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EDITED TRANSCRIPT

IDA - Q1 2018 Idacorp Inc Earnings Call

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PRESENTATION

Operator

Welcome to IDACORP's First Quarter 2018 Earnings Conference Call. Today's call is being recorded and webcast live. A complete replay will be available from the end of the day through a period of 12 months on the company's website at idacorpinc.com (Operator Instructions) Now I would turn the call over to Justin Forsberg, Director of Investor Relations.

Justin Forsberg

Thanks, Allison. Before the markets opened today, we issued and posted to the IDACORP website, both our first quarter 2018 earnings release, and our quarterly report on 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 by number during the call.

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, IDACORP's President and Chief Executive Officer; and Steve Keen, Senior Vice President, Chief Financial Officer and Treasurer along with other individuals available to help answer any questions you may have during the Q&A period.

On Slide 4, we present our quarterly financial results. IDACORP's 2018 first quarter earnings per diluted share were $0.72, an increase of $0.06 per share over last year's first quarter. We affirm our original 2018 earnings guidance estimate of between $4.10 and $4.25 per diluted share.

I will now turn the presentation over to Steve.

Steven R. Keen - *IDACORP, Inc. - Senior VP, CFO & Treasurer*

Thanks, Justin. Good afternoon, everyone. On Slide 5, you'll see a reconciliation of income from the first quarter of 2017 to the first quarter of 2018. Continued solid customer growth of 2.1% increased operating income by $2.4 million. Usage per customer, however, decreased operating income by $10.4 million due to moderate weather. Largely offsetting this was an $8.7 million increase in fixed costs adjustment revenues as much as the decrease usage occurred in the residential and small commercial customer classes.

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Increased rates related to the North Valmy plant settlement, which were first recorded in the second quarter of 2017, were partially offset by a lower proportion of residential customer sales in higher-rate tiers resulting in a net increase of $1.2 million. The North Valmy plant settlement accounted for most of the $3.3 million increase in depreciation expense further down the table. The settlement stipulations related to North Valmy that were approved by the Idaho and Oregon Commissions in 2017, are expected to add about $5 million of net income annually, though the amount will gradually decline through 2028. Recall that last year, the impacts of the first quarter and second quarter 2017 benefits related to the settlement were all recorded during the second quarter last year. In addition to these changes in retail revenues, Idaho Power's operating income benefited from a $2.7 million increase in transmission wheeling due to an increase in the transmission wheeling rate that has been in effect since last October as well as weather-related increases in wheeling volumes. The transmission rate is now closely aligned with the costs of providing transmission service -- more closely aligned, excuse me.

Finally, due to the regulatory orders received from the commissions earlier this year, Idaho Power recorded a $5 million reduction to revenue and corresponding regulatory liability for its first quarter estimate of financial benefits resulting from the federal income tax law that are expected to be returned to customers. Prior to this $5 million revenue accrual, operating income at Idaho Power had increased by $1.8 million. Overall, Idaho Power's operating income decreased by $3.2 million. Increased earnings from Bridger Coal Company compared with the first quarter of 2017 comprised a $2.9 million increase in earnings of equity method investment. We expect that this increase is largely temporary, and we anticipate annual earnings in 2018 related to this investment to be fairly consistent with recent years.

Income taxes were $4.6 million lower mostly related to the lower statutory rate. The decrease in income tax expense was partially offset by a $1.4 million decrease in additional accumulated deferred investment tax credit or ADITC amortization. Idaho Power accrued $0.5 million of additional ADITC amortization during the quarter under its Idaho regulatory stipulation as it's 2018 Idaho jurisdictional year-end, return on year-end equity is expected to be less than 9.5%. By comparison, $1.9 million of additional ADITC amortization was accrued in the first quarter of last year. Last year's first quarter accrual for the additional ADITC was reversed in the second quarter of 2017.

These changes combined to increase both Idaho Power's and IDACORP's net income by $3.4 million and $3 million respectively over the last year's first quarter. IDACORP and Idaho Power continue to maintain solid balance sheet including sound liquidity and have maintained investment-grade credit ratings. On Slide 6, we show IDACORP's operating cash flows along with our liquidity positions as of the end of March 2018. Cash flow from operations decreased $22 million, mostly due to changes in income tax accruals, retirement plan contributions and the timing of working capital received in payments. You'll also note that Idaho Power issued a 30-year, $220 million bond with a 4.2% coupon rate during March this year. A portion of the proceeds from the bond were used for the early redemption of the 10-year, $130 million, 4.5% coupon bond that was due in 2020, and the remainder will benefit ongoing capital and operating needs.

We expect to recognize the modest income tax benefit of approximately $1 million in the second quarter associated with the early bond redemption premium that was paid in April.

IDACORP and Idaho Power continue to have in place credit facilities of $100 million and $300 million respectively to meet short-term liquidity and operating requirements through 2022. The liquidity available under the credit facilities is shown on the bottom of Slide 6. At this time, we foresee no need to issue additional equity through the end of 2018.

Slide 7 shows our affirmed 2018 earnings guidance, and estimated key financial and operating metrics for the full year 2018. We still expect IDACORP's earnings to be in the range of $4.10 to $4.25 per diluted share, a seventh straight year of relatively flat operating and maintenance expenses, less than $5 million of additional ADITC amortization at Idaho Power, and between $280 million and $290 million of capital expenditures this year. Robust reservoir storage combined with current snowpack levels that are slightly below normal, due to early spring runoff continue to suggest that hydroelectric generation will be in the range 7.5 million to 9.5 million megawatt-hours in 2018.

As always, these guidance assumptions reflect normal weather conditions going forward. One quick note on operating and maintenance expenses will likely provide some clarity on accounting changes made beginning in the first quarter of 2018. The Financial Accounting Standards board issued an accounting standards update requiring employers to desegregate the service costs component from other components of pension costs on the income statement. The adoption of this standard resulted in the non-service cost components of pension expense being recorded outside of operating income on the company's income statements. As a result, an ongoing O&M expense will be slightly lower than it would have been

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and the reclassification will be reflected in prior periods. This presentation will not result in changes to net income. Full year 2018 O&M expense is expected to be approximately $3.7 million lower than it would have been without the adoption of this standard, while full year 2017 O&M expense will be about $3 million lower after the adjustment has been reflected.

On Slide 8, I would like to offer some comments on the recent settlement related to income tax reform in our Idaho jurisdiction. In January, the Idaho Commission ordered Utilities to submit a report contrasting the actual federal income tax components for the 2017 year with recalculated amounts that would have occurred if the utility had been subject to the 2017 tax act provisions to the tax code, including the lower corporate income tax rate.

On March 30, 2018, Idaho Power reported that based on this evaluation, Idaho Power would have accrued about $26 million in lower federal income taxes. The pro forma analysis indicated lower current income tax of $11 million and lower deferred income taxes of $15 million. Subsequently, Idaho Power entered into settlement discussions with the Idaho Commission staff and one intervenor, with the goal of determining the most appropriate manner of flowing these benefits to customers. We believe those discussions were productive and cooperative resulting in a settlement stipulation filed April 12 with the Idaho Commission. The details of the proposed settlement are outlined in the Form 10-Q as well as in the Form 8-K filed on April 12. The highlights are shown on Slide 8. With an ongoing reduction in base customer rates of $18.7 million annually and an annual noncash amount of $7.4 million to offset regulatory deferrals that would have otherwise been a future potential liability of Idaho customers. Additional one-time benefits related to income tax savings accrued over the first 5 months of 2018 as well as income tax savings related to Idaho Power's transmission tariff would flow back to customers through the annual power costs adjustment mechanism in the amount of $7.8 million, beginning June 1, 2018 through May 30, 2019 reducing to $2.7 million from June 1, 2019 through May 30, 2020 and ceasing entirely on June 1, 2020.

In addition, as part of the proposed settlement and extension of Idaho Power's ADITC earning support and revenue sharing mechanism, was agreed to by the signatories. Those changes are illustrated on Slide 9. After 2019, the earning support and revenue sharing mechanism in the Idaho jurisdiction is expected to have minor modifications but no specified termination date. Any portion of the existing $45 million of unused additional ADITC remaining on December 31, 2019, would continue to be available for future use. Also, beginning in 2020, the earnings support line would temporarily move to 9.4% of Idaho Power's actual annual Idaho jurisdictional return on year-end equity or Idaho ROE, until the Idaho Commission approves a change to the allowed Idaho ROE in a future proceeding, at which point the earning support line would revert to 95% of the newly allowed Idaho ROE. The specifics of the revenue sharing allocations would also change slightly under the extended mechanism after 2019, utilizing an 80-20 split going forward with the nature of that sharing remaining consistent with the prior mechanism. If the settlement is approved by the Idaho Commission, we believe that the extension of this earning support and revenue sharing mechanism could enhance earnings' predictability for share owners and provide potential price stability for customers well beyond 2019.

With that, I'll turn the presentation over to Darrel.

Darrel T. Anderson - *IDACORP, Inc. - President, CEO & Director*

Thanks, Steve, and thanks, everyone, for taking the time to participate on our call today. It sounds like you guys have been pretty busy today. I will update you on economic drivers in our service area, some key accomplishments during the first quarter and a little look at the weather.

As shown on Slide 10, customer growth continues to trend upward, Idaho Power's customer base increased 2.1% over this time last year, and National Publications continued to highlight our service area as one of America's fastest growing regions. In addition to the United States Census Bureau identifying Idaho as the fastest-growing state in the nation in 2017, Forbes named Boise #1 on its list of America's fastest growing cities for 2018. This ranking includes population growth as well as additional factors like wage growth, employment, real gross metro product and home values. In addition, Bloomberg named Idaho as the top performing economy in the country in its latest survey. The good news spreads beyond Boise, as we are seeing positive growth trends throughout our service area. According to Atlas Van Lines 2017 Migration Pattern statistics, Idaho has the highest percentage of inbound moves in the nation. These publications affirm what we are seeing across our service area in the form of growth and new business.

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Looking forward, according to Moody's latest forecast, Idaho's GDP is predicted to grow 4.4% in 2018 and 3.9% in 2019. In our last call, we also referenced growth in the area of cryptocurrency and blockchain in our service area. We continue to see a strong level of interest from this sector and expect to see new business from this segment beginning in the second quarter of this year.

Employment within our region also continues to thrive. The first quarter unemployment in Idaho Power service area was 2.9% compared to 4.1% at the national level. Compared with first quarter last year, employment increased to 3.9%, now exceeding 517,000 people employed. We have already achieved several key accomplishments this year. On the regulatory front, we made 3 filings that, if approved, will reduce energy cost to our Idaho customers and further our efforts to maintain competitively priced energy services.

The first decrease is related to tax reform that was previously discussed. Additional details on the proposed decreases from tax reform are included in the 10-Q. The second rate decrease comes through the Idaho Power cost adjustment mechanism. The PCA annually adjusts prices up or down by passing on the cost and benefits of supplying energy to Idaho Power customers. This year's PCA is an overall decrease of $22.6 million. There are a few main factors contributing to this year's PCA decrease, the first relates to last year's actual power supply cost being less than anticipated, primarily, due to better-than-expected water conditions, resulting in Idaho Power having more low-cost hydro generation available to reduce net power supply costs. This cost reduction is partially offset by an increase in the forecast component of the PCA as well as the elimination of a onetime refund of Energy Efficiency Rider funds, provided to last year's PCA.

The third filing relates to the Idaho fixed costs adjustment mechanism, this year's FCA filing requested decrease of approximately $19.3 million for residential and small general service customers. The FCA annually adjusts prices up or down, based on changes in energy use per customer during the previous year. Combined, these 3 proposed rate reductions represent an approximately 7% decrease for an average residential customer in Idaho.

In addition to our spring filings, we have seen other successes on the regulatory front this year. As shown on Slide 11, Idaho Power's 2017 IRP has now been acknowledged in Idaho and Oregon, which is significant because it is the first time, that the Boardman to Hemingway transmission line project activities beyond permitting have been acknowledged by both commissions. The Oregon acknowledgment is important in the continued pursuit of approval in the state of Oregon permitting process. We expect a draft-proposed order later this year. In addition, the Gateway West transmission line project recently reached a significant milestone when the U.S. Department of the Interior issued its record of decision approving the final 2 segments of the 1,000-mile transmission line project. The Bureau of Land Management led environmental review process for Gateway West is now complete. Idaho Power and PacifiCorp will continue to coordinate timing of next steps. We also received good news on the Hells Canyon relicensing this spring. The Idaho Commission issued an order finding prudent $216.5 million in relicensing expenses incurred through the end of 2015. We will submit those expenditures for recovery in a future rate proceeding.

We had another key achievement when the go -- with the go live of our participation in the Western Energy Imbalance Market on April 4. The Western EIM is intended to reduce power supply cost to serve customers through the most efficient dispatch of a larger and more diverse pool of resources to integrate intermittent power from renewable generation sources more effectively and to enhance reliability. We have asked the IPUC for approval to establish an interim method of recovery for costs associated with the participation in the Western EIM. We are awaiting approval of determination from the IPUC.

Load growth combined with increases in customers, productive regulatory outcomes and management of operating expenses all play significant roles as we look at the need and timing of our next general rate case. We do not expect to file a general rate case in either Idaho or Oregon in 2018. And we will continue to evaluate the need to do so in 2019 and beyond. And just as a reminder, Idaho Power has not made a general rate case filing since 2011.

And lastly, I'll provide a brief update on weather. On Slide 12, current projections from the National Oceanic and Atmospheric Administration or NOAA indicate a greater than 40% chance of above-average temperatures in Idaho Power's service area and a greater than 40% chance of below normal precipitation for the May to July time period.

With that, Steve and I and others on the call will be happy to any -- answer any questions you may have.

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QUESTIONS AND ANSWERS

Operator

(Operator Instructions) And our first question will come from Paul Ridzon of KeyBanc.

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

Steve, can you run through the accounting on that pension change? You said O&M will be lower, but net income won't change. Where is the offset? What line item is that on?

Steven R. Keen - *IDACORP, Inc. - Senior VP, CFO & Treasurer*

So if you're looking at the 10-K, let me flip here. If you go to Idaho Power's income statement, basically, the amounts are coming out of the other operations and maintenance expense line, and they're moving down to if you go to the -- it says other income and then in parenthesis expense there is another expense line underneath that, it's just a shift between those 2 lines. And it's -- again, it's a net 0 in terms of net income it's just a reclass, but it will make the operating or the O&M expense have a reset of some -- of an amount once it out of both years the difference would be the same as well it's pretty close to the same.

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

And assuming, you get approvement of your settlement on the ADITCs, I mean, do you think you can stay out of rate case another year through '19 in Idaho at least?

Darrel T. Anderson - *IDACORP, Inc. - President, CEO & Director*

Paul, this is Darrel. I think we're going to do everything we can to do that, we will continue to look at it and see where the business is, but one hope is that we continue to see the growth materialize and we continue to -- that would allow us to also to continue to stay out along with support from the ADITC, so we will continue to look at all those factors. But we won't go in unless we believe it's the right thing to do and we will just continue to assess that.

Steven R. Keen - *IDACORP, Inc. - Senior VP, CFO & Treasurer*

Paul, I think one of the -- Paul, a real win from our side is that I think the way we can look at that mechanism now that it doesn't sunset is that as we preserve credits as we can do things in this year -- it truly does transfer to a later year, but there was always a cliff there before and to have that gone, not have to worry about whether you got an extension is a pretty big thing in our minds, and I think it allows us to just keep our focus and stay on this track.

Operator

And our next question will come from Claire Zeng of Bank of America, Merrill Lynch.

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Claire Zeng - *Bank of America Merrill Lynch - Analyst*

Just wanted to ask a quick question on strategy in terms of load growth. I mean if this is the second quarter -- I mean this is the latest in the series of quarters where you've seen just rapidly accelerating load growth. How are you guys thinking about it still? The last earnings call you said it was still a bit of a wait and see situation. Are you still thinking that, that's the strategy? Would we expect any updates on CapEx, for instance, or additional generation needed, just any color there would be great.

Darrel T. Anderson - *IDACORP, Inc. - President, CEO & Director*

Okay, Claire, I'll start, maybe Steve will jump in a little bit too. So first of all as you know, one of the things we do, we do an IRP every 2 years. And so we are -- we have just recently had our last one acknowledged and so we're actually already starting to gear up for the next one. And that does help set the -- help set our direction as it relates to resource needs and, obviously, we update load growth and all those sorts of things. But in the near term, as we see a lot of very positive economic activity, we still have capacity in the system in which to absorb that growth. So in the near term, we think our -- the Capex numbers that we have been providing, which over the next 3 years, averages around $300 million plus or minus, is probably still where we are, but we are continuing to work with the various constituents in our service area on the whole economic development side of things. And I mentioned -- the one area I mentioned that is something that we're starting to assess as to how it could impact, us is the cryptocurrency, blockchain sector, because if you follow that at all, they are obviously very big energy users, and they go out and seek energy -- competitively priced energy, and so we have competitively priced energy and so that's one area that they are looking at, and with that, we have a harder time projecting. But we are seeing a lot of positive activity in that arena, so as I said in my comments, we expect that we will see some of that this quarter already, as we go to the balance of the year we potentially see more of that but we're also seeing growth coming out of existing businesses expanding, as well and that's in particular food processing and dairy, and then we are also seeing other entities looking to locate here new businesses that are looking to locate here. So there is a lot of positive vibe around that side of it, but all of that will on the longer-term, look, we'll get factored into our IRP for -- as we gear up for our 2019 IRP. So within the near term, I think, we feel we are -- we have adequate resources to meet the needs that we may see on the horizon. That's a long-winded answer to your question, but then Steve may have something to add on it.

Steven R. Keen - *IDACORP, Inc. - Senior VP, CFO & Treasurer*

I think you covered it pretty well.

Claire Zeng - *Bank of America Merrill Lynch - Analyst*

Got it. Yes, I think The 2019 IRP will be something for us to watch then.

Darrel T. Anderson - *IDACORP, Inc. - President, CEO & Director*

For sure. And Claire just to focus on that though, as you know in the 2017 IRP, our key resource there was Boardman to Hemingway and as we mentioned in my comments, one of the key milestones we just achieved was the acknowledgment by the Oregon Commission, which helps move that process forward in Oregon. So that is again, as we work on a lot of things in parallel, that is a key accomplishment for us as it allows us keep moving that forward with our partners.

Claire Zeng - *Bank of America Merrill Lynch - Analyst*

Yes, that was definitely a good milestone to hear on. I had another question if that's all right, with actually, your equity layer. So your equity layer continues to trend pretty high. I know while you guys stay out of a rate case that it's not really a key concern, but I'm wondering if you have any color on what you will do to potentially bring down that equity layer?

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Steven R. Keen - *IDACORP, Inc. - Senior VP, CFO & Treasurer*

I think our strategy right this moment is that higher equity layer allows us to use our debt and future debt on the balance sheet, in order to deal with anything that does come our way, and as you saw we just borrowed some money to both reprice some outstanding debt at a little better rate and then also give us a little bit of operating room in the near term. I would say that's the primary plan would be that we bring that we'll be able to access the debt markets without driving us directly to capital the way you're hearing a lot of companies are having to hit both at the same time. We'll have the ability to grow the debt side of things without really any impact on equity. And I think that gives us a bit of an advantage, and a further line is that you saw that we just did a 30-year bond, most of what we have done in the last few years has been pretty long in tenor. So we also have opportunities that should the rate start going up, we have ability to move across the spectrum in terms of how long our debt is. So we think we're poised pretty well. If we do need to bring capital, that, we can do it in a pretty cheap way.

Claire Zeng - *Bank of America Merrill Lynch - Analyst*

Got it. So I should think of it as dry powder?

Steven R. Keen - *IDACORP, Inc. - Senior VP, CFO & Treasurer*

That's a good way to categorize it. I like that.

Operator

And our next question will come from Chris Ellinghaus with Williams capital.

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

Let me follow up on the equity question. Obviously, you just finished a settlement where the ROE was reduced again sort of your -- you've been in a somewhat of a step-down function through the ADITC mechanism processes over the years. The staff must be pretty comfortable with your equity layer continuing to thicken, but they've been getting a little bit more stingy on the ROE. Is that how they have approached, sort of, adjusting for the equity layer? And you must have had some discussions with them about where you stand on the equity side. So were they comfortable with where you sit today in terms of your equity layer?

Steven R. Keen - *IDACORP, Inc. - Senior VP, CFO & Treasurer*

Chris, I'll take a stab, and there are others in the room that can probably comment. But I think it was more a function of as we move to -- and I'll start out by saying that this is isn't done yet. It's not approved at this point. We've got a settlement agreement, but we'll need the commission to rule on it. But the discussions were more around the side that as you went to an indefinite type of mechanism that wasn't going to be looked at regularly, that really -- locking that in with a rate that was maybe it's okay today, but it was really set a few years ago, that some consideration for the fact that it could continue on for a period of time was something they were looking for. And this, I think, was introduced a bit in our arrangement. I believe it was the North Valmy settlement that has -- one of our recent one has an element of -- and the look ahead the rate that covers the deferred cost is a little bit different as well. So it was more of a theory that as you put things out into time and you're not continually addressing it through a general that maybe some slight adjustment is appropriate. But as you can see, they put it back that if you do have a rate case, it reverts right back to the old plan. So it was more in that spirit that the indefinite nature of it made it stay out a while and maybe a slight reduction in -- for the lower risk and that sort of thing was appropriate.

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

Sure. But they didn't have any concerns about the continuing growing equity layer at all?

Steven R. Keen - *IDACORP, Inc. - Senior VP, CFO & Treasurer*

That wasn't part of the discussions from the parties that were involved.

Darrel T. Anderson - *IDACORP, Inc. - President, CEO & Director*

Now really -- Chris, this Darrel. It was really kind of focused on kind of what had been granted in with others. And so given the fact that we haven't been in for a while so there's an opportunity to kind of reset based on what others had done, and recognizing too that with the taking the time frame off of the extension, the potential for us to stay out too. So I think it was just an opportunity -- I don't think necessarily equity layers was necessary a component of the discussion. It was really more about what would be the appropriate equity number if you were going in today, and that's what it was based it on.

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

Okay. The sort of unusual level of Bridger earnings this quarter, was that -- what was that related to? And did it have anything to do with having good weather?

Steven R. Keen - *IDACORP, Inc. - Senior VP, CFO & Treasurer*

You could argue it's probably somewhat impacted by that because what happens is they are solving to an annual number, but they are solving it with actual operations of the plant. And so as the plant maybe doesn't work exactly like a plan that was set a few months earlier because we have a lot of water and we run things differently, you get different answers. So it's a perennial issue that we've actually considered whether there was accounting approaches that we could somehow smooth it. But it's -- it happens year to year. And so that's why we -- when it does move off of a number we've seen in a prior year, we try to explain it, and we try to say don't necessarily bank that because the way the things will work is it should correct itself in one of the later quarters of the year. And if you look back the last few years, the annual numbers have all been very close. So you just have to keep that in mind as you're looking at what numbers you've got in second, third, and fourth quarter.

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

Sure. Okay, one last question. Looking at Slide 12, it's got me thinking that is this about the best set of circumstances that you could have for your agricultural customers? For your -- to have good water storage but maybe below normal participation, but expecting warm temperatures. Is this like the perfect storm for you?

Darrel T. Anderson - *IDACORP, Inc. - President, CEO & Director*

If you're talking from the utilities perspective or the farmer perspective, I think you're right. I mean, in -- given the weather forecast, it allows -- first of all, it allows them to get in the field a little bit earlier, that's good news. We do -- and I think the farmers know that we've got, they had I think, a heads-up generally early on that we're going to have good water going into this year, that was sort of the messages that were out there. And so with the weather the way it is shaping up, it should allow for a long growing season. And then at the same time, with adequate water, so if you're a utility selling energy to pumpers, yes, from that standpoint the potential is there to sell energy early to these guys. So yes, from our standpoint that could set up that way, but we've also seen these charts go against us too so. It's our current -- it's a current look at what the weather appears to look like. But yes, it could be a good irrigation season, which could then translate into a good farming situation too. So...

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Steven R. Keen - *IDACORP, Inc. - Senior VP, CFO & Treasurer*

And Chris, for the last couple of years, we've -- that's been a part of our equation that hasn't been quite as good as we'd hoped. It hasn't really hit plan I think for a couple of years in terms of the irrigation load. And so we like how this looks, and we would be happy with normal if it came out that way. But we'll see how it plays.

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

Right. Yes, I'm just thinking that this might be an improvement over your irrigation situation in the last couple of years.

Steven R. Keen - *IDACORP, Inc. - Senior VP, CFO & Treasurer*

Yes. No, it looks good. It's just having been a hydro company for a long, long time, we know that weather is fickle at times. So we'll keep an eye on it, let's put it that way. Call us in -- when the next call happens, if it's 110 degrees then it will have played out like this. We've had some hot Junes and Julys here.

Operator

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

Darrel T. Anderson - *IDACORP, Inc. - President, CEO & Director*

Thanks, Allison. And thank you all for participating in our call this afternoon. We appreciate your continued interest in IDACORP. And just as a reminder, we will be hosting our 2018 Annual Meeting of Shareholders on May 17 at IDACORP's Headquarters. We hope that you all have a great rest of the day and get a catch-up on some sleep maybe with all these calls today. Thanks, guys.

Operator

That concludes today's conference. Thank you for your participation.

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