

IDACORP INC  
Form 10-Q  
May 09, 2007

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D. C. 20549**  
**FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2007

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the transition period from

to

Exact name of registrants as specified

I.R.S.

Employer

Identification

Commission File

in their charters, address of principal  
executive offices, zip code and telephone number

Number

1-14465

**IDACORP, Inc.**

82-0505802

1-3198

**Idaho Power Company**

82-0130980

1221 W. Idaho Street

Boise, ID 83702-5627

(208) 388-2200

State of Incorporation: Idaho

Websites: [www.idacorpinc.com](http://www.idacorpinc.com)

[www.idahopower.com](http://www.idahopower.com)

None

Former name, former address and former fiscal year, if changed since last report.

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrants are large accelerated filers, accelerated filers, or non-accelerated filers.

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IDACORP, Inc.:					
Large accelerated filer	X	Accelerated filer		Non-accelerated filer	
Idaho Power Company:					
Large accelerated filer		Accelerated filer		Non-accelerated filer	X

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Exchange Act).  
 Yes \_\_\_ No X

Number of shares of Common Stock outstanding as of March 31, 2007:

IDACORP, Inc.: 43,986,040

Idaho Power Company: 39,150,812, all held by IDACORP, Inc.

This combined Form 10-Q represents separate filings by IDACORP, Inc. and Idaho Power Company. Information contained herein relating to an individual registrant is filed by that registrant on its own behalf. Idaho Power Company makes no representations as to the information relating to IDACORP, Inc.'s other operations.

Idaho Power Company meets the conditions set forth in General Instructions H(1)(a) and (b) of Form 10-Q and is therefore filing this Form with the reduced disclosure format.

**COMMONLY USED TERMS**

AFDC	-	Allowance for Funds Used During Construction
Cal ISO	-	California Independent System Operator
CalPX	-	California Power Exchange
cfs	-	Cubic feet per second
DSM	-	Demand Side Management
Energy Act	-	Energy Policy Act of 2005
EPS	-	Earnings per share
ESA	-	Endangered Species Act
FASB	-	Financial Accounting Standards Board
FERC	-	Federal Energy Regulatory Commission
FIN	-	Financial Accounting Standards Board Interpretation
Fitch	-	Fitch, Inc.
FPA	-	Federal Power Act
GAAP	-	Generally Accepted Accounting Principles in the United States of America
Ida-West	-	Ida-West Energy, a subsidiary of IDACORP, Inc.
IDWR	-	Idaho Department of Water Resources
IE	-	IDACORP Energy, a subsidiary of IDACORP, Inc.
IFS	-	IDACORP Financial Services, a subsidiary of IDACORP, Inc.
IPC	-	Idaho Power Company, a subsidiary of IDACORP, Inc.
IPUC	-	Idaho Public Utilities Commission
IRP	-	Integrated Resource Plan
ITI	-	IDACORP Technologies, Inc.
kW	-	Kilowatt
maf	-	Million acre feet
MD&A	-	Management's Discussion and Analysis of Financial Condition and Results of Operations
Moody's	-	Moody's Investors Service
MW	-	Megawatt
MWh	-	Megawatt-hour
NEPA	-	National Environmental Policy Act of 1996
O & M	-	Operations and Maintenance
OPUC	-	Oregon Public Utility Commission
PCA	-	Power Cost Adjustment
PM&E	-	Protection, Mitigation and Enhancement
PURPA	-	Public Utility Regulatory Policies Act of 1978
RFP	-	Request for Proposal
RTO	-	Regional Transmission Organization
S&P	-	Standard & Poor's Ratings Services
SFAS	-	Statement of Financial Accounting Standards
SO <sub>2</sub>	-	Sulfur Dioxide
Valmy	-	North Valmy Steam Electric Generating Plant
VIEs	-	Variable Interest Entities



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<b>SAFE HARBOR STATEMENT</b>	

This Form 10-Q contains "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Forward-looking statements should be read with the cautionary statements and important factors included in this Form 10-Q at Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Information." Forward-looking statements are all statements other than statements of historical fact, including without limitation those that are identified by the use of the words "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "projects," "may result," "may continue" and similar expressions.



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**PART I - FINANCIAL INFORMATION****Item 1. Financial Statements****IDACORP, Inc.****Condensed Consolidated Statements of Income  
(unaudited)**

**Three months ended  
March 31,  
2007      2006  
(thousands of dollars  
except  
for per share  
amounts)**

**Operating Revenues:**

Electric utility:		
General business	\$ 137,251	\$ 162,183
Off-system sales	57,838	104,241
Other revenues	10,839	850
Total electric utility revenues	205,928	267,274
Other	783	1,066
Total operating revenues	206,711	268,340

**Operating Expenses:**

Electric utility:		
Purchased power	50,817	55,925
Fuel expense	30,913	26,969
Power cost adjustment	(21,536)	43,467
Other operations and maintenance	69,942	61,564
Depreciation	25,290	24,549
Taxes other than income taxes	4,918	5,571
Total electric utility expenses	160,344	218,045
Other expense	2,588	3,818
Total operating expenses	162,932	221,863

**Operating Income (Loss):**

Electric utility	45,584	49,229
Other	(1,805)	(2,752)
Total operating income	43,779	46,477
<b>Other Income</b>	5,389	4,670
<b>Losses of Unconsolidated Equity-Method Investments</b>	(1,326)	(51)
<b>Other Expense</b>	3,212	1,421

**Interest Expense:**

Interest on long-term debt	13,548	14,084
Other interest	1,604	1,029
Total interest expense	15,152	15,113

<b>Income Before Income Taxes</b>	29,478	34,562
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<b>Income Tax Expense</b>	4,898	7,607
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<b>Income from Continuing Operations</b>	24,580	26,955
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<b>Income (Losses) from Discontinued Operations, net of tax</b>	67	(1,479)
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<b>Net Income</b>	\$ 24,647	\$ 25,476
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Weighted Average Common Shares Outstanding - Basic (000's)	43,687	42,473
Weighted Average Common Shares Outstanding - Diluted (000's)	43,820	42,603
<b>Earnings Per Share of Common Stock (basic and diluted):</b>		
Earnings per share from Continuing Operations	\$ 0.56	\$ 0.63
Earnings (losses) per share from Discontinued Operations	-	(0.03)
Earnings Per Share of Common Stock	\$ 0.56	\$ 0.60
<b>Dividends Paid Per Share of Common Stock</b>	<b>\$ 0.30</b>	<b>\$ 0.30</b>

The accompanying notes are an integral part of these statements.

**IDACORP, Inc.**  
**Condensed Consolidated Balance Sheets**  
**(unaudited)**

	<b>March 31,</b>	<b>December 31,</b>
	<b>2007</b>	<b>2006</b>
	<b>(thousands of dollars)</b>	
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 3,561	\$ 9,892
Receivables:		
Customer	60,940	62,131
Allowance for uncollectible accounts	(7,150)	(7,168)
Employee notes	2,473	2,569
Other	17,133	11,855
Energy marketing assets	14,339	12,069
Accrued unbilled revenues	23,941	31,365
Materials and supplies (at average cost)	40,391	39,079
Fuel stock (at average cost)	16,743	15,174
Prepayments	7,695	9,308
Deferred income taxes	30,593	28,035
Regulatory assets	2,023	1,480
Refundable income tax deposit	44,903	44,903
Other	2,833	2,513
Assets held for sale	-	3,326
Total current assets	260,418	266,531
<b>Investments</b>	198,522	202,825
<b>Property, Plant and Equipment:</b>		
Utility plant in service	3,610,933	3,583,694
Accumulated provision for depreciation	(1,430,961)	(1,406,210)
Utility plant in service - net	2,179,972	2,177,484
Construction work in progress	235,062	210,094
Utility plant held for future use	3,135	2,810
Other property, net of accumulated depreciation	28,457	28,692
Property, plant and equipment - net	2,446,626	2,419,080
<b>Other Assets:</b>		
American Falls and Milner water rights	30,282	30,543
Company-owned life insurance	34,176	34,055
Regulatory assets	388,699	423,548
Long-term receivables (net of allowance of \$1,878)	3,583	3,802
Employee notes	2,416	2,411
Other	42,630	41,259
Assets held for sale	-	21,076
Total other assets	501,786	556,694
<b>Total</b>	<b>\$ 3,407,352</b>	<b>\$ 3,445,130</b>

The accompanying notes are an integral part of these statements.



**IDACORP, Inc.**  
**Condensed Consolidated Balance Sheets**  
**(unaudited)**

	<b>March 31, 2007</b>	<b>December 31, 2006</b>
<b>Liabilities and Shareholders' Equity</b>	<b>(thousands of dollars)</b>	
<b>Current Liabilities:</b>		
Current maturities of long-term debt	\$ 94,209	\$ 95,125
Notes payable	156,427	129,000
Accounts payable	43,469	86,440
Energy marketing liabilities	17,079	13,532
Taxes accrued	4,376	47,402
Interest accrued	26,059	12,657
Other	51,346	23,572
Liabilities held for sale	-	2,606
Total current liabilities	392,965	410,334
<b>Other Liabilities:</b>		
Deferred income taxes	463,471	498,512
Regulatory liabilities	283,167	294,844
Other	188,003	179,836
Liabilities held for sale	-	8,773
Total other liabilities	934,641	981,965
<b>Long-Term Debt</b>	<b>926,926</b>	<b>928,648</b>