

IDAHO POWER CO
 Form 10-Q
 April 30, 2015
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

FORM 10-Q
 (Mark One)

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

For the quarterly period ended March 31, 2015

OR

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

For the transition period from _____ to _____

Commission File	Exact name of registrants as specified	I.R.S. Employer
Number	in their charters, address of principal	Identification
1-14465	executive offices, zip code and telephone number	Number
1-3198	IDACORP, Inc.	82-0505802
	Idaho Power Company	82-0130980
	1221 W. Idaho Street	
	Boise, Idaho 83702-5627	
	(208) 388-2200	
	State of Incorporation: Idaho	
	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.

IDACORP, Inc.: Yes X No ___ Idaho Power Company: Yes X No ___

Indicate by check mark whether the registrants have submitted electronically and posted on their corporate Web sites, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrants were required to submit and post such files).

IDACORP, Inc.: Yes X No ___ Idaho Power Company: Yes X No ___

Indicate by check mark whether the registrants are large accelerated filers, accelerated filers, non-accelerated filers, or smaller reporting companies. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one):

IDACORP, Inc.:

Large accelerated filer X Accelerated filer Non-accelerated filer Smaller reporting company

Idaho Power Company:

Large accelerated filer Accelerated filer Non-accelerated filer X Smaller reporting company

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Exchange Act).

IDACORP, Inc.: Yes No X Idaho Power Company: Yes No X

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Number of shares of common stock outstanding as of April 24, 2015:

IDACORP, Inc.: 50,347,339

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 Instruction (H)(1)(a) and (b) of Form 10-Q and is therefore filing this report on Form 10-Q with the reduced disclosure format.

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COMMONLY USED TERMS

The following select abbreviations, terms, or acronyms are commonly used or found in multiple locations in this report:

ADITC	- Accumulated Deferred Investment Tax Credits
AFUDC	- Allowance for Funds Used During Construction
BCC	- Bridger Coal Company, a joint venture of IERCo
BLM	- U.S. Bureau of Land Management
CSPP	- Cogeneration and Small Power Production
EIS	- Environmental Impact Statement
EPA	- U.S. Environmental Protection Agency
FCA	- Fixed Cost Adjustment
FERC	- Federal Energy Regulatory Commission
HCC	- Hells Canyon Complex
IDACORP	- IDACORP, Inc., an Idaho corporation
Idaho Power	- Idaho Power Company, an Idaho corporation
Idaho ROE	- Idaho-jurisdiction return on year-end equity
Ida-West	- Ida-West Energy, a subsidiary of IDACORP, Inc.
IERCo	- Idaho Energy Resources Co., a subsidiary of Idaho Power Company
IESCO	- IDACORP Energy Services Co., a subsidiary of IDACORP, Inc.
IFS	- IDACORP Financial Services, a subsidiary of IDACORP, Inc.
IPUC	- Idaho Public Utilities Commission
IRP	- Integrated Resource Plan
kW	- Kilowatt
MD&A	- Management's Discussion and Analysis of Financial Condition and Results of Operations
MW	- Megawatt
MWh	- Megawatt-hour
NO _x	- Nitrogen Oxide
O&M	- Operations and Maintenance
OATT	- Open Access Transmission Tariff
OPUC	- Public Utility Commission of Oregon
PCA	- Power Cost Adjustment
PURPA	- Public Utility Regulatory Policies Act of 1978
REC	- Renewable Energy Certificate
SCR	- Selective Catalytic Reduction
SEC	- U.S. Securities and Exchange Commission
SMSP	- Security Plan for Senior Management Employees
WPSC	- Wyoming Public Service Commission

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

In addition to the historical information contained in this report, this report contains (and oral communications made by IDACORP, Inc. and Idaho Power Company may contain) statements that relate to future events and expectations, such as statements regarding projected or future financial performance, cash flows, capital expenditures, dividends, capital structure or ratios, strategic goals, challenges, objectives, and plans for future operations. Such statements constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions, or future events or performance, often, but not always, through the use of words or phrases such as "anticipates," "believes," "continues," "estimates," "expects," "intends," "plans," "predicts," "projects," "may result," or similar expressions, are not statements of historical facts and may be forward-looking. Forward-looking statements are not guarantees of future performance and involve estimates, assumptions, risks, and uncertainties. Actual results, performance, or outcomes may differ materially from the results discussed in the statements. In addition to any assumptions and other factors and matters referred to specifically in connection with such forward-looking statements, factors that could cause actual results or outcomes to differ materially from those contained in forward-looking statements include those factors set forth in this report, IDACORP's and Idaho Power's Annual Report on Form 10-K for the year ended December 31, 2014, particularly Part I, Item 1A - "Risk Factors" and Part II, Item 7 - "Management's Discussion and Analysis of Financial Condition and Results of Operations" of that report, subsequent reports filed by IDACORP and Idaho Power with the Securities and Exchange Commission, and the following important factors:

the effect of decisions by the Idaho and Oregon public utilities commissions, the Federal Energy Regulatory Commission, and other regulators that impact Idaho Power's ability to recover costs and earn a return;

changes in residential, commercial, and industrial growth and demographic patterns within Idaho Power's service area, the loss or change in the business of significant customers, and the availability and use of demand-side management programs, and their associated impacts on loads and load growth;

the impacts of changes in economic conditions, including the potential for changes in customer demand for electricity, revenue from sales of excess power, financial soundness of counterparties and suppliers, and collections of receivables;

unseasonable or severe weather conditions, wildfires, drought, and other natural phenomena and natural disasters, which affect customer demand, hydroelectric generation levels, repair costs, and the availability and cost of fuel for generation plants or purchased power to serve customers;

advancement of technologies that reduce loads or reduce the need for Idaho Power's generation of electric power;

adoption of, changes in, and costs of compliance with, laws, regulations, and policies relating to the environment, natural resources, and endangered species, and the ability to recover those costs through rates;

the ability to obtain debt and equity financing or refinance existing debt when necessary and on favorable terms, which can be affected by factors such as credit ratings, volatility in the financial markets, interest rate fluctuations, decisions by the Idaho or Oregon public utility commissions, and the companies' past or projected financial performance;

reductions in credit ratings, which could adversely impact access to capital markets and would require the posting of additional collateral to counterparties pursuant to credit and contractual arrangements;

variable hydrological conditions and over-appropriation of surface and groundwater in the Snake River basin, which impact the amount of generation from Idaho Power's hydroelectric facilities;

the ability to purchase fuel and power on favorable payment terms and prices, particularly in the event of unanticipated power demands, lack of physical availability, transportation constraints, or a credit downgrade;

accidents, fires, explosions, and mechanical breakdowns that may occur while operating and maintaining an electric system, which can cause unplanned outages, reduce generating output, damage the companies' assets, operations, or reputation, subject the companies to third-party claims for property damage, personal injury, or loss of life, or result in the imposition of civil, criminal, or regulatory fines or penalties;

the ability to buy and sell power, transmission capacity, and fuel in the markets;

the ability to enter into financial and physical commodity hedges with creditworthy counterparties to manage price and commodity risk, and the failure of any such risk management and hedging strategies to work as intended; administration of Federal Energy Regulatory Commission and other mandatory reliability, security, and other requirements for system infrastructure, which could result in penalties and increase costs; disruptions or outages of Idaho Power's generation or transmission systems or of any interconnected transmission system;

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the increased costs and operational challenges associated with purchasing and integrating intermittent renewable energy sources into Idaho Power's resource portfolio;

changes in actuarial assumptions, changes in interest rates, and the return on plan assets for pension and other post-retirement plans, which can affect future pension and other postretirement plan funding obligations, costs, and liabilities;

the ability to continue to pay dividends based on financial performance, and in light of contractual covenants and restrictions and regulatory limitations;

changes in tax laws or related regulations or new interpretations of applicable laws by federal, state, or local taxing jurisdictions, the availability of tax credits, and the tax rates payable by IDACORP shareholders on common stock dividends;

employee workforce factors, including the operational and financial costs of unionization or the attempt to unionize all or part of the companies' workforce, the impact of an aging workforce and retirements, the cost and ability to retain skilled workers, and the ability to adjust the labor cost structure when necessary;

failure to comply with state and federal laws, policies, and regulations, including new interpretations and enforcement initiatives by regulatory and oversight bodies, which may result in penalties and fines and increase the cost of compliance, the nature and extent of investigations and audits, and the cost of remediation;

the inability to obtain or cost of obtaining and complying with required governmental permits and approvals, licenses, rights-of-way, and siting for transmission and generation projects and hydroelectric facilities;

the cost and outcome of litigation, dispute resolution, and regulatory proceedings, and the ability to recover those costs or the costs of operational changes through insurance or rates, or from third parties;

the failure of information systems or the failure to secure information system data, failure to comply with privacy laws, security breaches, or the direct or indirect effect on the companies' business or operations resulting from cyber attacks, terrorist incidents or the threat of terrorist incidents, and acts of war;

unusual or unanticipated changes in normal business operations, including unusual maintenance or repairs, or the failure to successfully implement new technology solutions; and

adoption of or changes in accounting policies and principles, changes in accounting estimates, and new Securities and Exchange Commission or New York Stock Exchange requirements, or new interpretations of existing requirements.

Any forward-looking statement speaks only as of the date on which such statement is made. New factors emerge from time to time and it is not possible for management to predict all such factors, nor can it assess the impact of any such factor on the business or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. IDACORP and Idaho Power disclaim any obligation to update publicly any forward-looking information, whether in response to new information, future events, or otherwise, except as required by applicable law.

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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,	
	2015	2014
	(thousands of dollars, except for per share amounts)	
Operating Revenues:		
Electric utility:		
General business	\$248,486	\$244,832
Off-system sales	13,019	29,210
Other revenues	17,269	18,278
Total electric utility revenues	278,774	292,320
Other	621	399
Total operating revenues	279,395	292,719
Operating Expenses:		
Electric utility:		
Purchased power	42,965	43,796
Fuel expense	31,476	55,327
Power cost adjustment	27,755	15,023
Other operations and maintenance	83,515	80,521
Energy efficiency programs	4,341	4,724
Depreciation	34,043	32,875
Taxes other than income taxes	8,520	8,105
Total electric utility expenses	232,615	240,371
Other	3,876	3,770
Total operating expenses	236,491	244,141
Operating Income	42,904	48,578
Allowance for Equity Funds Used During Construction	5,187	4,079
(Loss) Earnings of Unconsolidated Equity-Method Investments	(160) 983
Other Income, Net	1,961	2,288
Interest Expense:		
Interest on long-term debt	20,773	20,141
Other interest	2,029	1,859
Allowance for borrowed funds used during construction	(2,365) (1,964
Total interest expense, net	20,437	20,036
Income Before Income Taxes	29,455	35,892
Income Tax Expense	6,111	8,707
Net Income	23,344	27,185
Adjustment for loss attributable to noncontrolling interests	86	219
Net Income Attributable to IDACORP, Inc.	\$23,430	\$27,404
Weighted Average Common Shares Outstanding - Basic (000's)	50,220	50,131
Weighted Average Common Shares Outstanding - Diluted (000's)	50,260	50,175

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Earnings Per Share of Common Stock:

Earnings Attributable to IDACORP, Inc. - Basic	\$0.47	\$0.55
Earnings Attributable to IDACORP, Inc. - Diluted	\$0.47	\$0.55
Dividends Declared Per Share of Common Stock	\$0.47	\$0.43

The accompanying notes are an integral part of these statements.

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IDACORP, Inc.
 Condensed Consolidated Statements of Comprehensive Income
 (unaudited)

	Three months ended March 31,	
	2015	2014
	(thousands of dollars)	
Net Income	\$23,344	\$27,185
Other Comprehensive Income:		
Unfunded pension liability adjustment, net of tax of \$428 and \$278	667	432
Total Comprehensive Income	24,011	27,617
Comprehensive loss attributable to noncontrolling interests	86	219
Comprehensive Income Attributable to IDACORP, Inc.	\$24,097	\$27,836

The accompanying notes are an integral part of these statements.

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Condensed Consolidated Balance Sheets
(unaudited)

	March 31, 2015	December 31, 2014
	(thousands of dollars)	
Assets		
Current Assets:		
Cash and cash equivalents	\$317,240	\$56,808
Receivables:		
Customer (net of allowance of \$1,318 and \$1,960, respectively)	74,060	79,083
Other (net of allowance of \$167 and \$144, respectively)	4,720	16,018
Taxes receivable	8,748	11,867
Accrued unbilled revenues	47,507	56,270
Materials and supplies (at average cost)	57,325	55,404
Fuel stock (at average cost)	57,171	55,171
Prepayments	14,822	18,476
Deferred income taxes	42,335	42,359
Current regulatory assets	68,569	50,042
Other	194	603
Total current assets	692,691	442,101
Investments		
Property, Plant and Equipment:		
Utility plant in service	5,262,019	5,248,212
Accumulated provision for depreciation	(1,860,279)	(1,841,011)
Utility plant in service - net	3,401,740	3,407,201
Construction work in progress	438,055	401,930
Utility plant held for future use	7,090	7,090
Other property, net of accumulated depreciation	17,160	17,256
Property, plant and equipment - net	3,864,045	3,833,477
Other Assets:		
American Falls and Milner water rights	12,374	13,698
Company-owned life insurance	23,807	23,893
Regulatory assets	1,156,711	1,192,345
Long-term receivables (net of allowance of \$552)	17,646	6,317
Other	42,997	39,598
Total other assets	1,253,535	1,275,851
Total	\$5,971,752	\$5,716,853

The accompanying notes are an integral part of these statements.

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IDACORP, Inc.
Condensed Consolidated Balance Sheets
(unaudited)

March 31, December 31,
2015 2014
(thousands of dollars)

Liabilities and Equity

Current Liabilities: