and our audit committee are committed to ensuring the independence of the independent registered public accounting firm, both in fact and in appearance. In this regard, the audit committee has established a pre-approval standard for both audit and non-audit services.

In addition to the audits of our consolidated financial statements, the independent registered public accounting firm may be engaged to provide certain audit-related, tax, and other services. The audit committee must pre-approve all services performed by the independent registered public accounting firm to ensure that the provision of those services does not impair the independent registered public accounting firm's independence. The services that the audit committee will consider include audit services such as attest services, changes in the scope of the audit of the financial statements, and the issuance of comfort letters and consents in connection with financings; audit-related services such as internal control reviews and assistance with internal control reporting requirements; attest services related to financial reporting that are not required by statute or regulation, and accounting consultations and audits related to proposed transactions and new or proposed accounting rules, standards, and interpretations; and tax compliance and planning services.

Unless a type of service to be provided by the independent public accounting firm has received general pre-approval, it requires specific pre-approval by the audit committee. In addition, any proposed services exceeding pre-approved cost levels require specific pre-approval by the audit committee. Under the pre-approval policy, the audit

committee has delegated to the chairman of the audit committee pre-approval authority for services. The chairman must report any pre-approval decisions to the audit committee at its next scheduled meeting. Any request to engage the independent registered public accounting firm to provide a service that has not received general pre-approval must be submitted as a written proposal to our chief financial officer with a copy to our general counsel. The request must include a detailed description of the service to be provided, the proposed fee, and the business reasons for engaging the independent registered public accounting firm to provide the service. Upon approval by the chief financial officer, the general counsel, and the independent registered public accounting firm that the proposed engagement complies with the terms of the pre-approval policy and applicable laws, rules, and regulations, the request will be presented to the audit committee or the audit committee chairman, as the case may be, for pre-approval.

In determining whether to pre-approve the engagement of the independent public accounting firm, the audit committee or the audit committee chairman, as the case may be, must consider, among other things, the pre-approval policy; applicable laws, rules, and regulations; and whether the nature of the engagement and the related fees are consistent with the following principles:

the independent registered public accounting firm cannot function in the role of management; and
the independent registered public accounting firm cannot audit its own work.

The pre-approval policy and separate supplements to the pre-approval policy describe the specific audit, audit-related, tax, and other services that have the general pre-approval of the audit committee. The term of any pre-approval is 12 months from the date of pre-approval, unless the audit committee specifically provides for a different period. The audit committee will periodically revise the list of pre-approved services, based on subsequent determinations.

For 2011 and 2012, all audit and non-audit services and all fees paid in connection with those services were pre-approved by the audit committee.

Report of the Audit Committee

The audit committee has reviewed and discussed the audited consolidated financial statements of IDACORP, Inc. with management. The audit committee has discussed with the independent auditors the matters required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA, *Professional Standards*, Vol. 1. AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

The audit committee has received the written disclosures and the letter from the independent auditors required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent auditor's communications with the audit committee concerning independence and has discussed with the independent auditors the independent auditors' independence.

Based on the audit committee's review and discussions referred to above, the audit committee recommended to the Board of Directors that the IDACORP audited consolidated financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2012 for filing with the Securities and Exchange Commission.

THE AUDIT COMMITTEE
Richard J. Dahl, Chairman
C. Stephen Allred
Joan H. Smith
Thomas J. Wilford

Other Business

Neither the Board of Directors nor management intends to bring before the meeting any business other than the matters referred to in the Notice of Annual Meeting and this proxy statement. In addition, other than as described below, we have not been informed that any other matter will be presented to the meeting by others. If any other business should properly come before the meeting, or any adjournment thereof, the persons named in the proxy will vote on such matters according to their best judgment.

Shared-Address Shareholders

In accordance with a notice sent to eligible shareholders who share a single address, we are sending only one annual report to shareholders and proxy statement or Notice of Internet Availability, as applicable, to that address, unless we received instructions to the contrary from any shareholder at that address. This practice, known as householding, is designed to reduce our printing and postage costs. However, if a shareholder of record residing at such address wishes to receive a separate annual report to shareholders or proxy statement or Notice of Internet Availability, as applicable, in the future, he or she may contact investor relations in writing at 1221 West Idaho Street, Boise, Idaho 83702, or by telephone at (800) 635-5406. Eligible shareholders of record receiving multiple copies of our annual report to shareholders and proxy statement or Notice of Internet Availability, as applicable, can request householding by contacting us in the same manner. If you own shares through a bank, broker, or other nominee, you can request householding by contacting that bank, broker, or other nominee.

We will deliver promptly, upon written or oral request, a separate copy of the Annual Report, proxy statement, or Notice of Internet Availability, as applicable, to a shareholder at a shared address to which a single copy of the documents was delivered. Requests should be addressed to investor relations at the address or telephone number set forth above.

2014 Annual Meeting of Shareholders

As of the date of this proxy statement, we expect our 2014 annual meeting of shareholders to be held on May 15, 2014.

Shareholders of the company may submit proposals on matters appropriate for shareholder action at meetings of the company's shareholders in accordance with Rule 14a-8 of the Securities and Exchange Commission. To be submitted for inclusion in next year's proxy statement, shareholder proposals must satisfy all applicable requirements of Rule 14a-8. For our 2014 annual meeting of shareholders, if you wish to submit a proposal for inclusion in the proxy materials pursuant to Rule 14a-8, you must submit your proposal to our corporate secretary on or before the close of business on December 4, 2013. Our bylaws require that any shareholder proposal that is not submitted for inclusion in our proxy statement under SEC Rule 14a-8, but is instead sought to be presented directly at the 2014 annual meeting of shareholders, must be received at our principal executive offices not later than 120 days prior to the first anniversary of the date on which we first mailed our proxy materials for the 2013 Annual Meeting. As a result, proposals, including director nominations, submitted pursuant to these provisions of our bylaws must be received no later than the close of business on December 4, 2013. The proposal must be accompanied by certain information specified in our bylaws, which you may obtain by writing to our corporate secretary. Shareholder proposals should be sent to: Corporate Secretary, IDACORP, Inc., 1221 W. Idaho Street, Boise, Idaho 83702. If a shareholder fails to meet this deadline or fails to satisfy other requirements of Rule 14a-4 and other applicable requirements of the Securities and Exchange Commission, we may exercise discretionary voting authority over proxies we receive to vote on any such proposal as we determine appropriate.

Annual Report and Financial Statements

Our Annual Report was provided or made available to shareholders together with this proxy statement. We will also make available to our shareholders a copy of our Annual Report on Form 10-K, excluding exhibits, for the year ended December 31, 2012, which was required to be filed with the Securities and Exchange Commission. You may obtain a copy without charge upon written or oral request to Lawrence F. Spencer, Director of Investor Relations, IDACORP, Inc., 1221 West Idaho Street, Boise, Idaho 83702, telephone number (208) 388-2200. You may also access our Annual Report on Form 10-K through our website at www.idacorpinc.com or at the website maintained by the Securities and Exchange Commission, www.sec.gov.

Companies Included in the Energy Services Executive Compensation Database

Annual Revenues of Less Than \$1 Billion

Allete	Midwest Independent Transmission System Operator
ATC Management	New York Independent System Operator
California Independent System Operator	Nuscale Power
CH Energy Group	NW Natural
Colorado Springs Utilities	Omaha Public Power
EDP Renewables North America LLC	PJM Interconnection
El Paso Electric	Southwest Power Pool
Energy Northwest	STP Nuclear Operating
ERCOT	Trans Bay Cable
Iberdrola Renewables	UIL Holdings
ISO New England	Unitil
LES	Wolf Creek Nuclear
MGE Energy	

Annual Revenues of \$1 Billion to \$3 Billion

Acciona	McDermott
AGL Resources	New York Power Authority
Areva	Nicor
Avista Corp.	NorthWestern Energy
Black Hills	NSTAR
Cleco	Oglethorpe Power
Covanta Holdings	PNM Resources
CPS Energy	Portland General Electric
Crosstex Energy	Proliance Holdings
DPL	Regency Energy Partners LP
Energen	Salt River Project
EQT Corporation	Santee Cooper
First Solar	SemGroup
GenOn Energy	Southern Union Company
Hawaiian Electric	TransCanada
IDACORP, Inc.	UniSource Energy
LG&E and KU Energy Services	Vectren
Lower Colorado River Authority	Westar Energy

Companies Included in the General Industry Executive Database

Annual Revenues of Less Than \$1 Billion *Subsidiary

Aerojet*	Intrepid Potash
Appleton Papers	ION Geophysical
Barnes Group	Irvine Company
Belo	Matthews International
Bemis	MDC Holdings
Bush Brothers	Media General

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Calgon Carbon	Medicines Company
CDI	Milacron
Choice Hotels International	Oxford Industries
CSR	Reddy Ice
Deckers Outdoor	Regency Centers
Dex One	Ricardo*
Fair Isaac	Safety-Kleen Systems
Graco	ShawCor
Haynes International	StarTek
HNTB	Taubman Centers
Huron Consulting Group	Underwriters Laboratories
Husky Injection Molding Systems*	Verde Realty
IDEXX Laboratories	Winnebago Industries

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Annual Revenues of \$1 Billion to \$3 Billion *Subsidiary

A.O. Smith	Intercontinental Hotels*
Acuity Brands	International Flavors & Fragrances
Aerojet*	Irvine Company
Alexander & Baldwin	Jack in the Box
American Crystal Sugar	Kaman Industrial Technologies*
AMETEK	Kansas City Southern
Ann Taylor Stores	Kinetic Concepts
AOL	Kinross Gold*
Armstrong World Industries	Magellan Midstream Partners
Barnes Group	ManTech International
Brady	Martin Marietta Materials
Broadridge Financial Solutions	Mary Kay
Brown-Forman	McClatchy
Carmeuse North America Group*	MDC Holdings
Carpenter Technology	Molson Coors Brewing
CDI	MWH Global
Chemtura	Noranda Aluminum
Chiquita Brands	Nypro
Coinstar	Overhead Door*
ConvaTec	Parsons
Convergys	PerkinElmer
CoreLogic	Plexus
Covance	Polaris Industries
Curtiss-Wright	Purdue Pharma
Cytec	Quintiles
Dassault Systems*	Reader's Digest
Day & Zimmerman	Regal-Beloit
Deckers Outdoor	Rent-A-Center
Deluxe	Safety-Kleen Systems
Dentsply	Schwan's

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Dex One	Scotts Miracle-Gro
Donaldson	Scripps Networks Interactive
Endo Pharmaceuticals	ServiceMaster Company
Equifax	ShawCor
Equity Office Properties	Sigma-Aldrich
General Atomics	Snap-On
Goodman Manufacturing	Space Systems Loral*
GSI Commerce	SRA International
GTECH	Stantec*
H.B. Fuller	Steelcase
Harland Clarke*	Swagelok
Harman International Industries	Teradata
Headway Technologies*	Thomas & Betts
Herman Miller	Toro
Hexcel	Total System Services
HNI	Travelport
HNTB	Trident Seafoods
Hostess Brands	Tupperware
Houghton Mifflin Harcourt Publishing	Underwriters Laboratories
Hunt Consolidated	United Rentals
Husky Injection Molding Systems*	USG
IDEXX Laboratories	Vulcan Materials
IMS Health	

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Please Sign Here Please Date Above Please Sign Here Please Date Above · Please separate carefully at the perforation and return just this portion in the envelope provided. · Authorized Signatures - This section must be completed for your instructions to be executed. EVENT # CLIENT # Copyright © 2013 Mediant Communications LLC. All Rights Reserved Annual Meeting of Shareholders of IDACORP, Inc. Time: May 16, 2013 / 10:00 am / Local Time Place: Idaho Power Company Corporate Headquarters, 1221 West Idaho Street, Boise, Idaho 83702 Please make your marks like this: xUse pen only The Board of Directors recommends a vote "FOR" each of the director nominees in Proposal 1 and "FOR" Proposals 2 and 3. 1. Elect four directors nominated by the board of directors for one-year terms (01) Judith A. Johansen (02) J. LaMont Keen (03) Robert A. Tinstman (04) Dennis L. Johnson 2. Ratify the appointment of Deloitte and Touche LLP as our independent registered public accounting firm for the year ending December 31, 2013 3. Advisory resolution to approve executive compensation 4. Transact such other business that may properly come before the meeting and any adjournment or adjournments thereof Directors Recommend For Withhold I Directors Recommend For Against Abstain I Directors Recommend For Against Abstain I • Mark, sign and date your Proxy Card. • Detach your Proxy Card. • Return your Proxy Card in the postage-paid envelope provided. MAIL INTERNET • Use any touch-tone telephone. • Have this Proxy Card handy. • Follow the simple recorded instructions. TELEPHONE Go To 1-866-702-2221 www.proxypush.com/ida • Have this Proxy Card handy. OR OR Annual Meeting of Shareholders of IDACORP, Inc. Time: Thursday, May 16, 2013 / 10:00 am / Local Time Place: Idaho Power Company Corporate Headquarters, 1221 W. Idaho Street, Boise, Idaho 83702 All votes must be received by 5:00 pm, Eastern Daylight Saving Time, May 15, 2013. PROXY TABULATOR FOR P.O. BOX 8016 CARY, NC 27512-9903

April 3, 2013 Dear Shareholders of IDACORP, Inc: It is our pleasure to invite you to attend the upcoming 2013 Annual Meeting of Shareholders of IDACORP, Inc. to be held on May 16, 2013, at 10:00 a.m., local time, at the Idaho Power Company corporate headquarters building, 1221 West Idaho Street, Boise, Idaho. Your board of directors and management look forward to personally greeting those shareholders able to attend. Information about the business of the meeting and the nominees for election as members of the board of directors is set forth in the Notice of Meeting and the Proxy Statement. This year IDACORP, Inc. is asking you to elect four directors nominated by the board of directors for one-year terms; to ratify the appointment of Deloitte Touche LLP as our independent registered public accounting firm for the year ending December 31, 2013; and to vote on an advisory resolution to approve executive compensation. YOUR VOTE IS IMPORTANT. YOU CAN BE SURE YOUR SHARES ARE REPRESENTED AT THE MEETING BY PROMPTLY RETURNING YOUR COMPLETED PROXY IN THE ENCLOSED ENVELOPE OR BY FOLLOWING THE INSTRUCTIONS ON THE REVERSE SIDE TO VOTE THROUGH THE INTERNET OR BY TELEPHONE. You may revoke your proxy prior to or at the meeting and may vote in person if you wish. Gary G. Michael J. LaMont Keen Chairman of the Board President and Chief Executive Officer

IDACORP, Inc. PROXY FOR THE ANNUAL MEETING OF SHAREHOLDERS ON MAY 16, 2013 THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS Properly executed proxies will be voted as marked and, if not marked, proxies properly executed and received will be voted "FOR" proposal (1), to elect four directors nominated by the board of directors for one-year terms; "FOR" proposal (2), to ratify the appointment of Deloitte Touche LLP as our independent registered public accounting firm for the year ending December 31, 2013; and "FOR" proposal (3), an advisory resolution to approve executive compensation. The undersigned hereby appoints J. LaMont Keen and Patrick A. Harrington, and each of them, proxies with full power of substitution to vote for the undersigned at the Annual Meeting of Shareholders of IDACORP,

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Inc. and at any adjournment(s) thereof, on the matters set forth in the Proxy Statement and such other matters as may properly come before the meeting; and hereby directs that this proxy be voted in accordance with the instructions herein and in the proxies' discretion on any other matters that may properly come before the meeting and at any adjournment or postponements thereof. Please date, sign and promptly mail in the self-addressed return envelope, which requires no postage if mailed in the United States. Please so indicate following your signature if you are signing in a representative capacity. If shares are held jointly, both owners should sign. You may also vote through the internet or by telephone by following the instructions on the reverse side.
