


OUR ENERGY FUTURE

For information about our energy future and how you make a difference, contact Corporate Communication: 208-388-2465 or visit www.idahopower.com/ourfuture.

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TRADITION



Throughout our 92-year history, you trusted us to power your businesses, schools and homes. Today we engage your trust to build for our future.

BIG PICTURE



It is a pivotal time both globally and nationally for the energy industry. Nationally, demand increases while natural resource levels decline. Our energy future includes significant utility investment in infrastructure and generation resources.

U.S. electric infrastructure investments are expected to increase from \$400 billion today to \$700 billion by 2016. Idaho Power's part in this epic expansion includes \$100s of millions in annual investments to ensure future generations enjoy the same comfortable and secure lifestyles we do today.

LOW RATES



Our customers enjoy some of the lowest power prices in the nation. A 2007 national survey found our combined rates to be the lowest among investor-owned utilities in America. However, the reality of global energy supply and demand means all energy has become more precious and, therefore, more expensive. Powering our lifestyles is becoming more and more costly. Wise and efficient energy use is still the best way to keep monthly energy bills low. This alone is not the answer.

GROWTH



Population growth and consumption dominate the energy picture. The average American home now has 26 consumer electronic products. Houses are growing, too. In the 1970s, the average home in the U.S. was around 1,750 square feet. Average houses built today are more than 2,400 square feet.

What does this mean here at home? From 2000 to 2006, Idaho's population grew 13.3 percent—twice the national growth rate. Our planners estimate as many as 12,000 new customers per year into 2020.

During the summer of 2007, electricity demand in our service area surpassed the previous summer record for power use on five separate occasions. In July, we experienced 14 days at near maximum capacity, nearly exhausting our electricity reserves.

OUR CHALLENGE



Today, Idaho Power faces a construction effort unprecedented since the company's undertaking of the three-dam Hells Canyon project 50 years ago. We'll invest \$100s of millions of dollars in infrastructure and new generation resources over the next several years. Soaring global demand for resources, material and equipment tighten supply and increase costs. However, with public support and commitment, we can meet this challenge together—just as we have in the past.

Some of this immense construction will be financed by incurring debt and the sale of company stock. But our customers assume a significant share, too. This means frequent requests to the Idaho and Oregon regulatory commissions to increase prices. A portion of customers' rates support construction of needed infrastructure, such as transmission and distribution systems and more generating facilities. Rates also ensure the quality of life we enjoy, and secure it for future generations.

OUR PLAN



Idaho Power's plan to ensure adequate energy supplies includes energy efficiency programs, planning for growth, diversifying our generation portfolio, adding transmission capacity and maintaining our all-important hydroelectric resources. This effort takes time and money to complete. Hydro power is at the center of our low-cost electrical service, but this system is variable and finite.

The least expensive energy is energy we do not use. In 2007, Idaho Power spent \$15.6 million on residential, agricultural and business energy efficiency programs. These efforts saved enough energy to power 7,200 homes.

WHAT YOU CAN DO



The need for more electricity is not driven by politics, corporate profits or government intervention. It is simply a result of all of us using a resource that is becoming increasingly valuable and costly. Certainly no one wants higher rates, but no one wants an electric utility that cannot supply the service needed to maintain the lives and lifestyle we enjoy today. The future calls for responsible energy use and responsible spending to build an electrical system serving our communities today and tomorrow.

Our world, our nation and our communities face increasing resource challenges. How we work together determines our energy future. Here's how you make a difference:

- Share this information with your friends, families and neighbors.
- Participate in Idaho Power's Energy Efficiency programs.
- Learn more, visit www.idahopower.com/ourfuture.