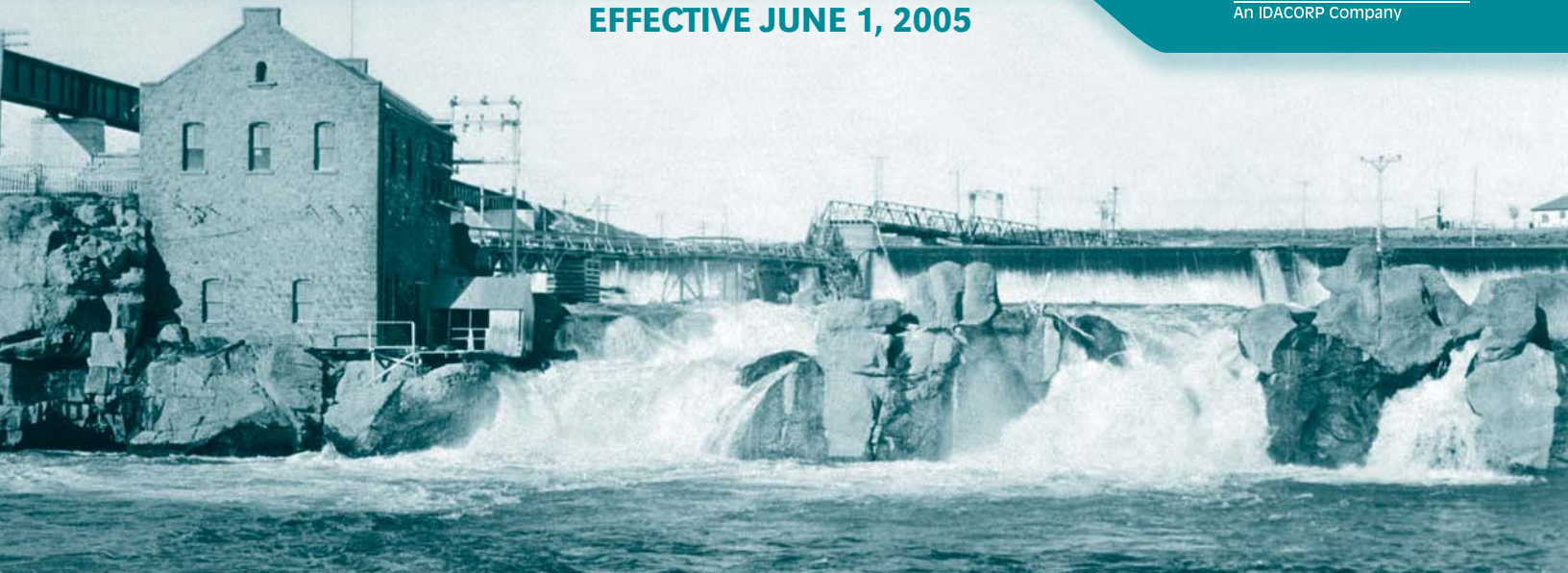


New Information About Your Electric Rates

EFFECTIVE JUNE 1, 2005

 **IDAHO POWER**[®]
An IDACORP Company





Dear Idaho Power Customer:

Over the course of the past year, you may have heard of several actions related to increases in Idaho Power's electricity rates, including an announcement we mailed to your billing address in April. These activities include the company's costs of building and bringing a new power plant on-line and resolution of tax-related issues remaining from a 2004 rate case. Both proceedings are now complete and have been consolidated into a single increase in the prices you pay Idaho Power for electricity.

Accordingly, your rates will be 6.3 percent higher until the time of the next annual rate adjustment almost a year from now. During the course of the next year you likely will hear or read about rate-related proposals and actions, but no changes to your rates are planned prior to June 1, 2006.

Idaho Power would also like to remind you that summer rates went into effect June 1. These rates, adopted in 2004, are higher during the months of June, July and August than during the rest of the year.

These are the months when electricity is the most costly to produce or purchase and when it is in the shortest supply here in the Northwest. For residential customers, the higher summer rate applies to monthly electricity usage greater than 300 kilowatt-hours.

Conservation is one way to help lessen the effects of a price increase in any necessary commodity whether it is water, gasoline or electricity. Idaho Power offers a variety of ways to conserve energy on the "Energy Center" area of its Web site—www.idahopower.com. Once there, click on "Energy Efficiency" for a list of more than 50 energy saving ideas.

Regards,

Ric Gale
Vice President
Regulatory Affairs





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1.800.488.6151 outside the Treasure Valley
www.idahopower.com

Cover photo: Historic American Falls Dam circa 1920

Inside photo: Swan Falls Dam circa 1998

Two of Idaho Power's 17 hydroelectric projects that provide low-cost, clean, efficient energy.

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