



July 30, 2020

IDACORP, Inc. Announces Second Quarter 2020 Results, Reaffirms 2020 Earnings Guidance

BOISE--IDACORP, Inc. (NYSE: IDA) reported second quarter 2020 net income attributable to IDACORP of \$60.4 million, or \$1.19 per diluted share, compared with \$53.2 million, or \$1.05 per diluted share, in the second quarter of 2019. For the first six months of 2020, IDACORP reported net income attributable to IDACORP of \$97.9 million, or \$1.94 per diluted share, compared with \$95.8 million, or \$1.90 per diluted share, in the first six months of 2019.

"We continued to see strong customer growth throughout our service area, increasing 2.6% over the past twelve months. This growth, combined with closer to normal irrigation sales than last year, helped to offset the decrease in revenue related to COVID-19 from commercial and industrial customer sales," said IDACORP President and Chief Executive Officer Lisa Grow. "In addition, the temporary deferral of some discretionary maintenance at our jointly-owned generating plants also positively impacted our results for the quarter.

"I am immensely proud of our employees, who are honoring our commitment to safely provide reliable energy to our communities in these unprecedented times."

IDACORP reaffirms its previously reported full-year 2020 earnings guidance in the range of \$4.45 to \$4.65 per diluted share, and is also reaffirming that Idaho Power does not expect to utilize any of the additional tax credits available under its Idaho earnings support regulatory mechanism in 2020. This guidance assumes normal weather conditions over the balance of the year, and includes assumed levels of impact from COVID-19 as described in the paragraph below, which also acknowledges circumstances could change and impact results going forward.

Performance Summary

A summary of financial highlights for the periods ended June 30, 2020 and 2019 is as follows (in thousands, except per share amounts):

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Net income attributable to IDACORP, Inc.	\$ 60,389	\$ 53,156	\$ 97,879	\$ 95,842
Average outstanding shares – diluted (000's)	50,567	50,507	50,547	50,512
IDACORP, Inc. earnings per diluted share	\$ 1.19	\$ 1.05	\$ 1.94	\$ 1.90

The table below provides a reconciliation of net income attributable to IDACORP for the three and six months ended June 30, 2020, from the same period in 2019 (items are in millions and are before related income tax impact unless otherwise noted).

	Three months ended	Six months ended
Net income attributable to IDACORP, Inc. - June 30, 2019	\$ 53.2	\$ 95.8
Increase (decrease) in Idaho Power net income:		
Customer growth, net of associated power supply costs and power cost adjustment mechanisms	3.4	7.0
Usage per retail customer, net of associated power supply costs and power cost adjustment mechanisms	6.6	(0.1)
Idaho fixed cost adjustment (FCA) revenues	(3.1)	1.5
Retail revenues per megawatt-hour (MWh), net of associated power supply costs and power cost adjustment mechanisms	(1.5)	(3.0)
Transmission wheeling-related revenues	(1.0)	(6.4)
Other operations and maintenance (O&M) expenses	3.9	3.0
Other changes in operating revenues and expenses, net	(0.8)	(1.0)
Increase in Idaho Power operating income	7.5	1.0
Non-operating income and expenses	—	1.4
Income tax expense	0.2	0.5
Total increase in Idaho Power net income	7.7	2.9
Other IDACORP changes (net of tax)	(0.5)	(0.8)
Net income attributable to IDACORP, Inc. - June 30, 2020	\$ 60.4	\$ 97.9

Net Income - Second Quarter 2020

IDACORP's net income increased \$7.2 million for the second quarter of 2020 compared with the second quarter of 2019, primarily due to higher net income at Idaho Power. Customer growth increased operating income by \$3.4 million in the second quarter of 2020 compared with the second quarter of 2019, as the number of Idaho Power customers grew by approximately 14,500, or 2.6 percent, during the twelve months ended June 30, 2020. Higher sales volumes on a per-customer basis increased operating income by \$6.6 million in the second quarter of 2020 compared with the second quarter of 2019, as higher usage per irrigation and residential customer was partially offset by decreased usage per commercial and industrial customer. Less precipitation in April and May 2020 compared with the same months in 2019 led to a 24 percent increase in usage per irrigation customer during the second quarter of 2020 compared with the second quarter of 2019. Also, residential customers used more energy for heating and cooling due to weather variations and residential customers spending more time at home due to the COVID-19 public health crisis, which increased usage per residential customer by 6 percent in the second quarter of 2020 compared with the second quarter of 2019. Decreases of 7 percent and 4 percent in usage per commercial and industrial customer, respectively, were largely due to the economic impacts of COVID-19. The increase in sales volumes per residential customer was partially offset by the FCA mechanism (applicable to residential and small general service customers), which decreased revenues in the second quarter of 2020 by \$3.1 million as compared with the second quarter of 2019.

During the second quarter of 2020, transmission wheeling-related revenues decreased \$1.0 million compared with the second quarter of 2019. Idaho Power's open access transmission tariff (OATT) rates decreased approximately 13 percent in October 2019.

Other O&M expenses were \$3.9 million lower in the second quarter of 2020 compared with the second quarter of 2019, primarily due to the temporary deferral of certain maintenance projects at Idaho Power's jointly-owned thermal generation plants. The timing of these projects is discretionary and Idaho Power expects these projects to be completed later in 2020 or in 2021. In July 2020, the IPUC issued an order granting Idaho Power the authority to defer unanticipated, emergency-related expenses due to the COVID-19 public health crisis, net of any cost savings, for possible recovery through future rates. In the second quarter of 2020, Idaho Power recorded a \$0.6 million regulatory asset for its estimate of such costs, including higher bad debt expense, net of estimated savings in vehicle fuel, employee travel, and training.

Net Income - Year-to-Date 2020

IDACORP's net income increased \$2.1 million for the first half of 2020 compared with the first half of 2019, primarily due to higher net income at Idaho Power. Customer growth increased operating income by \$7.0 million in the first half of 2020 compared with the first half of 2019. Sales volumes on a per-customer basis were relatively flat during those periods as higher usage per irrigation customer was offset by lower usage per commercial and industrial customer largely due to COVID-19. Less precipitation in April and May 2020 compared with the same months in 2019 led to a 24 percent increase in usage per irrigation customer during the first half of 2020 compared with the first half of 2019. Usage per residential customer decreased by 1 percent during the first half of 2020 compared with the first half of 2019, as the increase caused by weather and COVID-19 in the second quarter of 2020 described above did not fully offset the lower usage from the first quarter of 2020 caused by more moderate weather, which resulted in residential customers using less energy for heating. The decrease in sales volumes per residential customer was partially offset by the FCA mechanism (applicable to residential and small general service customers), which increased revenues by \$1.5 million.

The net decrease in retail revenues per MWh decreased operating income by \$3.0 million in the first half of 2020 compared with the first half of 2019. The Idaho-jurisdiction power cost adjustment mechanism includes a cost or benefit ratio that allocates the deviations in certain net power supply expenses between customers (95 percent) and Idaho Power (5 percent). In the first half of 2019, net power supply expenses were reduced due to significant amount of wholesale energy sales resulting from regional wholesale energy market conditions. Regional wholesale energy prices were elevated due to below normal regional temperatures, lack of energy imports to the region due to equipment maintenance, and natural gas pipeline disruptions. The higher wholesale energy prices during the first half of 2019 led to greater wholesale energy sales by Idaho Power, of which 5 percent benefited Idaho Power.

During the first half of 2020, transmission wheeling-related revenues decreased \$6.4 million compared with the first half of 2019, due to Idaho Power's open access transmission tariff rates decreasing approximately 13 percent in October 2019 and less regional wholesale market activity in the first half of 2020 compared with the first half of 2019, resulting from the market conditions noted above.

Other O&M expenses were \$3.0 million lower in the first half of 2020 compared with the first half of 2019, primarily due to lower thermal operating and maintenance expenses as explained above.

Based on its estimate of full-year 2020 return on year-end equity in the Idaho jurisdiction, in the first half of 2020 Idaho Power recorded no additional accumulated deferred investment tax credits (ADITC) amortization or any provision against revenues for sharing of earnings with customers under the Idaho regulatory settlement stipulation approved in May 2018.

2020 Annual Earnings Guidance and Key Operating and Financial Metrics

IDACORP is reaffirming its earnings guidance estimate for 2020. The 2020 guidance incorporates all of the key operating and financial assumptions listed in the table that follows (in millions, except per share amounts):

	Current ⁽¹⁾	Previous ⁽²⁾
IDACORP Earnings Guidance (per share)	No change	\$ 4.45 – \$ 4.65
Idaho Power Additional Amortization of ADITCs	No change	None
Idaho Power Operating & Maintenance Expense	No change	\$ 350 – \$ 360
Idaho Power Capital Expenditures, Excluding Allowance for Funds Used During Construction	No change	\$ 300 – \$ 310
Idaho Power Hydropower Generation (MWh)	6.5 – 7.5	6.0 – 8.0

⁽¹⁾ As of July 30, 2020.

⁽²⁾ As of April 30, 2020, the date of filing IDACORP's and Idaho Power's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020.

To-date, Idaho Power has not experienced significant disruption to its business operations, critical supply chain shortages, or major declines in customer usage related to COVID-19, with the exception of decreases in commercial and industrial customer usage. The Governor of the State of Idaho has been executing on the State's plan to lift restrictions in stages since May 2020, and the government restrictions have since been more targeted to certain counties and cities in an effort to contain the spread of the virus. Idaho Power has taken a number of actions to protect its employees, customers, operations, and financial condition and liquidity in light of COVID-19. However, if circumstances associated with COVID-19 were to deteriorate more than Idaho Power anticipates in the company's service area or nationally, resulting in increased or prolonged adverse economic impacts on our customers or important suppliers, Idaho Power could experience more substantial load declines, increases in uncollectible accounts, and supply chain challenges, which could affect financial projections and results and may require Idaho Power to use additional tax credits available under its Idaho earnings support mechanism to achieve earnings in the range set forth above. Although it is difficult to predict the long-term impact of weakened and evolving economic conditions due to the pandemic on Idaho Power's customers, and the associated potential impact to the earnings guidance range, as of today Idaho Power does not expect to utilize in 2020 any of the additional tax credits.

More detailed information on Idaho Power's actions in response to COVID-19, as well as operational and financial risks associated with COVID-19, are described in IDACORP's and Idaho Power's Quarterly Report on Form 10-Q filed today with the U.S. Securities and Exchange Commission, which is also available for review on IDACORP's website at www.idacorpinc.com.

More detailed financial information is provided in IDACORP's Quarterly Report on Form 10-Q filed today with the U.S. Securities and Exchange Commission and posted to the IDACORP Web site at www.idacorpinc.com.

Web Cast / Conference Call

IDACORP will hold an analyst conference call today at 2:30 p.m. Mountain Time (4:30 p.m. Eastern Time). All parties interested in listening may do so through a live webcast on the company's website (www.idacorpinc.com), or by calling (800) 242-0681 for listen-only mode. There is no passcode required; simply request to be connected to the "IDACORP, Inc." call. The conference call logistics are also posted on the company's website and will be included in the company's earnings news release. Slides will be included during the conference call. To access the slide deck, register for the event just prior to the call at www.idacorpinc.com/investor-relations/earnings-center/conference-calls. A replay of the conference call will be available on the company's website for a period of 12 months and will be available shortly after the call.

Background Information

IDACORP, Inc. (NYSE: IDA), Boise, Idaho-based and formed in 1998, is a holding company comprised of Idaho Power, a regulated electric utility; IDACORP Financial, a holder of affordable housing projects and other real estate investments; and Ida-West Energy, an operator of small hydroelectric generation projects that satisfy the requirements of the Public Utility Regulatory Policies Act of 1978. Idaho Power began operations in 1916 and employs approximately 2,000 people to serve a 24,000-square-mile service area in southern Idaho and eastern Oregon. With 17 low-cost hydropower projects as the core of its generation portfolio, Idaho Power's more than 570,000 residential, business and agricultural customers pay some of the nation's lowest prices for electricity. To learn more about Idaho Power or IDACORP, visit www.idahopower.com or www.idacorpinc.com.

Forward-Looking Statements

In addition to the historical information contained in this press release, this press release contains (and oral communications made by IDACORP, Inc. and Idaho Power Company may contain) statements, including, without limitation, earnings guidance and estimated key operating and financial metrics, that relate to future events and expectations and, as such, 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, outlook, assumptions, or future events or performance, often, but not always, through the use of words or phrases such as "anticipates," "believes," "continues," "could," "estimates," "expects," "guidance," "intends," "potential," "plans," "predicts," "projects," "targets," 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 the following: (a) the effect of decisions by the Idaho and Oregon public utilities commissions and the Federal Energy Regulatory Commission that impact Idaho Power's ability to recover costs and earn a return on investments; (b) changes to or the elimination of Idaho Power's regulatory cost recovery mechanisms; (c) the impacts of the COVID-19 coronavirus outbreak on the global and regional economy and on Idaho Power's employees, customers, contractors, and suppliers, including on loads and revenues, uncollectible accounts, transmission revenues, and other aspects of the economy and the companies' business; (d) 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, or the addition of new customers, and their associated impacts on loads and load growth, and the availability of regulatory mechanisms that allow for timely cost recovery through customer rates in the event of those changes; (e) abnormal or severe weather conditions, including conditions and events associated with climate change, wildfires, droughts, earthquakes, and other natural phenomena and natural disasters, which affect customer sales, hydropower generation levels, repair costs, service interruptions, liability for damage caused by utility property, and the availability and cost of fuel for generation plants or purchased power to serve customers; (f) advancement of self-generation, energy storage, energy efficiency, alternative energy sources, and other technologies that may reduce Idaho Power's sale of electric power or create power reliability challenges; (g) acts or threats of terrorist incidents, other malicious acts, social unrest, acts of war, cyber-attacks, the companies' failure to secure data or to comply with privacy laws or regulations, security breaches, and the disruption or damage to the companies' business, operations, or reputation resulting from such events and related litigation or penalties; (h) the expense and risks associated with capital expenditures for, and the permitting and construction of, utility infrastructure that Idaho Power may be unable or unwilling to complete or may not be deemed prudent by regulators for cost recovery; (i) variable hydrological conditions and over-appropriation of surface and groundwater in the Snake River Basin, which may impact the amount of power generated by Idaho Power's hydropower facilities; (j) the ability to acquire fuel, power, and transmission capacity under reasonable terms, particularly in the event of unanticipated power demands, lack of physical availability, transportation constraints, climate change, or a credit downgrade; (k) disruptions or outages of Idaho Power's generation or transmission systems or of any interconnected transmission systems may constrain resources or cause Idaho Power to incur repair costs and purchase replacement power at increased costs; (l) accidents, fires (either affecting or caused by Idaho Power facilities or infrastructure), explosions, and mechanical breakdowns that may occur while operating and maintaining Idaho Power assets, which can cause unplanned outages, reduce generating output, damage the company assets, operations, or reputation, subject Idaho Power to third-party claims for property damage, personal injury, or loss of life, or result in the imposition of civil, criminal, and regulatory fines and penalties for which Idaho Power may have inadequate insurance coverage; (m) the increased purchased power costs and operational challenges associated with purchasing and integrating intermittent renewable energy sources into Idaho Power's resource portfolio; (n) failure to comply with state and federal laws, regulations, and orders, including new interpretations and enforcement initiatives by regulatory and oversight bodies, which may result in penalties and fines and increase the cost of compliance, and the cost of remediation; (o) changes in tax laws or related regulations or new interpretations of applicable laws by federal, state, or local taxing jurisdictions, and the availability of tax credits; (p) adoption of, changes in, and costs of compliance with laws, regulations, and policies relating to the environment, natural resources, and threatened and endangered species, and the ability to recover associated increased costs through rates; (q) 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 hydropower

facilities; (r) failure to comply with mandatory reliability and security requirements, which may result in penalties, reputational harm, and operational changes; (s) the cost and outcome of litigation, dispute resolution, and regulatory proceedings, and the ability to recover those costs or the costs of resulting operational changes through insurance or rates, or from third parties; (t) the impacts of economic conditions, including inflation, interest rates, supply costs, population growth or decline in Idaho Power's service area, changes in customer demand for electricity, revenue from sales of excess power, credit quality of counterparties and suppliers, and the collection of receivables; (u) 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 or disruptions in the financial markets, interest rate fluctuations, decisions by the Idaho or Oregon public utility commissions, and the companies' past or projected financial performance; (v) changes in the method for determining LIBOR and the potential replacement of LIBOR and the impact on interest rates for IDACORP's and Idaho Power's credit facilities; (w) 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; (x) 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 and the companies' cash flows; (y) the assumptions underlying the coal mine reclamation obligations at Bridger Coal Company and related funding requirements, and the remediation costs associated with planned exits from participation in Idaho Power's co-owned coal plants; (z) the ability to continue to pay dividends based on financial performance and in light of credit rating considerations, contractual covenants and restrictions, and regulatory limitations; (aa) Idaho Power's concentration in one industry and one region and the lack of diversification, and the resulting exposure to regional economic conditions and regional legislation and regulation; (bb) 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 attract and retain skilled workers and third-party vendors, and the ability to adjust the labor cost structure when necessary; and (cc) adoption of or changes in accounting policies and principles, changes in accounting estimates, and new U.S. 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. Readers should also review the risks and uncertainties listed in IDACORP, Inc.'s and Idaho Power Company's most recent Annual Report on Form 10-K and other reports the companies file with the U.S. Securities and Exchange Commission, including (but not limited to) Part I, Item 1A - "Risk Factors" in the Form 10-K and Management's Discussion and Analysis of Financial Condition and Results of Operations and the risks described therein from time to time. 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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