

IDACORP INC  
Form 8-K  
February 01, 2008

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT**

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

Date of Report (Date of earliest event reported): January 31, 2008

|                                  |   |                                    |
|----------------------------------|---|------------------------------------|
| Commission                       | Exact name of registrants as specified in their charters, address of principal executive offices and registrants' telephone number                                    | IRS Employer Identification Number |
| File Number<br>1-14465<br>1-3198 | IDACORP, Inc.<br>Idaho Power Company<br>1221 W. Idaho Street<br>Boise, ID 83702-5627<br>(208) 388-2200<br>State or Other Jurisdiction of Incorporation: Idaho<br>None | 82-0505802<br>82-0130980           |
|                                  | Former name or former address, if changed since last report.  |                                    |

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))



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**ITEM 8.01 OTHER EVENTS**Standard & Poor's Lowers Ratings of IDACORP and IPC

On January 31, 2008, Standard & Poor's Ratings Services ("Standard & Poor's") announced that it has lowered the corporate credit ratings and long-term ratings of IDACORP, Inc. ("IDACORP") and Idaho Power Company ("IPC"). The companies' outlook was changed from Negative to Stable and the companies' commercial paper rating was affirmed at A-2. These downgrades are expected to increase the cost of new debt issuances and outstanding variable rate debt issuances within the downgraded ratings categories.

Standard & Poor's stated that its decision reflects a gradual deterioration of cash flow coverage, as well as a proposed general rate case settlement filed with the Idaho Public Utilities Commission on January 23, 2008 which, according to Standard & Poor's, does not sufficiently address long-term ratemaking issues tied to rising costs and load growth pressures. Standard & Poor's stated that the proposed settlement fails to settle some important, policy-related issues, such as the use of a forecasted test year or the appropriate level of the load growth adjustment credit.

The following outlines the former and current Standard & Poor's ratings of IPC's and IDACORP's securities:

|                            | IPC      |          | IDACORP  |         |
|----------------------------|----------|----------|----------|---------|
|                            | Former   | Current  | Former   | Current |
| Corporate Credit Rating    | BBB+     | BBB      | BBB+     | BBB     |
| Senior Secured Debt        | A        | A-       | None     | None    |
| Senior Unsecured Debt      | BBB      | BBB-     | BBB      | BBB-    |
| Short-Term Tax-Exempt Debt | BBB/A-2  | BBB-/A-2 | None     | None    |
| Commercial Paper           | A-2      | A-2      | A-2      | A-2     |
| Rating Outlook             | Negative | Stable   | Negative | Stable  |

The following outlines the current Standard & Poor's, Moody's Investors Service ("Moody's") and Fitch Inc. ("Fitch") ratings of IPC's and IDACORP's securities:



|                            | Standard and Poor's |         | Moody's         |         | Fitch  |         |
|----------------------------|---------------------|---------|-----------------|---------|--------|---------|
|                            | IPC                 | IDACORP | IPC             | IDACORP | IPC    | IDACORP |
| Corporate Credit Rating    | BBB                 | BBB     | Baa1            | Baa2    | None   | None    |
| Senior Secured Debt        | A-                  | None    | A3              | None    | A-     | None    |
| Senior Unsecured Debt      | BBB-                | BBB-    | Baa1            | Baa2    | BBB+   | BBB     |
| Short-Term Tax-Exempt Debt | BBB-/A-2            | None    | Baa1/<br>VMIG-2 | None    | None   | None    |
| Commercial Paper           | A-2                 | A-2     | P-2             | P-2     | F-2    | F-2     |
| Credit Facility            | None                | None    | Baa1            | Baa2    | None   | None    |
| Rating Outlook             | Stable              | Stable  | Stable          | Stable  | Stable | Stable  |

These security ratings reflect the views of the rating agencies. An explanation of the significance of these ratings may be obtained from each rating agency. Such ratings are not a recommendation to buy, sell or hold securities. Any rating can be revised upward or downward or withdrawn at any time by a rating agency if it decides that the circumstances warrant the change. Each rating should be evaluated independently of any other rating.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

Dated: February 1, 2008

**IDACORP, Inc.**

By: /s/ Darrel T. Anderson

Darrel T. Anderson  
Senior Vice President -  
Administrative Services and  
Chief Financial Officer

**Idaho Power Company**

By: /s/ Darrel T. Anderson

Darrel T. Anderson  
Senior Vice President -  
Administrative Services and  
Chief Financial Officer

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