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EDITED TRANSCRIPT

IDA - Q1 2017 Idacorp Inc Earnings Call

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PRESENTATION

Operator

Welcome to IDACORP's First Quarter 2017 Conference Call. Today's call is being recorded and webcast live. A complete replay will be available from the end of the day for a period of 12 months on the company's website at idacorpinc.com. (Operator Instructions)

At this time, I would like to turn the call over to Justin Forsberg, Director of Investor Relations. Please go ahead.

Justin Forsberg - *IDACORP Inc - Director of Investor Relations*

Thanks, Steven. Before the markets opened today, we issued and posted to the IDACORP website our first quarter 2017 earnings release and our Form 10-Q. The slides we'll be using to supplement today's call are also available on our website. We'll refer to those slides as we present today's updates.

As noted on Slide 2, our presentation today will include forward-looking statements, which represent our current views on what the future holds. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from statements made today, some of which are listed on Slide 2, and are supplemented by information in our filings with the Securities and Exchange Commission, which we encourage you to review. We caution you against placing undue reliance on any forward-looking statements.

As shown on Slide 3, on today's call, we have Darrel Anderson, President and Chief Executive Officer; and Steve Keen, Senior Vice President, Chief Financial Officer and Treasurer, along with other individuals available to help answer your questions during the question-and-answer period.

On Slide 4, we present our quarterly financial results. IDACORP's 2017 first quarter earnings per diluted share were $0.66, an increase of $0.15 per share from last year's first quarter.

I will now turn the presentation over to Steve, who will discuss the results in greater detail and will review our 2017 earnings guidance and corresponding key operating metrics.

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

Thanks, Justin. First quarter results improved over the same period last year and were largely in line with our expectations. Colder weather contributed to an increase in sales, but our regulatory mechanism somewhat tempered the weather-related benefit.

On Slide 5, you'll see a reconciliation of the $7.4 million increase in net income from the first quarter of 2016 to the first quarter of 2017. At Idaho Power, higher sales volumes, mostly from residential customers, increased operating income by $9.1 million. This increase was largely offset by a

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$6.1 million decrease in fixed cost adjustment revenues. Temperatures in Idaho Power service area were colder than normal in the first quarter of 2017 and were significantly colder than the first quarter last year. Cold weather resulted in increased residential sales volumes and a higher proportion of customer usage fell into higher-rate tiers. While winter rate tiers are less extreme than summer levels, the higher-tiered rates increased operating income by $1.5 million.

Customer growth in our service area further increased operating income by $2.7 million as the number of Idaho Power customers grew by 1.9% over the past 12 months. In addition to these changes in general business revenues, Idaho Power's operating income benefited from a $2.8 million increase in transmission wheeling, partially relating to a long-term agreement that originated last June that was not in last year's first quarter, as well as an increase in the open access transmission tariff rate, which was effective in October of 2016.

Higher operating and maintenance expenses at Idaho Power also partially offset these increases in revenues, lowering operating income by $2.2 million, as weather impacted the timing and amount of certain expenses. However, we are holding our guidance on O&M expenses consistent with our initial 2017 guidance of between $345 million to $355 million. Overall, Idaho Power's operating income was up by $6.5 million.

Earnings of Bridger Coal Company also were higher by $1.3 million over the first 3 months of last year. But remember that earnings from this investment in the first and second quarters of 2016 were lower than expected, and we anticipate 2017 earnings from Bridger Coal Company to be back to a more normal level.

Income tax expense, mostly due to higher pretax earnings, increased by $3.1 million, excluding the recording of estimated additional amortization of accumulated deferred investment tax credits, or ADITCs. At the end of the first quarter, we recorded roughly $1.9 million of additional ADITCs based on our assumptions that, to achieve a 9.5% return on year-end equity in the Idaho jurisdiction, Idaho Power will need to amortize approximately $7.5 million of additional ADITCs during 2017. In the prior year's first quarter, we recorded only $0.5 million of additional ADITCs, accounting for the $1.4 million change from that period.

Moving now to Slide 6, we show IDACORP's operating cash flows along with our liquidity positions as of the end of the first quarter. Cash flow from operations for the first 3 months of 2017 was $113.7 million, an increase of $47.5 million over the same period last year. Changes in regulatory assets and liabilities, mostly related to amounts collected under Idaho's power cost adjustment and fixed cost adjustment mechanisms, as well as increased distributions from the quarter for Bridger Coal Company, accounted for most of the increase.

IDACORP and Idaho Power currently have in place credit facilities of $100 million and $300 million, respectively, to meet short-term liquidity and operating requirements. The liquidity available under the credit facility is shown on the bottom of Slide 6. IDACORP has not renewed its continuous equity program, which expired last year, as we do not plan to issue equity during 2017 outside of normal issuances under the compensation plans.

Slide 7 shows the updated financial and operating metrics for the full year of 2017. We are reaffirming all key financial and operating metrics with the exception of expected hydroelectric generation, which we have increased from 7 million to 9 million megawatt hours to 8 million to 10 million megawatt hours as we continue to see an abundance of water in the system. These metrics are all incorporated into the full year earnings guidance, which we have reaffirmed in the range of $3.90 to $4.05 per diluted share.

As always, the earnings guidance range assumes normal weather conditions going forward.

Our efforts remain targeted on managing costs and growing revenues with the goal of preserving as many additional ADITCs as possible under our regulatory mechanism for future years.

As we look ahead to second quarter's results, we would like to remind you of a couple items from last year that should be considered as you anticipate earnings for the remainder of 2017.

First, Idaho Power recognized tax benefit of $5.6 million related to the early redemption of bonds in the second quarter of 2016, and we do not expect any early redemption of debt to occur this year. Second, above-normal temperatures in the last week of June 2016 drove irrigation and air conditioning loads higher than normal. Again, looking ahead, our forward estimates include only normal weather expectations.

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I'll now turn the presentation over to Darrel.

Darrel T. Anderson - *IDACORP Inc - President and CEO*

Thanks, Steve, and good afternoon, everyone. Today, we'll begin with some economic and growth updates for Idaho Power service area. You will see on Slide 8 that economic activity remains strong, with new customers coming online and existing large load customers expanding facilities. We saw solid industrial customer growth quarter-over-quarter with nice gains in food packaging, food processing and continued construction project activity.

Looking forward, since last quarter's call, the new 9-story 265,000 square foot world headquarters for agribusiness leader, J.R. Simplot Company, came online in downtown Boise. Simplot also opened a meatpacking facility in the Treasure Valley. In addition, a new barley processing plant recently began taking energy in our service area.

Staying with the agriculture and processing sector, yesterday, McCain Foods, a potato processor, announced a $200 million expansion project and expected to employ 180 new employees in the southern part of our service area.

In the hospitality sector in Boise, we have seen several hotels constructed and opening their doors recently, including a new Hyatt Place, the Inn at 500 Capitol and a new Marriott Residence Inn, as well as the recent expansion of the Boise Centre convention space.

Overall, during the 12-months ended March 31, 2017, Idaho Power's customers count grew by 1.9%.

Unemployment levels also remained below the national average at 3.5% compared with 4.5% nationally. The employment in Idaho Power service area grew by approximately 2% over the last 12 months. Based on Idaho Department of Labor preliminary March 2017 data, employment in our service area continues to achieve new records, now exceeding 494,000 people.

As of March 2017, Moody's Analytics forecasted growth in gross area product in our service area to be 4.3% and 4.5% for 2017 and 2018, respectively. These estimates are down slightly from what we shared in our year-end conference call of 4.4% and 4.6%, respectively.

Now I'd like to share information I touched on in our last conference call, where I pointed out that, in December, the U.S. Census Bureau identified Idaho as the state with the third highest population growth rate, with a population increase of more than 1.8% from 2015 to 2016. Overall, Idaho was the third fastest growing state after Utah and Nevada.

Media outlets continue to give accolades to cities in our service area. Twin Falls was recently highlighted in a New York Times story, focusing on the area's new manufacturing jobs, population growth and low unemployment. The article looked at how these positive characteristics are bolstering the economy in Southern Idaho and drawing people and businesses to the area.

Moving on to Slide 9, Idaho Power continues to focus on timely recovery of costs and earning a reasonable return on investment. We are currently assessing our -- the need and timing of filing a general rate case to reset base rates. Our current assessment indicates the earliest we would plan to file a general rate case in Idaho or Oregon or both would be sometime in 2018.

Our pursuit of significant enhancements to utility infrastructure, including our major transmission projects, is ongoing. As part of that initiative, there has been a recent development on our Gateway West project. In March 2017, a legislative bill was introduced in the U.S. House of Representatives to modify the boundaries of the Morley Nelson Snake River Birds of Prey National Conservation Area and issue the project rights-of-way across Bureau of Land Management land. The routes in the bill align with those supported by the State of Idaho and the project proponents. The language, which was included in a Consolidated Appropriations Act, was approved by the House yesterday and was subsequently passed by the Senate this afternoon. Assuming the Act is signed by the President, we see this as the win for both our customers as well as the landowners along the preferred route.

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On the Boardman to Hemingway 500 kV transmission line, the BLM's schedule provides for a record of decision later this year. We also expect that our amended preliminary application for site certificate to be deemed complete by the Oregon Department of Energy this year.

It is still too early to determine an end service date for the line, but given the status of ongoing permitting activities, we expect it will be in 2024 or beyond. Early results indicate that the Boardman to Hemingway line will be in the preferred portfolio as the 2017 Integrated Resource Plan nears its final completion. I will discuss that in a moment.

As you know, the company is undertaking a significant relicensing effort for the Hells Canyon Complex, our largest hydroelectric generation resource. As a reminder, in December 2016, we filed an application with the Idaho Public Utilities Commission, requesting a determination that Idaho Power's expenditures of almost $221 million to year-end 2015 relating to the relicensing of Hells Canyon were prudently incurred, and thus eligible for future inclusion in retail rates. The commission has not yet issued an order on the application.

In a related relicensing matter, we recently went through our Section 401 Water Quality Certification application at the request of the states of Idaho and Oregon, to allow the states additional time to resolve their differences related to fish passage above the dam. As stated in the joint request, the states expect to conclude their discussions by September of this year.

As we previously discussed, Idaho Power is assessing the economic feasibility of the early closure of the North Valmy plant co-owned with NV Energy, and last fall, filed applications with both commissions requesting accelerated depreciation of the facility, as well as approval to institute revised depreciation rates.

Just yesterday, Idaho Power reached a settlement with interested parties and has filed those settlement terms with the Idaho Commission. If approved, subject to specified conditions, the settlement includes commitments to pursue a targeted shutdown of Unit 1 in 2019 and Unit 2 in 2025, with recovery of accelerated depreciation of existing investments for Units 1 and 2 based on amortization through 2028.

The agreement is positive on many fronts. It provides the company a path forward -- a path towards a reasonable and cost-effective approach to an eventual end of life for the Valmy plant. The settlement recommends an approach to depreciation increases, cost recovery and eventual exit from both units that levelize the impacts and considers cost savings for customers, along with a reasonable return for shareowners.

We are also working towards a settlement with Oregon Stakeholders and hope to reach one soon.

Idaho Power is also well into preparing the 2017 Integrated Resource Plan, our long-term forecast of loads and resources. We have been meeting with the advisory committee for several months now, and we expect to file the document with our regulators in June. We do not anticipate that the outcome of this new Integrated Resource Plan will be significantly different than our 2015 plan. And under the likely scenarios, we do not anticipate needing any new resource build in the near term.

Finally, turning to weather conditions. Slide 10 and 11 show the projected May through July, as well as the June through August weather outlook from the National Oceanic and Atmospheric Administration. Current projections suggest that there is an equal chance of normal precipitation in Idaho Power service area and generally between a 33% and a 50% chance of above normal temperatures as we head into the summer months. The water year continues to look very positive with current snowpack above Brownlee Reservoir at almost 170% of the 30-year average.

At this point, we can safely expect an improved water year with enhanced hydro generation, as Steve alluded to earlier.

And with that, Steve and I and others on the call will be happy to answer your questions.

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QUESTIONS AND ANSWERS

Operator

(Operator Instructions) And our first question comes from Paul Ridzon with KeyBanc.

Paul Thomas Ridzon - *KeyBanc Capital Markets Inc., Research Division - VP and Equity Research Analyst*

Steve, you lost me on the ADITC. Do you plan to take another $7.5 million for the balance of the year or a total of $7.5 million for the entire year?

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

That was a cryptic way to explain that we booked that ratably over the year. $7.5 million is the actual full year estimate. And so we booked -- it's actually $1,875,000 in the first quarter, given that was our -- and it's an approximation for the year. So we're booking towards $7.5 million in total, which you see a quarter of that in the first quarter.

Paul Thomas Ridzon - *KeyBanc Capital Markets Inc., Research Division - VP and Equity Research Analyst*

And looked like the FCA didn't work totally against weather. Is that just being distorted by the tier structure of rates?

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

The FCA dampens the effect of weather, but it doesn't remove all benefits of weather that come to the company, we keep a small portion. But as you can see, it's the 6 versus the 9. It's a -- a significant amount of the extra cost of the weather gets passed back to the customer via the annual true-up of the PCA and the FCA.

Paul Thomas Ridzon - *KeyBanc Capital Markets Inc., Research Division - VP and Equity Research Analyst*

And then, lastly, could you give a little more detail about this new structure where you're getting revenues from third party and kind of what the outlook looks like that going forward and what drives that? And can it ever go the other way, I guess, also?

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

Are you talking about the transmission revenues?

Paul Thomas Ridzon - *KeyBanc Capital Markets Inc., Research Division - VP and Equity Research Analyst*

The wheeling, yes.

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

Yes, wheeling. Well, that's really always been there. Wheeling revenues are a normal part of our business. And really, what's showing up in this quarter is a change quarter-over-quarter. I would argue that last year's quarter was certainly lower than this year. If you look at this year's plan, though, it's actually, I would say, we're a little behind where we are, what we expected in the first quarter. What's going on with the change is partly there was a new customer, and that's factored into our plans. The change in the rate is really a function of cost being reflected in the rate. And those get updated annually in October, I believe, each year.

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Operator

Our next question comes from Brian Russo with Ladenburg Thalmann.

Brian J. Russo - *Ladenburg Thalmann & Co. Inc., Research Division - MD of Equity Research*

You referenced $7.5 million of ADITC usage in 2017. I mean, all else equal, can we expect you to use a similar amount in 2018?

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

Brian, I think you'd have to consider the fact that as we move ahead to next year, of course, it's going to depend on what goes on this year, what other items we might identify, how much growth we have. But each year, as we move forward, we're raising the bar in terms of what earnings we're going to deliver. So you're going to meet, and you typically have some grow in expenses, even though we've done a good job of -- I'd say, a great job of managing our costs. They're likely to be up a bit, too. So I think it'd be a little bit more of a reasonable statement to say as you're trying to hit a higher bar, there may even be more, absent us finding a way to solve that. And that's why we're putting so much effort into making it easy for people to get located in our territory. We have additional power that we can sell. And if we can bring that growth on board, that helps covers costs and it also helps us meet that bar a little bit easier.

Darrel T. Anderson - *IDACORP Inc - President and CEO*

Brian, this is Darrel. Let me just add a couple of things to that is that, one of the things that we absolutely believe is important is to minimize the use of credits where we can. And so we are really focused on doing that. I think part of the driver as we look to '18 will be, like Steve mentioned, earlier, what is -- what level of actual growth will we experience because that will help us reduce the amount of ADITC that we otherwise have to use. And our goal is to preserve those for as long as we can. As you know, the current agreement goes through 2019. And so our goal is to -- it would be nice -- it'd be great to have credits available as we go into '19 and beyond, and so we're doing everything we can to do that. But I would just say that our focus right now for this year is to minimize those use of credits so we can carry those on into '18 and beyond. So even the $7.5 million is a big target for us as we look to even reduce that as we go forward. And as you recall, Brian, last year, we were accruing credits up through the third quarter. And in the third quarter, we got into a situation where, after we saw the results of the summer and everything else, we were actually able to not use any credits, even though we started the year accruing credits. So our -- we've got a big target on trying to minimize the use of credits.

Brian J. Russo - *Ladenburg Thalmann & Co. Inc., Research Division - MD of Equity Research*

Right, right. And then, any thoughts on irrigation sales relative to the well-above average hydro conditions?

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

Well, Brian, the -- it's certainly a good thing that we have the water. I mean, every year, the first thing you start with is, are you going to have adequate water that the irrigators need? And you can kind of survive one bad year; the second bad year, you start to worry whether there's enough water. We won't be in that situation this year. We have adequate water, I think, for all purposes. I think the challenge this year is it was a very wet and cold winter and they're getting a little bit of a late start, so we may be somewhat dependent on the length of summer. And if it -- if we -- it seems like the last few years, the summer has moved somewhat. It'll move forward and move back. And this seems like a year it may be a little bit later, certainly later than last year. It felt like we were in summer in May last year. We're just barely starting to see the warm days hit here in Boise. So I think that will be the telling point. But as you saw the charts, expectations are that it could be pretty hot and dry for quite a while. And if that's the case, it bodes well.

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Darrel T. Anderson - *IDACORP Inc - President and CEO*

Brian, the other thing, too, is I think as the ag community was looking forward, and obviously, the winter show there's going to be a fair amount of water. And we don't have a good direct handle on it, but the question then is what crop mix is there? Are they going to be more water dependent versus less weather dependent, and as they went into the ag season this year, the sense was there was going to be more water available, which, therefore, the likely scenario is more water-related or heavily -- more heavily-dependent crops of water would be -- are likely going to be in the fields, which, again, means more pumping from the ag side. So that -- and so you have to kind of watch for that, too. And that's -- we're looking at that, trying to get -- make sure we have a good handle on that, too.

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

And Brian, circling back to your credit question. I want to affirm what Darrel said that it is early in the year and we're still going to do everything we can to bring this year's credit number as low as possible. And that always helps -- often when you find solutions for that, it will carry forward. And I think, first quarter, I think, you're getting our position, that's not a lot different than where it was when we started the year. But we're going to look for everything we can that will improve that.

Brian J. Russo - *Ladenburg Thalmann & Co. Inc., Research Division - MD of Equity Research*

Okay. And just, lastly, the transmission wheeling revenues of margins of $2.8 million. Is that going to reoccur in 2Q through 4Q and be a positive driver?

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

That's the -- when Paul asked the question, we believe the level that we've got is somewhat of a sustained level. But that difference is not necessarily going to show up, because trying to remember, I think it was Q2 last year that the contract lifted. So it shouldn't be as evident and it's something that we've seen when we started the year so it's largely in the plan. It isn't like that's an item that we haven't seen. And the OATT rate change is really just us catching up on costs that were already there almost a year prior that finally get into the rates and then we recover them. So I'd be careful doing a major add. It's more getting closer to expectations.

Operator

And our next question comes from Chris Ellinghaus with Williams Capital.

Christopher R. Ellinghaus - *The Williams Capital Group, L.P., Research Division - Senior Equity Research Analyst of Power & Natural Gas*

I hear you on the second quarter items with a couple of exceptions I wanted to ask about, Steve, whether it was sort of also below normal in the second quarter last year, if I'm not mistaken. Is that right?

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

Weather, you say?

Christopher R. Ellinghaus - *The Williams Capital Group, L.P., Research Division - Senior Equity Research Analyst of Power & Natural Gas*

Yeah, I'm thinking...

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Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

So the last -- here's the way it rolled out last year. First quarter was pretty disappointing. It was a very, very mild winter. I think we enjoyed winter too much last year. It was pleasant all the way through January and February. And this year, you're seeing quite a contrast in first quarter where we had a really cold January, February. Second quarter last year was more on the abnormally warm side. It got hot early and we tended to have some of our biggest temperatures right there at the end of June. It's like part of July came back into June, and so we saw benefits earlier last year than we typically do. So second quarter of '16 was a pretty strong weather quarter. And again, we plan -- we're not betting on that looking ahead. We've got normal weather factored into what we've got in our guidance.

Christopher R. Ellinghaus - *The Williams Capital Group, L.P., Research Division - Senior Equity Research Analyst of Power & Natural Gas*

Okay. So you're thinking more the second quarter of last year was benefited from the cooling but not reduced by the poor heating season?

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

Yes, that showed up in Q1. Second quarter kind of got us back in alignment, as I recall last year. It seemed like we started slow, but by Q2, we were back on plan because we had a really hot June.

Darrel T. Anderson - *IDACORP Inc - President and CEO*

And we also had enhanced irrigation in the second quarter of last year, Chris, because of the weather.

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

And that's where -- the shape might be a little -- it's hard to guess it right now, but last year that irrigation came on early.

Christopher R. Ellinghaus - *The Williams Capital Group, L.P., Research Division - Senior Equity Research Analyst of Power & Natural Gas*

Okay. Going back to the wheeling question for a second. I would have thought was so much extra hydro in the Pacific Northwest that maybe some of the wheeling was volumetric. Are you saying that it really was that additional customer and the higher rates and not a lot of volume?

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

I would say there's some contribution from that. I just -- I looked before I came in here at how the quarter looked against our plan. And what we found is that, even for our own circumstances, that while we have a lot of water, and there's been times when that's really lucrative, we can find ways to get it with prices down because there's a fair amount of water everywhere. I don't think the volumes were tremendous. I think they were maybe close to average. But we were down just a little bit against what we were expecting.

Christopher R. Ellinghaus - *The Williams Capital Group, L.P., Research Division - Senior Equity Research Analyst of Power & Natural Gas*

All right. So if NOAA's prognostication works out for the second quarter into July, third quarter last year cooling degree days were a little bit below normal. You've also got the better hydro conditions and sort of an outlook for maybe some warmer temperatures into the third quarter. Sort of can you just go through your rationale, what the pressures are that are leading you to the conclusion for the $7.5 million ADITC usage? Because it looks like you had a good first quarter, weather seems to be set up well for you and hydro conditions are good. So can you just sort of talk about the logic of where you see those pressures coming from?

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Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

Well, I'd say, it starts with the fact that our midpoint is above where we ended last year and it's a fair amount above where we opened last year's guidance. And some of that, it takes a certain amount of improvement in order to give those numbers and say we're going to get there. So it isn't that we're not expecting to have some more benefits show up, it's just that they're incorporated in those numbers. And the bulk of that is probably coming via growth, I would say, is the fact that we do project a certain amount of increased revenues because we anticipate that what we're seeing in our service territory continues. As Darrel mentioned, it will depend a bit on how we do against those expectations. If we get more than expected, we would -- which is where we aim, we would hope to be able to bring those numbers down a bit. But this early in the year, it's hard to factor in a lot of that success with just a few months of actual.

Darrel T. Anderson - *IDACORP Inc - President and CEO*

Chris, this is Darrel. As part -- as we look at the guidance it's all based on, from this point forward, on a normal basis. And so given the scenario that you painted where with the potential for above average temperatures and as you adjust, I'd say, with adequate hydro and all of that, that you could meet the need, then is there a potential to erase that $7.5 million? I think that's what you're asking. The question is sort of what it sounded like. And I think, I'd say, it is a possibility. But again, we can't -- we don't project above a normal scenario so -- on an average basis. So if it comes out that way, it could take some -- give us some opportunity to whittle down the $7.5 million.

Christopher R. Ellinghaus - *The Williams Capital Group, L.P., Research Division - Senior Equity Research Analyst of Power & Natural Gas*

Oh, no, Darrel, I'm totally being a skeptic and I'll believe you used the ADITC at the end of the year when I see it. I just wanted to be clear on what your logic was behind it.

Steven R. Keen - *IDACORP Inc - CFO, SVP, and Treasurer*

We appreciate the vote of trust.

Christopher R. Ellinghaus - *The Williams Capital Group, L.P., Research Division - Senior Equity Research Analyst of Power & Natural Gas*

So I totally believe that there's no way this is going to happen. As far as the planting season, do you get a sense from either the seed guys or some of your larger irrigation customers what they're planting? Do you get some sense at this point?

Darrel T. Anderson - *IDACORP Inc - President and CEO*

Chris, it's Darrel. I think we have a general sense. Part of the problem is, as Steve mentioned, there is a bit of a delay in getting in because, as wet a spring as we've had, we've had a lot of precip, I think 75% of our average rainfall has happened in -- through April. So it's been pretty wet, so it's tough to get in. They're just now getting into the fields and getting things planted. So I think -- but the good news is they knew going in that they're likely to be able to have adequate water so they could plant for the potential for those more water-intensive crops. So again, we don't have a great handle on that right now, but we are in the process of gathering that information. So...

Christopher R. Ellinghaus - *The Williams Capital Group, L.P., Research Division - Senior Equity Research Analyst of Power & Natural Gas*

Okay. And lastly, as far as the ADITCs go, we're coming up on 2019 before too long. What's your general plan or strategy for an extension?

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Darrel T. Anderson - *IDACORP Inc - President and CEO*

Chris, again, this is Darrel. I think that over the life of the ADITC mechanism, we think it's been a really good tool. It's allowed -- it's benefited customers, owners and the company as a whole. And so if, to the extent, depending on the numbers of credits that we would have available as we get towards the end of -- as we go into '19, we -- it's likely we would at least potentially have the conversation. But that's still, as you know, a ways away. So it's not out of the realm of possibility, because I think parties believe it's been a plus. It's allowed us to stay out. It's allowed us to do -- to benefit customers to over $100 million throughout the life of the program and give back to the customer. So it's been a win-win. So I think we will -- it is definitely a tool that we will consider trying to continue to use if it make sense.

Christopher R. Ellinghaus - *The Williams Capital Group, L.P., Research Division - Senior Equity Research Analyst of Power & Natural Gas*

Okay, one more thing. You went through sort of a litany of sort of development successes locally. What's in the wind sort of whispers of other new agricultural processing or industrial customers that might be on the horizon?

Darrel T. Anderson - *IDACORP Inc - President and CEO*

Well, I can't give you any specifics, but what I can tell you is that we have a significant effort that we're working on as it relates to working with our existing customers and those that are looking to come to Idaho, working with the various constituents, including Department of Commerce and local economic development organizations, to how can we help with those efforts. And we're looking across the spectrum of types of companies, whether they be food processors, whether they be service organizations, service centers, whether they be data centers, all of those things are in the queue for us as we look to work with our -- the folks that are helping us there to see if we can attract those folks here, because we do believe it's good for our economy and we think we're a low-cost provider and we can be part of that solution for folks that want to come here. So we are actively involved in that. And again, we've got a long list of entities. They're in the queue. That're doing kick -- tire-kickings and what have you, and some that are more firm than that, but they're things we can't just necessarily share until they actually show up and they make an announcement.

Operator

(Operator Instructions) And that concludes the question-and-answer session for today. Mr. Anderson, I will turn the conference back to you.

Darrel T. Anderson - *IDACORP Inc - President and CEO*

Well, thanks. And thanks all for participating in our call this afternoon. We appreciate your continued support and interest in IDACORP. And if you are so inclined, we'll be having our annual meeting in a couple of weeks. So next time, we'll have a chance to talk to owners and the like. So until then and/or some other time in the future, I hope you all have a great day. Thank you.

Operator

That concludes today's conference. Thank you for your participation. You may now disconnect.

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