



December 11, 2013

Public Company Accounting Oversight Board
Office of the Secretary
1666 K Street, NW
Washington, DC 20006-2803

Subject: PCAOB Rulemaking Docket No. 034

Dear Office of the Secretary,

The management of IDACORP, Inc. and Idaho Power Company (the Companies) submits its comments on selected components of the two proposed audit standards in Docket 34.

IDACORP has operated as an electric utility holding company since 1998 and its principal subsidiary, Idaho Power Company has operated as an integrated electric utility since 1915. The electric operations cover a 24,000 square mile service territory and serve 500,000 customers in southern Idaho and eastern Oregon. Idaho Power Company has been a publicly-traded issuer for most of its nearly 100-year history. Our auditors, Deloitte & Touche, and our Audit Committee, comprised of independent directors, half of whom are also considered financial experts, provide the Companies primary governance oversight for financial reporting to investors. We are proud of the quality and transparency that our public reporting to investors consistently achieves through the oversight processes currently in place.

Our comments will pertain to each of the proposed standards under Docket 34: first, the auditor's report on an audit of the financial statements when the auditor expresses an unqualified opinion (the Auditor Reporting Standard); and second, the auditor's responsibilities regarding other information in certain documents containing audited financial statements and the related auditor's report (the Other Information Standard).

Auditor Reporting Standard

There are a number of elements to the changes proposed for the auditor's report, but we will focus in on requiring auditors to disclose critical audit matters (CAM's) to investors. This proposal would erode the role and responsibility currently tasked to management, and transfers a key disclosure role to our auditors. A new requirement like this would usher in processes and controls to fully review all public language, involving senior management at both the Companies and at Deloitte, including each party's legal teams. This new and untimely process of circulating new auditor report language will increase costs to our Companies and delay filings.

Will the proposed reporting requirement serve investors well? We don't think so. First, investors seek updated reports as soon as management will comfortably stand behind the underlying disclosures and is ready to file. The timing of reports would be slowed and likely migrate toward the last day allowed by the SEC. Historically, our reports have been issued several days in advance of the deadline. Second, investor groups with whom we have direct experience, primarily ask for information that would allow them to better forecast future impacts to financial results. Would the CAM proposal provide any forecasting value? We don't see much or any forecasting value to the CAM disclosures. Third, investors ultimately pay for the cost of compliance through the market prices of stocks, and naturally would expect reasonably useful information to come at a reasonable cost. Would this result under the proposal? We don't see either reasonably useful information, or reasonable costs associated with this proposal.

What might a new CAM requirement turn into? Inconsistent reporting across industry issuers; unnecessary shifting of reporting responsibility from management to auditors; erosion of oversight currently tasked to the audit committee; high cost reviews by external parties (audit firm and outside legal counsel); delays to issuing dates; CAM language standardization; duplication between auditor and management disclosures; increased pressure on audit fees – to name some possibilities. We don't see investors ultimately wanting this. Our experience indicates that investor's primary information gap is forward-looking insight to better predict the financial future. Unfortunately, disclosures surrounding an issuer's CAMs will not aid financial modeling.

An alternative approach might be to work through the SEC and the FASB to enhance management disclosures that would aid investor's understanding of the auditor's role and process. This approach would maintain the key responsibility of investor disclosure with management, not the auditors.

Other Information Standard

The current requirement that auditors read and "consider" the consistency between other information in a report and the underlying financial statements has been the rule long enough to build well-established processes that occur near the end of the audit cycle and just prior to the issue date. The practice of "consider" the consistency has generally led to discussions with management about how to tighten language for key events and issues. Inconsistencies, when they are noted by the auditor's reading of the document, become a discussion item that the Audit Committee and management work out and resolve, before any final report is issued.

The new proposal would now require auditors to read and "evaluate" the consistency. The breadth of "evaluate" is something yet to be defined, but connotes something more extensive than "consider". This subjectivity will lead our auditors to interpret such requirements protectively, instituting increased processes and controls, and resulting in higher costs. All of this activity would occur behind the scenes prior to issuing a report, and would increase timing pressure at precisely the time issuers are preparing to submit their report to the SEC. The end

result of the new requirement will be the same as what we currently have – inconsistencies identified continue to be remedied prior to issue.

An alternative approach to aid investors wanting to know the steps and detail behind the auditors “read and consider” requirement, would be to add clarifying language to the existing auditor report to describe the current requirement.

IDACORP appreciates the opportunity to add its views to this Docket and acknowledges the PCAOB Board for being responsive to comment letters previously submitted under this Docket. We are particularly appreciative that the Auditor’s Discussion and Analysis proposal was reconsidered by the Board in light to the many comment letters submitted in September 2011.

Additional information or discussion on this matter can be addressed to me at (208) 388-2650.

Sincerely,



Darrel T. Anderson

Executive Vice President, Administrative Services and Chief Financial Officer, IDACORP, Inc.
President and Chief Financial Officer, Idaho Power Company

Cc: J. LaMont Keen, President and Chief Executive Officer, IDACORP, Inc.

Richard J. Dahl, Chairman, Audit Committee of IDACORP, Inc. & Idaho Power Company