

BUILDING  
OUR  
FUTURE



# Earnings Conference Call

4th Quarter & Year-End 2023

February 15, 2024



# Forward-Looking Statements

This presentation (and oral statements relating to this presentation) contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements, other than statements of historical facts, that express or involve discussions of expectations, beliefs, plans, objectives, outlooks, assumptions, or future events or performance are forward-looking. Forward-looking statements are not guarantees of future performance, involve estimates, assumptions, risks, and uncertainties, and may differ materially from actual results, performance, or outcomes. Factors that may cause actual results or outcomes to differ materially from those contained in forward-looking statements include those listed in IDACORP, Inc.'s and Idaho Power Company's most recently filed periodic reports on Form 10-K and Form 10-Q, including (but not limited to) the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections, and in other reports the companies file with the U.S. Securities and Exchange Commission. Those factors also include the following, among others:

- Decisions by state and federal regulators affecting Idaho Power's ability to recover costs and earn a return on investment;
- Changes to or elimination of Idaho Power's regulatory cost recovery mechanisms;
- Ability to timely obtain permits and construct, and expenses and risks of capital expenditures for, utility infrastructure, including the impacts of inflation, price volatility, supply chain constraints, and supplier and contractor delays and failure to satisfy project quality and performance standards;
- Impacts of economic conditions, including an inflationary or recessionary environment and increasing interest rates, on items such as operations and capital investments and changes in customer demand;
- Power demand exceeding supply, and the rapid addition of new industrial and commercial customer load and the volatility of such new load demand, resulting in increased costs for purchasing energy and capacity in the market, if available, or acquiring or constructing additional generation and transmission resources and battery storage facilities;
- Risks of operating an electric utility system, including compliance with regulatory obligations and potential liability for fires, outages, and personal injury or property damage;
- Abnormal or severe weather conditions, wildfires, droughts, earthquakes, and other natural phenomena and natural disasters;
- Ability to acquire fuel, power, equipment, and transmission capacity on reasonable terms and prices;
- Impacts of current and future governmental regulation and ability to timely obtain, and the cost of obtaining and complying with, government permits and approvals, licenses, and rights-of-way and siting for transmission and generation projects;
- Ability to obtain debt and equity financing when necessary and on satisfactory terms; and
- Ability to continue to pay dividends and achieve target dividend-payout ratios, and contractual and regulatory restrictions on those dividends; and
- Changing market dynamics due to the emergence of day ahead or other energy and transmission markets in the West.

New factors emerge from time to time, and it is not possible for the companies to predict all such factors, nor can they 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.



# Presenting Today



**Lisa Grow**  
IDACORP President  
& Chief Executive Officer



**Brian Buckham**  
IDACORP Senior Vice President,  
Chief Financial Officer & Treasurer

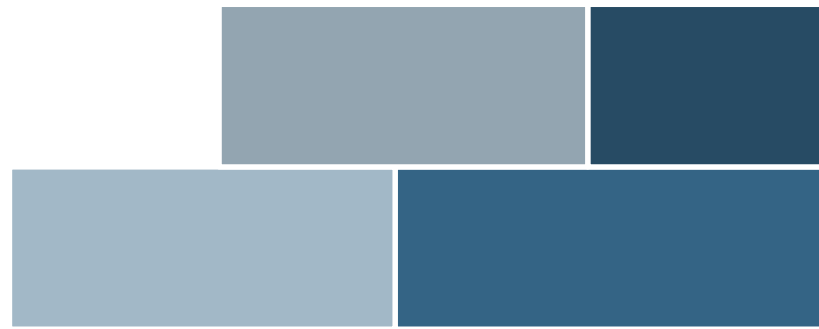


**Amy Shaw**  
IDACORP Vice President of  
Finance, Compliance & Risk



# Earnings Performance

	Three months ended December 31		Year ended December 31	
	2023	2022	2023	2022
Net income (thousands)	\$ 31,259	\$ 42,053	\$ 261,195	\$ 258,982
Weighted average common shares outstanding – diluted (thousands)	50,934	50,727	50,806	50,699
Diluted earnings per share	\$ 0.61	\$ 0.83	\$ 5.14	\$ 5.11





# 16 Consecutive Years of EPS Growth<sup>(1)</sup>

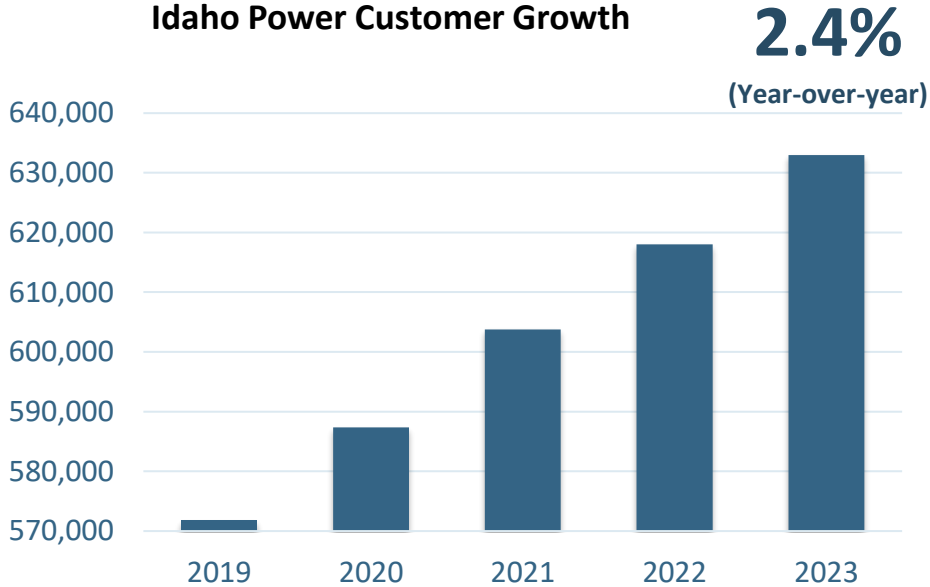


<sup>(1)</sup>Earnings per diluted share. 2008-2012 data adjusted for effect of a change in accounting method for IDACORP Financial Services affordable housing investment amortization. Earnings grew each of these years, even prior to the accounting method change.



# Growth and Economic Expansion

Idaho Power Customer Growth



Moody's GDP Growth Projections for Idaho Power's Service Area:

- 2024: **3.6%**
- 2025: **3.7%**



**TRUE WEST**  
BEEF

the **stow** company

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**Micron**



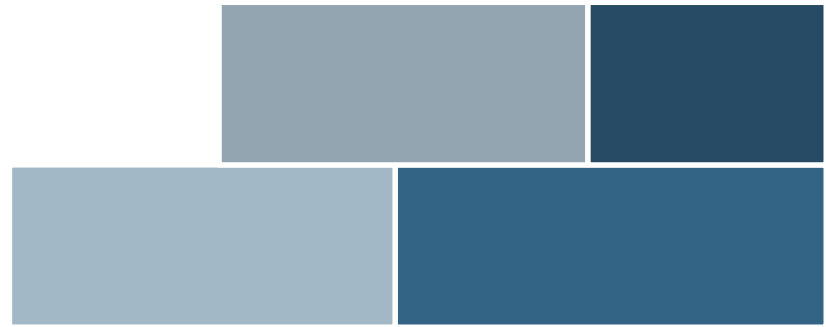
# Idaho General Rate Case Settlement

- On December 28, 2023, the IPUC issued an order approving a settlement stipulation related to the Idaho general rate case filing
- Rate increase effective January 1, 2024
- Idaho-jurisdiction retail revenue:
  - Annual net average increase of 4.25% (\$54.7 million)
  - Establishes new level of power cost adjustment (PCA) base net power supply expense of \$484.9 million
  - Transfers cost recovery to base rates – \$168.3 million from current PCA rates and \$3.5 million from the energy efficiency rider
- Provides for a 9.6% ROE and a 7.247% authorized rate of return based on a non-specified cost of debt and capital structure, applied to an Idaho-jurisdiction retail rate base of ~\$3.8 billion
- Modifications to accumulated deferred investment tax credit (ADITC) and revenue support mechanism:
  - Establishes an Idaho-jurisdiction return on year-end equity of 9.12% for additional amortization of ADITCs and 9.6% revenue sharing threshold between Idaho Power and Idaho customers
  - Removes \$25 million annual cap on accelerated amortization of ADITCs
  - Tax credits generated by the 2023 battery projects will be added to the existing mechanism
- Idaho Power is not precluded from filing another general rate case in Idaho



# General Rate Case Filed in Oregon

- Filed with the OPUC on December 15, 2023
- Targeting rate increase October 15, 2024
- 19.28% overall average customer rate increase (\$10.7 million in Oregon-Jurisdiction revenues)
- Oregon retail rate base of ~\$188.9 million
- Requested ROE of 10.4%; 7.807% rate of return with a capital structure comprised of 51% equity and 49% debt
- Since the last Oregon general rate case filed in 2011:
  - ~\$69 million of net additional infrastructure investments
  - Only 1% O&M average annual growth
  - ~8% increase in customers





# RFP Update<sup>(1)(2)</sup>

	Resource	Owned or Contracted
2023	Battery Storage Solar	120 MW Owned 40 MW PPA <sup>(3)</sup>
2024	Battery Storage Solar	96 MW Owned 100 MW PPA
2025	Battery Storage	77 MW Owned; 150 MW PPA
2026	TBD – Evaluating Bids	TBD
2027	TBD – Evaluating Bids	TBD

<sup>(1)</sup>Distribution site battery storage is excluded.

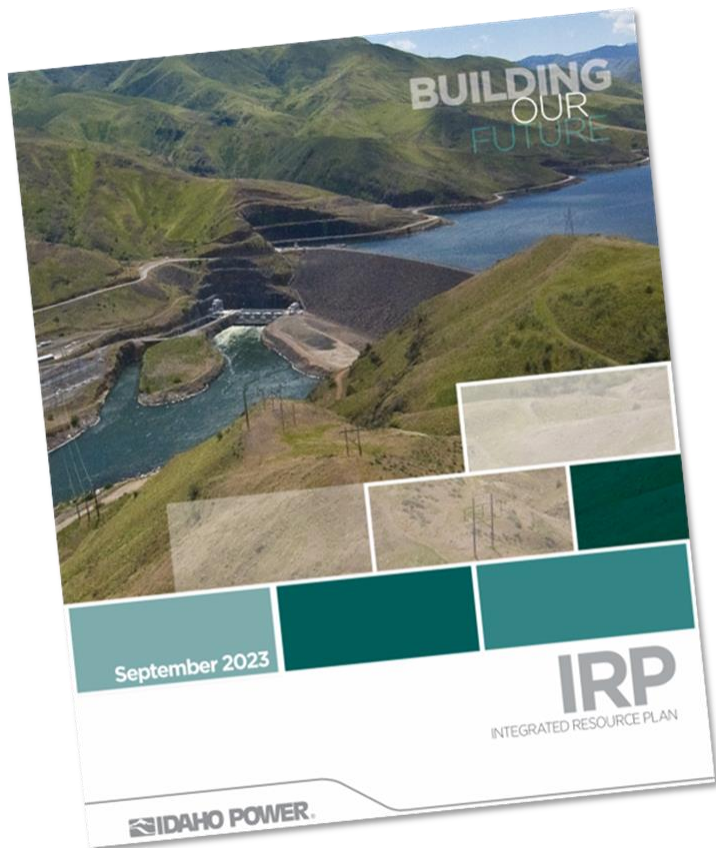
<sup>(2)</sup>Although not included in Idaho Power's RFP process, solar PPA's for 200 MW and 125 MW are scheduled to come online in 2025 and 2026, respectively. Both projects have been allocated to customers as part of the Clean Energy Your Way (CEYW) program.

<sup>(3)</sup>Allocated to customers as part of the CEYW program.





# 2023 Integrated Resource Plan Filed



## 2021 IRP Preferred Portfolio

The last coal generation unit exit was planned in 2028.

Emissions gradually reduced to approximately 1.8M short tons of CO<sub>2</sub> by the end of the plan.

The B2H transmission line was identified as a least-cost resource.

The plan included a conversion of Bridger coal units 1 and 2 to natural gas operation.

700 MW of wind plus 1,405 MW of solar were included.

1,685 MW of battery storage was included.

An additional 100 MW of DR was selected.

A total of 440 MW of cost-effective EE was selected.

GWW was not included.

No new firm capacity generation resources were identified.

## 2023 IRP Preferred Portfolio

Coal generation units have planned conversions to natural gas with the last taking place by 2030.

CO<sub>2</sub> emissions fall to just over 500-k short tons by the end of the plan—less than half the emissions as the previous IRP.

B2H continues to be a least-cost resource.

Bridger units 1, 2, 3, and 4 as well as Valmy units 1 and 2 are identified for a natural gas conversion.

1,800 MW of wind plus 3,325 MW of solar are included.

1,453 MW of storage was included, including 200 MW of long-duration storage.

An additional 160 MW of DR is selected.

A total of 360 MW of EE is selected.

GWW is identified as necessary for system reliability and to enable incremental renewables.

Two hydrogen peaking units are selected in 2038 to replace the Bridger natural gas converted units.

# High-Voltage Transmission Project Updates



- **Boardman-to-Hemingway**
  - Expected to break ground in 2024
  - OPUC and IPUC granted respective certificates of public convenience and necessity
  - Purchase, sale, and security agreement executed with Bonneville Power Administration (BPA) – Idaho Power’s interest in Boardman-to-Hemingway increased to ~45%
  - Long-term transmission service commitment to BPA’s customers across southern Idaho included in agreement
- **Gateway West**
  - Included in 2023 IRP
  - Idaho Power and PacifiCorp are coordinating construction and segment allocations



# 2022 to 2023

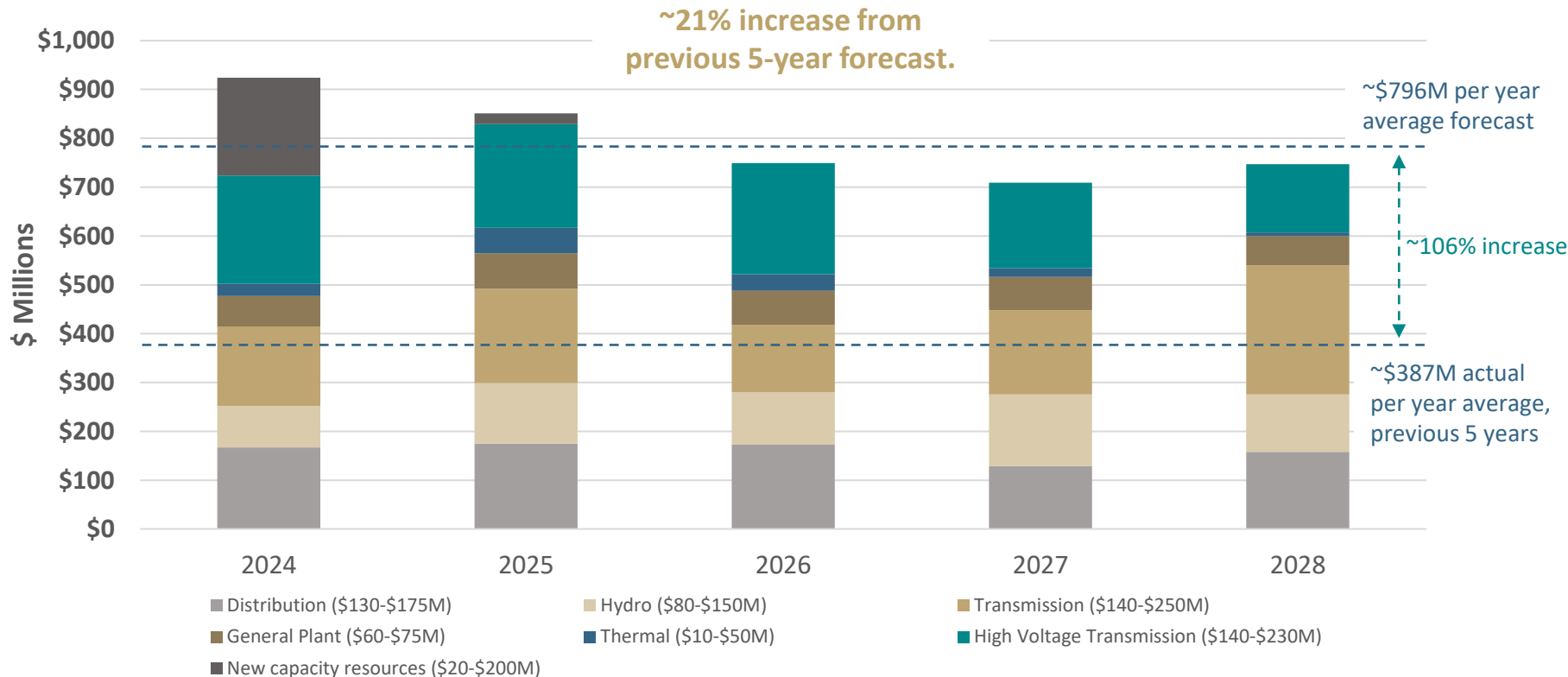
## IDACORP, Inc. Net Income (in millions and before related income tax impact unless otherwise noted)

Net Income – For the Year Ended December 31, 2022		\$ 259.0
Increase (decrease) in Idaho Power net income:		
Customer growth, net of associated power supply costs and power cost adjustment mechanisms	\$ 15.7	
Usage per retail customer, net of associated power supply costs and power cost adjustment mechanisms	(31.3)	
Idaho fixed cost adjustment revenues	15.1	
Retail revenues per megawatt-hour, net of associated power supply costs and power cost adjustment mechanisms	11.0	
Transmission wheeling-related revenues	(0.2)	
Other operations and maintenance expenses	(0.5)	
Depreciation expense	(25.3)	
Other changes in operating revenues and expenses, net	1.7	
Decrease in Idaho Power operating income	(13.8)	
Non-operating expense, net	4.7	
Income tax expense	11.0	
Total increase in Idaho Power net income		1.9
Other IDACORP changes (net of tax)		0.3
<b>Net Income – For the Year Ended December 31, 2023</b>		<b>\$ 261.2</b>



# Capital Expenditures Forecast<sup>(1)</sup>

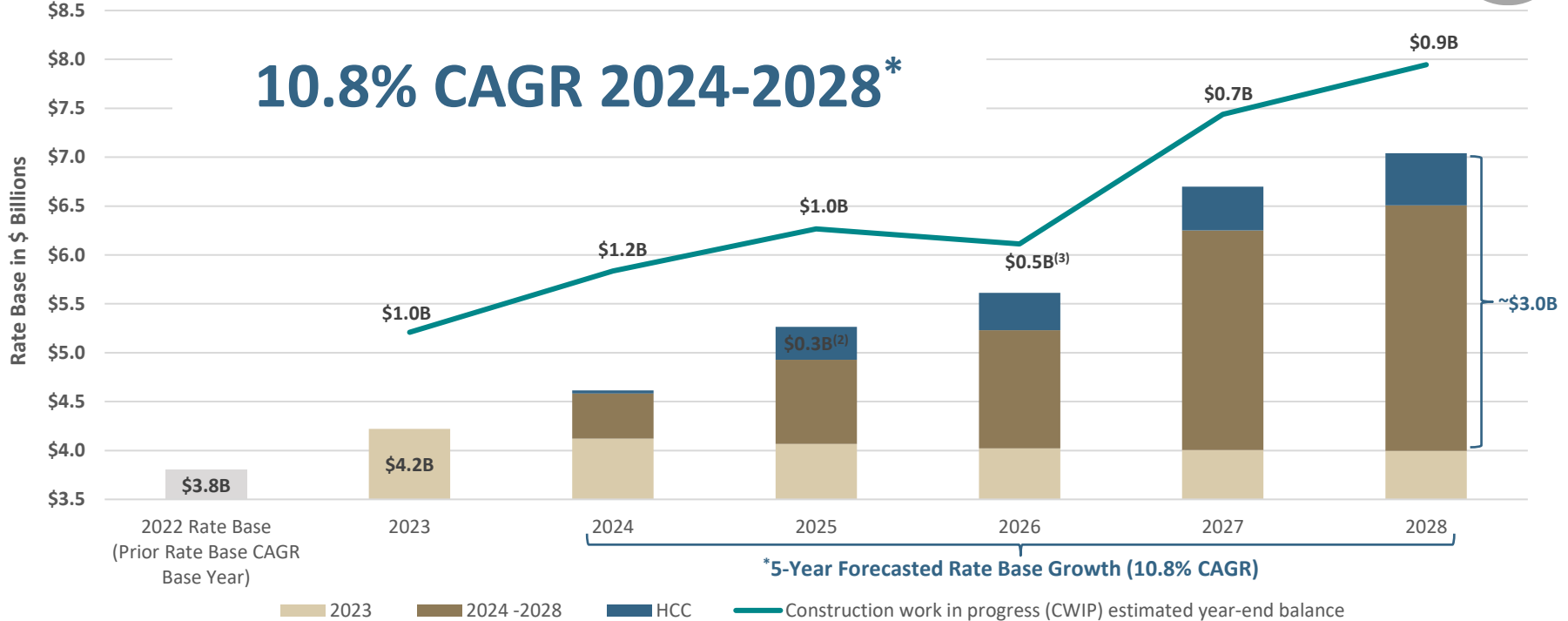
2024 – 2028





# Total System Rate Base Growth Forecast<sup>(1)</sup>

**10.8% CAGR 2024-2028\***



<sup>(1)</sup> If the net balances of Idaho Power’s capital additions and retirements since the 2023 Settlement Stipulation and its forecasted capital additions and retirements were approved by its regulators to be included in base rates, Idaho Power’s total system rate base could reach approximately \$7.0 billion by the end of 2028, the year through which Idaho Power currently forecasts capital expenditures. Idaho Power’s most recent rate case in its Idaho jurisdiction approved in 2023 provided for a return on a rate base of \$3.8 billion, which excludes recovery of net rate base on coal-related assets related to North Valmy and Jim Bridger plants of approximately \$0.2 billion, and rate base of approximately \$0.2 billion in its Oregon jurisdiction subject to a general rate case currently filed with the OPUC with expected conclusion in 2024. The 2023 rate base amounts are adjusted in this graphic over time to reflect the ultimate decline in net rate base of coal-related assets. Coal related rate base may be fully collected by the end of 2028 and 2030, respectively, through separate regulatory orders.

<sup>(2)</sup> Hells Canyon Complex (HCC) relicensing costs becoming eligible for rate base is subject to the Federal Energy Regulatory Commission’s granting of a new operating license, which Idaho Power believes will occur in 2025 or thereafter. Estimated to be approximately \$0.3 billion of rate base in 2025 for illustration purposes.

<sup>(3)</sup> Boardman-to-Hemingway transmission line, estimated to be approximately \$0.7 billion of rate base, transferred from CWIP in 2026 for illustrative purposes.



# Operating Cash Flows and Liquidity

Cash Flows (millions)	Year Ended December 31	
	2023	2022
IDACORP		
Net Cash Provided by Operating Activities	\$ 267.0	\$ 351.3

## Liquidity

(millions)

As of December 31, 2023

IDACORP<sup>(1)</sup>

Idaho Power

Revolving Credit Facility – Expires December 2028 <sup>(2)</sup>	\$ 100.0	\$ 400.0
Commercial Paper Outstanding	–	–
Identified for Other Use <sup>(3)</sup>	–	(19.9)
<b>Total</b>	<b>\$ 100.0</b>	<b>\$ 380.1</b>

<sup>(1)</sup> Holding company only.

<sup>(2)</sup> On December 8, 2023, IDACORP and Idaho Power replaced their existing facilities with \$100 million and \$400 million facilities, respectively, that expire on December 8, 2028.

<sup>(3)</sup> American Falls Bonds that Idaho Power could be required to purchase prior to maturity under the optional or mandatory purchase provisions of the bonds, if the remarketing agent for the bonds were unable to sell the bonds to third parties.



# 2024 Earnings Per Share Guidance and Estimated Key Operating Metrics

	2024 Estimate <sup>(1)</sup>	2023 Actual <sup>(2)</sup>
IDACORP Diluted Earnings Per Share Guidance	\$ 5.25 – \$ 5.45	\$ 5.14
Idaho Power Additional Amortization of Accumulated Deferred Investment Tax Credits (millions)	\$ 35 – \$ 60 <sup>(3)</sup>	None
Idaho Power Operations & Maintenance Expense (millions)	\$ 440 – \$ 450 <sup>(4)</sup>	\$ 400
Idaho Power Capital Expenditures, Excluding Allowance for Funds Used During Construction (millions)	\$ 925 – \$ 975	\$ 734
Idaho Power Hydropower Generation (millions Megawatt-hours)	5.5 – 7.5	6.5

<sup>(1)</sup> As of February 15, 2024. Assumes normal weather and normal power supply expenses during 2024.

<sup>(2)</sup> On an accrual basis.

<sup>(3)</sup> Approximately \$25 million of additional amortization of accumulated deferred investment tax credits (ADITCs) relates to amortization of incremental tax credits generated from Idaho Power's investment in 2023 battery storage projects, as contemplated in the settlement stipulation for the Idaho general rate case (2023 Settlement Stipulation), effective January 1, 2024. The 2023 Settlement Stipulation removed the existing \$25 million annual cap on the amount of accelerated amortization of ADITCs.

<sup>(4)</sup> Approximately \$40 million of O&M expense relates to amortization of pension and wildfire mitigation plan regulatory assets, approved for recovery in the 2023 Settlement Stipulation effective January 1, 2024. The increased O&M expense is expected to be offset by collection through tariff-based retail revenues.



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