



Historic Vote Gets Attention of Company Officials

Shareholders to Idaho Power: Get Greener

The company will set goals and report to shareholders in September.

By Jill Kuraitis, 5-22-09

To the surprise and delight of an investor group, 52 percent of Idaho Power shareholders voted in favor of a resolution which asks the company to reduce its greenhouse gas emissions.

Though the resolution is advisory only and doesn't compel Idaho Power to do anything, the company said it will adopt the proposal. By September 30, Idaho Power will commit to specific goals and the actions it will take to reach them.



It was a historic win for a coalition of advocacy groups backing the measure. Trillium Assets and the Calvert Group, which are financial firms specializing in socially responsible and green investments, joined with As You Sow, which represents shareholders, to shepherd the proposal through Idaho Power. They were expecting an under 25 percent approval vote. "This is the highest percentage this resolution has ever gotten," said Michael Passoff, of As You Sow. "It's the first time it has ever passed."

Company spokesperson Stephanie McCurdy said, "We take climate change very seriously – we already run a robust [program of energy conservation](#)."

But Kiki Tidwell, a shareholder from Ketchum, said the reason the coalition undertook the proposal project was to "get the attention of the CEO and board-level people who were just not connecting with climate change information." Idaho Power management opposed the resolution.

Lauren McLean, a portfolio manager at Boise's Trillium Assets, said Idaho Power has a low bond rating because of an analysis of the company by Risk Metrics, a proxy voting service. Risk Metrics ratings are considered very important by the investment

community, and its opinion stated that Idaho Power was not taking sufficient steps to prepare for climate risk and a low-carbon economy.

“Few customers probably realize that Idaho Power is primarily coal power – an energy source that will face significant caps and taxes under the Obama administration,” said Passoff. Coal is the most carbon-polluting type of power production.

McLean said that if Idaho Power reduces its use of coal and natural gas, customers are more protected from emissions fines and taxes and the ups and downs of energy availability in the market.

“You can plan strategically to protect your ratepayers and shareholders,” McLean said. IdaCorp’s shares, worth \$40 in 2006, are worth \$22 currently.

Hydropower makes up most of Idaho Power’s energy not produced by coal, and the coalition wants that changed as well. By their industry’s Renewable Portfolio Standards, large-scale hydropower is not considered renewable because of the environmental impact of energy production.

In a statement, Idaho Power President and Chief Executive Officer J. LaMont Keen signals the company’s commitment to hydropower. “IDACORP has always been diligent in its environmental efforts. From our near-emission free hydroelectric base, which provides approximately 50 percent of our generation needs in good water years, to the request for proposal we recently issued seeking 150 megawatts of additional wind-powered generation by 2012, we have a solid foundation and demonstrate our on-going commitment to provide our customers responsible electricity while maintaining a balanced generation resource portfolio.”

Idaho Power has consistently had among the lowest rates in the nation. Will that change due to this resolution? “Yes,” said Passoff, “rates will go up. But being unprepared contributes to that. Rates are affected by how much a company has prepared to handle new standards and rules.”

Last month, Idaho Power asked the Public Utilities Commission for an 11% increase in electricity rates, which would add up to a 46 percent increase since 2006.

“While less than a third of our owners actually voted on the proposal, they represent a majority of those who cast a vote either for or against,” said Keen’s statement. “We respect the guidance of our shareowners and the company takes this vote and the expression of shareowner interest seriously. At the board of directors’ request, we will continue to study this issue and plan to report back to them with proposed actions. Additionally, we will continue to increase transparency and disclosure to our owners and community starting with increased Web information today, our Carbon Disclosure Project submission next week and further information next month. We support disclosure because of the positive story we have to share, both with our current low-emission position and prudent preparation for new regulation.”