

**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): March 25, 2009

<u>Commission File Number</u>	<u>Exact name of registrants as specified in their charters, address of principal executive offices and registrants' telephone number</u>	<u>IRS Employer Identification Number</u>
1-14465	IDACORP, Inc.	82-0505802
1-3198	Idaho Power Company 1221 W. Idaho Street Boise, ID 83702-5627 (208) 388-2200	82-0130980

State or Other Jurisdiction of Incorporation: Idaho

None

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))

IDACORP, Inc.
Idaho Power Company
Form 8-K

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On March 25, 2009, Idaho Power Company (“IPC”) entered into a Terms Agreement (the “Terms Agreement”) with Banc of America Securities LLC, J.P. Morgan Securities Inc., Wachovia Capital Markets, LLC, KeyBanc Capital Markets Inc., Wedbush Morgan Securities Inc., RBC Capital Markets Corporation, and Piper Jaffray & Co., as purchasers, whereby Idaho Power Company agreed to sell and the purchasers agreed to purchase, subject to the terms and conditions expressed therein, \$100,000,000 aggregate principal amount of Idaho Power Company’s First Mortgage Bonds, Secured Medium-Term Notes, Series H, 6.15% Series due 2019 (the “Bonds”). The Bonds are expected to be issued on March 30, 2009, subject to the terms and conditions expressed in the Terms Agreement and in the Selling Agency Agreement (the “Selling Agency Agreement”), dated April 3, 2008, between IPC and each of Banc of America Securities LLC, BNY Capital Markets, Inc., J.P. Morgan Securities Inc., KeyBanc Capital Markets Inc., Lazard Capital Markets LLC, Piper Jaffray & Co., RBC Capital Markets Corporation, SunTrust Robinson Humphrey, Inc., Wachovia Capital Markets, LLC, Wedbush Morgan Securities Inc. and Wells Fargo Securities, LLC.

The Terms Agreement and the Selling Agency Agreement contain representations, warranties and agreements of IPC, customary conditions to closing, indemnification rights and obligations of the parties and termination provisions. The Terms Agreement is filed as Exhibit 1.1 hereto. The Selling Agency Agreement was previously filed as an exhibit to IPC’s Current Report on Form 8-K filed with the Securities and Exchange Commission on April 3, 2008.

ITEM 8.01 OTHER EVENTS

Idaho Water Management Issues

On March 25, 2009, IPC and the State of Idaho (“State”) entered into a settlement agreement with respect to the 1984 Swan Falls Agreement and IPC’s water rights under the Swan Falls Agreement, which settlement agreement is subject to certain conditions discussed below. The settlement agreement will also resolve litigation between IPC and the State relating to the Swan Falls Agreement that was filed by IPC on May 10, 2007 with the Idaho District Court for the Fifth Judicial Circuit, which has jurisdiction over Snake River Basin Adjudication (“SRBA”) matters.

The settlement agreement resolves the pending litigation by clarifying that IPC’s water rights in excess of minimum flows at its hydroelectric facilities between Milner Dam and Swan Falls Dam are subordinate to future upstream beneficial uses, including aquifer recharge. The agreement commits the State and IPC to further discussions on important water management issues concerning the Swan Falls Agreement and the management of water in the Snake River Basin. It also recognizes that water management measures that enhance aquifer levels, springs and river flows, such as aquifer recharge projects, benefit both agricultural development and hydropower generation and deserve study to determine their economic potential, their impact on the

environment and their impact on hydropower generation. These will be a part of the Comprehensive Aquifer Management Plan (“CAMP”), recently approved by the Idaho Water Resource Board, which includes limits on the amount of aquifer recharge. IPC is a member of the CAMP advisory committee.

The settlement agreement is subject to approval by the SRBA court. The agreement is also contingent upon the State legislature passing related legislation and the subsequent execution of a memorandum of agreement among IPC, the Governor and the Idaho Water Resource Board relating to future aquifer recharge efforts with further assurances as to limitations on the amount of aquifer recharge.

Certain statements contained in this Current Report on Form 8-K, including statements with respect to future earnings, ongoing operations, and financial conditions, are forward-looking statements within the meaning of federal securities laws. Although IDACORP and IPC believe that the expectations and assumptions reflected in these forward-looking statements are reasonable, these statements involve a number of risks and uncertainties, and actual results may differ materially from the results discussed in the statements. Factors that could cause actual results to differ materially from the forward-looking statements include: the effect of regulatory decisions by the Idaho Public Utilities Commission, the Oregon Public Utility Commission and the Federal Energy Regulatory Commission affecting our ability to recover costs and/or earn a reasonable rate of return including, but not limited to, the disallowance of costs that have been deferred; changes in and compliance with state and federal laws, policies and regulations including new interpretations by oversight bodies, which include the Federal Energy Regulatory Commission, the North American Electric Reliability Corporation, the Western Electricity Coordinating Council, the Idaho Public Utilities Commission and the Oregon Public Utility Commission, of existing policies and regulations that affect the cost of compliance, investigations and audits, penalties and costs of remediation that may or may not be recoverable through rates; changes in tax laws or related regulations or new interpretations of applicable law by the Internal Revenue Service or other taxing jurisdiction; litigation and regulatory proceedings, including those resulting from the energy situation in the western United States, and penalties and settlements that influence business and profitability; changes in and compliance with laws, regulations, and policies including changes in law and compliance with environmental, natural resources, endangered species and safety laws, regulations and policies and the adoption of laws and regulations addressing greenhouse gas emissions, global climate change, and energy policies; global climate change and regional weather variations affecting customer demand and hydroelectric generation; over-appropriation of surface and groundwater in the Snake River Basin resulting in reduced generation at hydroelectric facilities; construction of power generation, transmission and distribution facilities, including an inability to obtain required governmental permits and approvals, rights-of-way and siting, and risks related to contracting, construction and start-up; operation of power generating facilities including performance below expected levels, breakdown or failure of equipment, availability of transmission and fuel supply; changes in operating expenses and capital expenditures, including costs and availability of materials, fuel and commodities; blackouts or other disruptions of Idaho Power Company’s transmission system or the western interconnected transmission system; population growth rates and other demographic patterns; market prices and demand for energy,

including structural market changes; increases in uncollectible customer receivables; fluctuations in sources and uses of cash; results of financing efforts, including the ability to obtain financing or refinance existing debt when necessary or on favorable terms, which can be affected by factors such as credit ratings, volatility in the financial markets and other economic conditions; actions by credit rating agencies, including changes in rating criteria and new interpretations of existing criteria; changes in interest rates or rates of inflation; performance of the stock market, interest rates, credit spreads and other financial market conditions, as well as changes in government regulations, which affect the amount and timing of required contributions to pension plans and the reported costs of providing pension and other postretirement benefits; increases in health care costs and the resulting effect on medical benefits paid for employees; increasing costs of insurance, changes in coverage terms and the ability to obtain insurance; homeland security, acts of war or terrorism; natural disasters and other natural risks, such as earthquake, flood, drought, lightning, wind and fire; adoption of or changes in critical accounting policies or estimates; and new accounting or Securities and Exchange Commission requirements, or new interpretation or application of existing requirements. Any such forward-looking statements should be considered in light of such factors and others noted in the companies' Annual Report on Form 10-K for the year ended December 31, 2008, and other reports on file with the Securities and Exchange Commission. 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.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits.

Number	Description
1.1	Terms Agreement dated March 25, 2009 between Idaho Power Company and Banc of America Securities LLC, J.P. Morgan Securities Inc., Wachovia Capital Markets, LLC, KeyBanc Capital Markets Inc., Wedbush Morgan Securities Inc., RBC Capital Markets Corporation, and Piper Jaffray & Co., as purchasers
5.1	Opinion of Thomas R. Saldin, Esq., dated March 25, 2009, filed in connection with Registration Statement on Form S-3 (File No. 333-147807)
5.2	Opinion of Dewey & LeBoeuf LLP, dated March 25, 2009, filed in connection with Registration Statement on Form S-3 (File No. 333-147807)
23.1	Consent of Thomas R. Saldin, Esq. (included in Exhibit 5.1)
23.2	Consent of Dewey & LeBoeuf LLP (included in Exhibit 5.2)

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: March 27, 2009

IDACORP, Inc.

By: /s/ Thomas R. Saldin
Thomas R. Saldin
Senior Vice President and
General Counsel

IDAHO POWER COMPANY

By: /s/ Thomas R. Saldin
Thomas R. Saldin
Senior Vice President and
General Counsel

INDEX TO EXHIBITS

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**Idaho Power Company
First Mortgage Bonds,
Secured Medium-Term Notes, Series H**

TERMS AGREEMENT

March 25, 2009

Idaho Power Company
1221 W. Idaho St.
Boise, Idaho 83702-5627

Attention: Mr. Steven R. Keen

Subject in all respects to the terms and conditions of the Selling Agency Agreement (the "Agreement"), dated April 3, 2008, between each of Banc of America Securities LLC, BNY Capital Markets, Inc., J.P. Morgan Securities Inc., KeyBanc Capital Markets Inc., Lazard Capital Markets LLC, Piper Jaffray & Co., RBC Capital Markets Corporation, SunTrust Robinson Humphrey, Inc., Wachovia Capital Markets LLC, Wedbush Morgan Securities Inc. and Wells Fargo Securities, LLC and you, each of the undersigned agrees, severally and not jointly, to purchase the respective principal amount of 6.15% First Mortgage Bonds due 2019 (the "Notes") of Idaho Power Company set forth opposite its name below having the terms indicated below:

<u>Name</u>	<u>Principal Amount of Notes</u>
Banc of America Securities LLC	\$ 27,500,000
J.P. Morgan Securities Inc.	25,000,000
Wachovia Capital Markets, LLC	25,000,000
KeyBanc Capital Markets Inc.	7,500,000
Wedbush Morgan Securities Inc.	5,000,000
RBC Capital Markets Corporation	5,000,000
Piper Jaffray & Co.	<u>5,000,000</u>
<u>Total</u>	<u>\$ 100,000,000</u>

Identification of Notes:	The Notes shall be designated 6.15% First Mortgage Bonds due 2019
Aggregate Principal Amount:	\$100,000,000

Issue Date:	March 30, 2009
Original Interest Accrual Date:	March 30, 2009
Interest Rate:	6.15%
Maturity Date:	April 1, 2019
Interest Payment Dates:	April 1 and October 1, commencing October 1, 2009
Regular Record Dates:	March 15 and September 15
Discount or Commission:	0.625% of Principal Amount
Purchase Price (Price to be paid to Idaho Power Company after discount or commission):	99.190% of Principal Amount
Price to Public:	99.815%
Purchase Date (Closing Date) and Time:	March 30, 2009 at 10 a.m. Eastern Daylight Time
Applicable Time:	March 25, 2009 at 4:15 p.m. Eastern Daylight Time
Place for Delivery of Notes and Payment Therefor:	Dewey & LeBoeuf LLP, 1301 Avenue of the Americas, New York, New York
Method of Payment:	Wire transfer of immediately available funds
Redemption Provisions, if any:	See "Optional Redemption" below.
Pricing Disclosure Package:	See Annex I and Annex II
Modification, if any, in the requirements to deliver the documents specified in Section 6(b) of the Agreement:	The undersigned shall have received the documents specified in Section 6(b)(i), (ii), (iii) and (iv) of the Agreement, each dated as of the Closing Date.
Period during which additional Notes may not be sold pursuant to Section 4(1) of the Agreement:	30 days

Syndicate Provisions

If any one or more of the undersigned shall fail to purchase and pay for any of the Notes agreed to be purchased by it hereunder and such failure to purchase shall constitute a default in the performance of its or their obligations under this Terms Agreement, the remaining of the undersigned shall be obligated severally to take up and pay for (in the respective proportions which the amounts of Notes set forth opposite its or their name above bears to the aggregate amount of Notes set forth opposite the names of all the remaining undersigned above) the Notes which the defaulting undersigned agreed but failed to purchase; *provided, however*, that in the event that the aggregate amount of Notes which it or they agreed but failed to purchase shall exceed 30% of the aggregate amount of Notes, the remaining of the undersigned shall have the right to purchase all, but shall not be under any obligation to purchase any, of the Notes, and if they do not purchase any of the Notes within 36 hours after such default, the Company shall be entitled to a further period of 36 hours within which to procure another party or other parties reasonably satisfactory to Banc of America Securities LLC to purchase the Notes. If the Company fails to procure another party to purchase the Notes within such period, this Terms Agreement will terminate without liability to any nondefaulting undersigned except as provided in Section 9 of the Agreement. In the event of any default as described herein, the Closing Date shall be postponed for such period, not exceeding five (5) business days, as Banc of America Securities LLC shall determine in order that the required changes in the pricing supplement or in any other documents or arrangements may be effected. Nothing contained in this Terms Agreement shall relieve any of the undersigned that shall default of any liability for damages occasioned by such default.

Optional Redemption

The Company may, at its option, redeem the Notes, in whole at any time, or in part from time to time, prior to the maturity date, at a redemption price equal to the greater of:

- 100% of the principal amount of the Notes to be redeemed and
- as determined by an Independent Investment Banker, the sum of the present values of the remaining scheduled payments of principal on the Notes to be redeemed and interest thereon (not including any portion of payments of interest accrued as of the date fixed for redemption), discounted to the date fixed for redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below), plus 50 basis points,

plus in either case interest accrued and unpaid on the principal amount of the Notes to be redeemed to the date fixed for redemption. The Company will mail notice of any redemption at least 30 days before the date fixed for redemption to each holder of the Notes to be redeemed.

“Treasury Rate” means, with respect to any date fixed for redemption, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury

Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such date.

“Comparable Treasury Issue” means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes to be redeemed.

“Comparable Treasury Price” means, with respect to any date fixed for redemption,

(1) the average of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third business day preceding such date, as set forth in the daily statistical release (or any successor release) published by the Federal Reserve Bank of New York and designated “Composite 3:30 p.m. Quotations for U.S. Government Securities” or

(2) if such release (or any successor release) is not published or does not contain such prices on such business day, (a) the average of the Reference Treasury Dealer Quotations for such date, after excluding the highest and lowest such Reference Treasury Dealer Quotations for such date, or (b) if the trustee obtains fewer than four such Reference Treasury Dealer Quotations, the average of all the quotations received.

“Independent Investment Banker” means any one of the Reference Treasury Dealers appointed by the Company.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any date fixed for redemption, the average, as determined by the trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the trustee by such Reference Treasury Dealer at 5:00 p.m. New York City time on the third business day preceding the date fixed for redemption.

“Reference Treasury Dealer” means (1) each of Banc of America Securities LLC and J.P. Morgan Securities Inc. and their respective successors, unless any of them ceases to be a primary U.S. Government securities dealer in New York City (a “Primary Treasury Dealer”), in which case the Company will substitute another Primary Treasury Dealer and (2) any other Primary Treasury Dealers selected by the Company.

This Terms Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Capitalized terms used in this Terms Agreement and not otherwise defined herein shall have the respective meanings ascribed to them in the Agreement.

This Terms Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed an original, but all such respective counterparts shall together constitute one and the same instrument.

BANC OF AMERICA SECURITIES LLC

By: /s/ Peter J. Carbone
Name: Peter J. Carbone
Title: Vice President

WEDBUSH MORGAN SECURITIES INC.

By: /s/ Michael Gardner
Name: Michael Gardner
Title: Executive Vice President, CFA

J.P. MORGAN SECURITIES INC.

By: /s/ Robert Bottamedi
Name: Robert Bottamedi
Title: Vice President

RBC CAPITAL MARKETS CORPORATION

By: /s/ Tim Griffin
Name: Tim Griffin
Title: Managing Director, Rates Sales

WACHOVIA CAPITAL MARKETS, LLC

By: /s/ Kristine Thomas
Name: Kristine Thomas
Title: Vice President

PIPER JAFFRAY & CO.

By: /s/ Dominic H. Trader
Name: Dominic H. Trader
Title: Principal

KEYBANC CAPITAL MARKETS INC.

By: /s/ Gary Andrews
Name: Gary Andrews
Title: Director

Accepted:

IDAHO POWER COMPANY

By: /s/ Steven R. Keen
Name: Steven R. Keen
Title: Vice President and Treasurer

Documents included in the Pricing Disclosure Package

1. Prospectus, dated December 18, 2007, for \$350,000,000 Idaho Power Company First Mortgage Bonds and Debt Securities.
2. Prospectus Supplement, dated April 3, 2008, for \$350,000,000 Principal Amount of First Mortgage Bonds, Secured Medium-Term Notes, Series H, of Idaho Power Company including all documents incorporated therein as of the Applicable Time.
3. Final Term Sheet in the form attached to this Terms Agreement as Annex II.

Final Term Sheet

6.15% Secured Medium-Term Notes, Series H due 2019

IDAHO POWER COMPANY
Secured Medium-Term Notes, Series H

Issuer: Idaho Power Company

Trade Date: March 25, 2009

Original Issue Date/Settlement Date: March 30, 2009,
which is the third business day following the Trade
Date.

Principal Amount: \$100,000,000

Price to Public: 99.815% of Principal Amount, plus
accrued interest from the Original Issue Date

Purchasers' Discount: 0.625%

Proceeds to the Company: 99.190%

Interest Rate: 6.15% per annum

Interest Payment Dates: April 1 and October 1,
commencing October 1, 2009

Redemption: As specified in Pricing Supplement No. 2
dated March 25, 2009. Make Whole to be
determined at a discount rate equal to the Treasury
Rate plus 50 basis points.

Maturity Date: April 1, 2019

CUSIP: 45138LAV5

Purchasers:

Banc of America Securities LLC (\$27,500,000)

J.P. Morgan Securities Inc. (\$25,000,000)

Wachovia Capital Markets, LLC (\$25,000,000)

KeyBanc Capital Markets Inc. (\$7,500,000)

Wedbush Morgan Securities Inc. (\$5,000,000)

RBC Capital Markets Corporation (\$5,000,000)

Piper Jaffray & Co. (\$5,000,000)

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Banc of America Securities LLC toll free at 1-800-294-1322, J.P. Morgan Securities Inc. collect at 1-212-834-4533 or Wachovia Capital Markets, LLC toll free at 1-800-326-5897.

Thomas R. Saldin
Senior Vice President and General Counsel
Idaho Power Company
1221 West Idaho Street
Boise, Idaho 83702-5627

March 25, 2009

Idaho Power Company
1221 West Idaho Street
Boise, Idaho 83702-5627

Ladies and Gentlemen:

I am General Counsel to Idaho Power Company, an Idaho corporation (the “Company”), and am familiar with the Company’s registration statement on Form S-3 (File No. 333-147807) (the “Registration Statement”) filed on December 4, 2007 with the Securities and Exchange Commission (the “Commission”) under the Securities Act of 1933, as amended (the “Securities Act”), relating to \$350,000,000 in aggregate principal amount of its first mortgage bonds and debt securities. The Registration Statement was declared effective on December 18, 2007. The prospectus dated December 18, 2007 (the “Base Prospectus”) included in the Registration Statement has been supplemented by a prospectus supplement (the “Prospectus Supplement”) relating to \$350,000,000 aggregate principal amount of the Company’s First Mortgage Bonds, Secured Medium-Term Notes, Series H (the “Medium-Term Notes”), dated April 3, 2008, and Pricing Supplement No. 2 (“Pricing Supplement No. 2”), dated March 25, 2009, relating to \$100,000,000 aggregate principal amount of Medium-Term Notes, 6.15% Series due 2019 (the “Notes”). The Company has also filed a free writing prospectus, dated March 25, 2009, with Commission pursuant to Rule 433 under the Securities Act (the “Free Writing Prospectus”).

The Notes will be issued pursuant to the Indenture of Mortgage and Deed of Trust dated as of October 1, 1937 (the “Mortgage”) between the Company and Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company) and R.G. Page (Stanley Burg, successor individual trustee), as trustees, as supplemented by all indentures supplemental thereto, including the Forty-fourth Supplemental Indenture, dated as of April 1, 2008, relating to the Medium-Term Notes.

For purposes of this opinion, I have examined originals or copies, certified or otherwise identified to my satisfaction, of (i) the Registration Statement; (ii) the Base Prospectus, Prospectus Supplement and Pricing Supplement No. 2; (iii) the Free Writing Prospectus; (iv) the Restated Articles of Incorporation, as amended, and Amended Bylaws of the Company; (v) the Mortgage; (vi) the Selling Agency Agreement, dated April 3, 2008 (the “Agency Agreement”), between the Company and each of Banc of America Securities LLC, BNY Capital Markets, Inc., J.P. Morgan Securities Inc., KeyBanc Capital Markets Inc., Lazard Capital Markets LLC, Piper Jaffray & Co., RBC Capital Markets Corporation, SunTrust Robinson Humphrey, Inc.,

Wachovia Capital Markets, LLC, Wedbush Morgan Securities Inc. and Wells Fargo Securities, LLC, as agents, relating to the Medium-Term Notes; (vii) the Terms Agreement, dated March 25, 2009 (the "Terms Agreement"), between the Company and Banc of America Securities LLC, J.P. Morgan Securities Inc., Wachovia Capital Markets, LLC, KeyBanc Capital Markets Inc., Wedbush Morgan Securities Inc., RBC Capital Markets Corporation and Piper Jaffray & Co., as purchasers, relating to the Notes; (viii) resolutions adopted by the Board of Directors and Executive Committee of the Company relating to the Registration Statement, the Medium-Term Notes in general and the Notes in particular and (ix) such other instruments, certificates, records and documents, and such matters of law, as I have considered necessary or appropriate for the purposes hereof (items (i) through (ix) above collectively, the "Transaction Documents"). In such examination, I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as originals, the conformity to the original documents of all documents submitted to me as copies and the authenticity of the originals of such latter documents. As to any facts material to my opinion, I have, when relevant facts were not independently established, relied upon the Transaction Documents.

Based upon and subject to the foregoing, and subject to the further qualifications and limitations expressed below, I am of the opinion that:

(1) The Company is validly existing as a corporation and is in good standing under the laws of the State of Idaho.

(2) The issuance of the Notes has been duly authorized by the Company, and when the Notes shall have been executed, authenticated, issued and delivered in accordance with the terms and provisions of the Mortgage and paid for as contemplated in the Agency Agreement, the Terms Agreement and Pricing Supplement No. 2, the Notes will be valid and binding obligations of the Company enforceable against the Company in accordance with their terms and will be entitled to the benefits of the security provided by the Mortgage, subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws affecting mortgagees' and other creditors' rights generally and to general principles of equity, regardless of whether such principles are considered in a proceeding in equity or at law.

My opinions expressed above are limited to the laws of the State of Idaho and the federal laws of the United States, except to the extent such opinions involve determinations regarding regulatory consents and approvals required to be obtained by the Company from any governmental body or bodies in connection with the issuance and sale of the Notes.

Idaho Power Company

March 25, 2009

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I hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K dated March 27, 2009. In giving such consent, I do not thereby concede that I am within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Thomas R. Saldin

Thomas R. Saldin

Dewey & LeBoeuf LLP
1301 Avenue of the Americas
New York, NY 10019-6092

DEWEY & LEBOEUF

March 25, 2009

Idaho Power Company
1221 West Idaho Street
Boise, Idaho 83702-5627

Ladies and Gentlemen:

We have acted as New York counsel to Idaho Power Company, an Idaho corporation (the “Company”), in connection with the preparation and filing of a registration statement on Form S-3 (File No. 333-147807) (the “Registration Statement”) on December 4, 2007 with the Securities and Exchange Commission (the “Commission”) under the Securities Act of 1933, as amended (the “Securities Act”), relating to \$350,000,000 in aggregate principal amount of its first mortgage bonds and debt securities. The Registration Statement was declared effective on December 18, 2007. The prospectus dated December 18, 2007 (the “Base Prospectus”) included in the Registration Statement has been supplemented by a prospectus supplement (the “Prospectus Supplement”) relating to \$350,000,000 aggregate principal amount of the Company’s First Mortgage Bonds, Secured Medium-Term Notes, Series H (the “Medium-Term Notes”), dated April 3, 2008, and Pricing Supplement No. 2 (“Pricing Supplement No. 2”), dated March 25, 2009, relating to \$100,000,000 aggregate principal amount of Medium-Term Notes, 6.15% Series due 2019 (the “Notes”). The Company has also filed a free writing prospectus, dated March 25, 2009, with the Commission pursuant to Rule 433 under the Securities Act (the “Free Writing Prospectus”).

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For purposes of this opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of (i) the Registration Statement; (ii) the Base Prospectus, Prospectus Supplement and Pricing Supplement No. 2; (iii) the Free Writing Prospectus; (iv) the Restated Articles of Incorporation, as amended, and Amended Bylaws of the Company; (v) the Mortgage; (vi) the Selling Agency Agreement, dated April 3, 2008 (the "Agency Agreement"), between the Company and each of Banc of America Securities LLC, BNY Capital Markets, Inc., J.P. Morgan Securities Inc., KeyBanc Capital Markets Inc., Lazard Capital Markets LLC, Piper Jaffray & Co., RBC Capital Markets Corporation, SunTrust Robinson Humphrey, Inc., Wachovia Capital Markets, LLC, Wedbush Morgan Securities Inc. and Wells Fargo Securities, LLC, as agents, relating to the Medium-Term Notes; (vii) the Terms Agreement, dated March 25, 2009 (the "Terms Agreement"), between the Company and Banc of America Securities LLC, J.P. Morgan Securities Inc., Wachovia Capital Markets, LLC, KeyBanc Capital Markets Inc., Wedbush Morgan Securities Inc., RBC Capital Markets Corporation and Piper Jaffray & Co., as purchasers, relating to the Notes; (viii) resolutions adopted by the Board of Directors and Executive Committee of the Company relating to the Registration Statement, the Medium-Term Notes in general and the Notes in particular and (ix) such other instruments, certificates, records and documents, and such matters of law, as we have considered necessary or appropriate for the purposes hereof (items (i) through (ix) above collectively, the "Transaction Documents"). In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to the original documents of all documents submitted to us as copies and the authenticity of the originals of such latter documents. As to any facts material to our opinion, we have, when relevant facts were not independently established, relied upon the Transaction Documents. We have also assumed the regularity of all corporate procedures.

Based upon and subject to the foregoing, and subject to the further qualifications and limitations expressed below, we are of the opinion that the issuance of the Notes has been duly authorized by the Company, and when the Notes shall have been executed, authenticated, issued and delivered in accordance with the terms and provisions of the Mortgage and paid for as contemplated in the Agency Agreement, the Terms Agreement and Pricing Supplement No. 2, the Notes will be valid and binding obligations of the Company enforceable against the Company in accordance with their terms and will be entitled to the benefits of the security provided by the Mortgage, subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws affecting mortgagees' and other creditors' rights generally and to general principles of equity, regardless of whether such principles are considered in a proceeding in equity or at law.

With respect to this opinion, we do not hold ourselves out as experts on the laws of any state other than the State of New York. Our opinions expressed above are limited to the laws of the State of New York and the federal laws of the United States. Insofar as this opinion involves matters of the law of the State of Idaho or determinations regarding regulatory consents and approvals required to be obtained by the Company from any governmental body or bodies in

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connection with the issuance and sale of the Notes, we have relied upon an opinion of even date herewith addressed to you by Thomas R. Saldin, Senior Vice President and General Counsel of the Company.

We hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K dated March 27, 2009. In giving such consent, we do not thereby concede that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Dewey & LeBoeuf LLP