

IDACORP INC
Form DEF 14A
April 03, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934
(Amendment No.)**

Filed by the Registrant

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- Preliminary Proxy Statement
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 Definitive Proxy Statement
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IDACORP, INC.

(Name of Registrant as Specified in its Charter)

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April 3, 2013

Dear Fellow Shareholders:

You are cordially invited to attend the 2013 Annual Meeting of the Shareholders of IDACORP, Inc. The Annual Meeting will be held on Thursday, May 16, 2013, at 10:00 a.m. (Mountain Time) at the IDACORP corporate headquarters building located at 1221 W. Idaho Street in Boise, Idaho.

The matters to be acted upon at the meeting are described in our proxy materials, which are being furnished to our shareholders over the Internet, other than to those shareholders who requested a paper copy. In addition, in connection with the annual meeting we will discuss the company's financial results, operational matters, and several of the company's initiatives. During the meeting, our shareholders will have the opportunity to ask questions and comment on the company's operations. Our directors and officers also will be available to visit with you before and after the formal meeting. For those unable to attend in person, we will also be providing a live listen-only audio (with slides) webcast of the Annual Meeting from the IDACORP Investor Relations website, www.idacorpinc.com/investorrelations.

Whether or not you attend the Annual Meeting, it is important that your shares be represented and voted at the meeting. Therefore, I urge you to promptly vote and submit your proxy via the Internet, by telephone, or by mail, in accordance with the instructions included in the proxy statement.

For myself and on behalf of the Board of Directors, we would like to express our appreciation for your continued investment in IDACORP.

Sincerely,

J. LaMont Keen
President and Chief Executive Officer

NOTICE OF 2013 ANNUAL MEETING OF SHAREHOLDERS

Date:	May 16, 2013
Time:	10:00 a.m. Mountain Time
Place:	IDACORP, Inc. Corporate Headquarters Building 1221 W. Idaho Street Boise, Idaho 83702
Record Date:	Holders of record of IDACORP common stock at the close of business on March 28, 2013 are entitled to notice of and to vote at the meeting.
Attendance:	You are invited to attend the meeting in person. Shareholders interested in attending in person must make a reservation by calling (800) 635-5406. Proof of ownership will also be required to enter the meeting. Any shareholder voting a proxy who attends the meeting may vote in person by revoking that proxy before or at the meeting.
Proxy Voting:	Please vote your shares at your earliest convenience. Registered holders may vote (a) by Internet at www.proxypush.com/ida ; (b) by toll-free telephone by calling (866) 702-2221; or (c) by mail (if you received a paper copy of the proxy materials by mail) by marking, signing, dating, and promptly mailing the enclosed proxy card in the postage-paid envelope. If you hold your shares through an account with a bank or broker, please note that under New York Stock Exchange rules, without specific instructions from you on how to vote, brokers may not vote your shares on any of the matters to be considered at the annual meeting other than the ratification of our independent registered public accounting firm. If you hold your shares through an account with a brokerage firm, bank, or other nominee, please follow the instructions you receive from them to vote your shares.
Items of Business:	<p>To elect four directors nominated by the board of directors for a one-year term;</p> <p>To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the year ending December 31, 2013;</p> <p>To vote on an advisory resolution to approve executive compensation; and</p> <p>To transact such other business that may properly come before the meeting and any adjournments thereof.</p>

Important Notice Regarding the Availability of Proxy Materials for the 2013 Annual Meeting of Shareholders: Our 2013 proxy statement and our annual report for the year ended December 31, 2012 are available free of charge on our website at www.idacorpinc.com.

By Order of the Board of Directors

Patrick A. Harrington
Corporate Secretary

Boise, Idaho
April 3, 2013

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IDACORP, INC.
1221 West Idaho Street
Boise, Idaho 83702

PART 1 INFORMATION ABOUT THIS PROXY STATEMENT AND THE ANNUAL MEETING

General Information

This proxy statement contains information about the 2013 Annual Meeting of Shareholders (Annual Meeting) of IDACORP, Inc. (IDACORP). The Annual Meeting will be held on Thursday, May 16, 2013 at 10:00 a.m. local time at the Idaho Power Company corporate headquarters building, located at 1221 West Idaho Street in Boise, Idaho.

References in this proxy statement to the company, we, us, or our refer to IDACORP. We also refer to Idaho Power Company (Idaho Power) in this proxy statement. Idaho Power is an electric utility engaged in the generation, transmission, distribution, sale, and purchase of electric energy and is our principal operating subsidiary.

This proxy statement is being furnished in connection with the solicitation of proxies by the IDACORP board of directors (Board of Directors) for use at the Annual Meeting and any adjournment of the Annual Meeting. All returned proxies that are not revoked will be voted in accordance with your instructions.

You are entitled to attend the Annual Meeting only if you are an IDACORP shareholder as of the close of business on March 28, 2013, the record date, or hold a valid proxy for the meeting. In order to be admitted to the Annual Meeting, you must present proof of ownership of IDACORP common stock on the record date. This can be (a) a brokerage statement or letter from a bank or broker indicating ownership on the record date; (b) the Notice of Internet Availability of Proxy Materials (Notice of Internet Availability); (c) a printout of the proxy distribution email (if you received your materials electronically); (d) a proxy card; (e) a voting instruction form; or (f) a legal proxy provided by your broker, bank, or nominee. Any holder of a proxy from a shareholder must present the proxy card, properly executed, and a copy of the proof of ownership. Shareholders and proxy holders must also present a form of photo identification such as a driver's license. Finally, shareholders interested in attending in person must make a reservation by calling (800) 635-5406. We may not admit anyone who does not satisfy these requirements or who refuses to comply with our security procedures.

We make our proxy materials and our annual report to shareholders available on the Internet as our primary distribution method. Most shareholders will only be mailed a Notice of Internet Availability. We expect to mail the Notice of Internet Availability on or about April 3, 2013. The Notice of Internet Availability specifies how to access proxy materials on the Internet, how to submit your proxy vote, and how to request a hard copy of the proxy materials. On or about April 3, 2013, we also began mailing printed copies of our proxy materials to our shareholders who had previously requested paper copies of our proxy materials.

Note About Forward-Looking Statements: Statements in this proxy statement that relate to future plans, objectives, expectations, performance, events, and the like, including statements regarding future financial and operational performance (whether associated with compensation arrangements or otherwise), may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act). Forward-looking statements may be identified by words including, but not limited to, anticipates, believes, intends, estimates, expects, targets, should, and similar expressions. Shareholders are cautioned that any such forward-looking statements are subject to risks and uncertainties. Actual results may differ materially from those projected in the forward-looking statements. We assume no obligation to update any such forward-looking statement, except as required by applicable law. Shareholders should review the risks and uncertainties listed in

our most recent Annual Report on Form 10-K and other reports we file with the Securities and Exchange Commission, including the risks described therein, which contain factors that may cause results to differ materially from those contained in any forward-looking statement.

Questions and Answers About the Annual Meeting, this Proxy Statement, and Voting

Why did I receive a notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?

Pursuant to rules adopted by the Securities and Exchange Commission, we have elected to provide access to our proxy materials on the Internet. Accordingly, we are sending the Notice of Internet Availability to most of our shareholders. All shareholders will have the ability to access the proxy materials on a website referred to in the Notice of Internet Availability or may request a printed set of the proxy materials at no charge. Shareholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis by following the instructions provided in the Notice of Internet Availability.

Who is entitled to vote at the Annual Meeting?

You are entitled to notice of, and to vote at, the Annual Meeting if you owned shares of our common stock at the close of business on March 28, 2013. This is referred to as the record date. As of the record date, we had 50,232,758 outstanding shares of common stock entitled to one vote per share on all matters.

What matters are before the Annual Meeting, and how does the Board of Directors recommend I vote?

At the Annual Meeting, our shareholders will consider and vote on the matters listed below. In determining how to vote, please consider the detailed information regarding each proposal as discussed on the referenced pages in this proxy statement.

Proposal Number	Description of Proposal	Board Recommendation
1	Elect to the Board of Directors the four nominees who are named in this proxy statement to serve until the 2014 annual meeting of shareholders, and until their successors are elected and qualified.	FOR each director nominee
2	Ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the year ending December 31, 2013.	FOR
3	Approval of an advisory resolution to approve our executive compensation.	FOR

Will any other business be conducted at the Annual Meeting or will other matters be voted on?

As of the date of this proxy statement, we are unaware of any matters, other than those set forth in the Notice of Annual Meeting of Shareholders, that may properly be presented at the Annual Meeting. If any other matters are properly presented for consideration at the meeting, including, among other things, consideration of a motion to adjourn the meeting to another time or place, the persons named as proxies, or their duly constituted substitutes, will be deemed authorized to vote those shares for which proxies have been given or otherwise act on such matters in accordance with their judgment.

What is the difference between holding shares as a shareholder of record and as a beneficial owner?

If your shares are registered directly in your name with our transfer agent, Wells Fargo Bank Shareowner Services, you are considered the shareholder of record with respect to those shares. If your shares are held by a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of the shares, and those shares are referred to as being held in street name. As the beneficial owner of those shares, you have the right to direct your broker, bank, or nominee how to vote your shares, and you should receive separate instructions from your broker, bank, or other holder of record describing how to vote your shares. You also are invited to attend the Annual Meeting in person. However, because a beneficial owner is not the shareholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a legal proxy from the broker, bank, or

nominee that holds your shares, giving you the right to vote the shares at the Annual Meeting.

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How can I vote my shares before the Annual Meeting?

If you hold shares in your own name as a shareholder of record, you may vote before the Annual Meeting by following the instructions contained in the Notice of Internet Availability. If you request printed copies of the proxy materials by mail, you may also cast your vote by completing, signing, and dating the proxy card provided to you and returning it in the enclosed postage-paid envelope, which will authorize the individuals named on the proxy card to serve as your proxy to vote your shares at the Annual Meeting in the manner you indicate.

If you are a beneficial owner of shares held in street name, your broker, bank, or other nominee should provide you with materials and instructions for voting your shares. Please check with your broker or bank and follow the voting procedures your broker or bank provides to vote your shares.

Submitting a proxy or voting through the telephone or the Internet will not affect your right to attend the Annual Meeting.

If I am the beneficial owner of shares held in street name by my bank or broker, how will my shares be voted?

If you complete and return the voting instruction form provided to you by your bank or broker, we expect that your shares will be voted in accordance with your instructions. If you do not provide voting instructions, brokerage firms only have authority under applicable New York Stock Exchange rules to vote shares on discretionary matters. The ratification of Deloitte & Touche LLP as our independent registered public accounting firm for 2013 is the only matter included in the proxy statement that is considered a discretionary matter. When a proposal is not discretionary and the brokerage firm has not received voting instructions from its customers, the brokerage firm cannot vote the shares on that proposal. Those shares are considered broker non-votes. Please promptly follow the instructions you receive from your bank or broker so your vote can be counted.

If I am a shareholder of record, how will my shares be voted?

All proxies will be voted in accordance with the instructions you submitted via the Internet, by toll-free telephone, or, if you requested printed proxy materials, by completing, signing, and returning the proxy card provided to you. If you completed and submitted your proxy (and do not revoke it) prior to the Annual Meeting, but do not specify how your shares should be voted, the shares of IDACORP common stock represented by the proxy will be voted in accordance with the recommendation of our Board of Directors.

Can I vote in person at the Annual Meeting?

Yes. If you hold shares in your own name as a shareholder of record, you may attend the Annual Meeting and cast your vote at the meeting by properly completing and submitting a ballot. If you are the beneficial owner of shares held in street name, you must first obtain a legal proxy from your broker, bank, or other nominee giving you the right to vote those shares and submit that proxy along with a properly completed ballot at the meeting. Shareholders interested in attending in person must make a reservation by calling (800) 635-5406.

What do I need to bring to be admitted to the Annual Meeting?

In order to be admitted to the Annual Meeting, you must present proof of ownership of IDACORP common stock on March 28, 2013, the record date. This can be (a) a brokerage statement or letter from a bank or broker indicating ownership on the record date; (b) the Notice of Internet Availability; (c) a printout of the proxy distribution email (if you received your materials electronically); (d) a proxy card; (e) a voting instruction form; or (f) a legal proxy provided by your broker, bank, or nominee. If a shareholder desires to vote its shares held in street name in person at the meeting, the shareholder must obtain a legal proxy in the shareholder's name from the broker, bank, or other nominee who holds those shares in street name. Any holder of a proxy from a shareholder must present the proxy card, properly executed, and a copy of the proof of ownership. Shareholders and proxy holders must also present a form of photo identification such as a driver's license. Shareholders interested in attending in person must make a reservation by calling (800) 635-5406. We may not admit anyone who does not present the foregoing or refuses to comply with our security procedures.

Are shareholders who listen to the Annual Meeting through the live audio webcast deemed present at the Annual Meeting?

Shareholders accessing the Annual Meeting through the live audio webcast will not be considered present at the Annual Meeting and will not be able to vote through the webcast or ask questions.

May I change or revoke my proxy?

You may change your proxy before it is voted at the Annual Meeting by (1) granting a subsequent proxy through the Internet or by telephone, or (2) delivering to us a signed proxy card with a date later than your previously delivered proxy. If you attend the meeting and wish to vote in person, you may revoke your proxy by oral notice at that time. You may also revoke your proxy by mailing your written revocation to IDACORP's corporate secretary at 1221 West Idaho Street, Boise, Idaho 83702. We must receive your written revocation before the Annual Meeting for it to be effective.

What is the quorum for the Annual Meeting and what happens if a quorum is not present?

The presence at the Annual Meeting, in person or by proxy, of a majority of the shares issued and outstanding and entitled to vote as of March 28, 2013 is required to constitute a quorum. The existence of a quorum is necessary in order to take action on the matters scheduled for a vote at the Annual Meeting. If you vote by Internet or telephone, or submit a properly executed proxy card, your shares will be included for purposes of determining the existence of a quorum. Proxies marked abstain and broker non-votes also will be counted in determining the presence of a quorum. If the shares present in person or represented by proxy at the Annual Meeting are not sufficient to constitute a quorum, the chairman of the meeting or the shareholders may, by a vote of the holders of a majority of votes present in person or represented by proxy, without further notice to any shareholder (unless a new record date is set), adjourn the meeting to a different time and place to permit further solicitations of proxies sufficient to constitute a quorum.

What is an abstention ?

An abstention occurs when a shareholder sends in a proxy with explicit instructions to decline to vote regarding a particular matter. An abstention with respect to a matter submitted to a vote will not be counted for or against the matter. Consequently, an abstention with respect to any of the proposals to be presented at the Annual Meeting will not affect the outcome of the vote.

What is a broker non-vote ?

A broker non-vote occurs when a broker or other nominee who holds shares for another person does not vote on a particular proposal because that holder does not have discretionary voting power for the proposal and has not received voting instructions from the beneficial owner of the shares. If no voting instructions have been provided by the beneficial owner, brokers will have discretionary voting power to vote shares with respect to the ratification of the appointment of the independent registered public accounting firm, but not with respect to any of the other proposals. A broker non-vote will have the same effect as an abstention and, therefore, will not affect the outcome of the vote.

What vote is required to approve each proposal?

The following votes are required for approval of each proposal at the Annual Meeting:

Proposal Number	Vote Requirement	Affect of Withholding, Abstentions and Broker Non-Votes
1	Our directors are elected by a plurality of the votes cast by the shares entitled to vote in the election of directors.	Not voted, though a withhold vote is relevant under our director resignation policy
2	The ratification of the appointment of Deloitte & Touche LLP is approved if the votes cast in favor exceed the votes cast against ratification.	Abstentions are not voted; uninstructed shares are subject to a discretionary vote

Proposal Number	Vote Requirement	Affect of Withholding, Abstentions and Broker Non-Votes
3	The advisory resolution on executive compensation is approved if the votes cast in favor exceed the votes cast against the resolution.	Not voted

What happens if, under Proposal No. 1, a director receives a greater number of votes withheld than votes for such director?

As noted above, a plurality of votes cast by shareholders present, in person or by proxy, at the Annual Meeting is required for the election of our directors. Plurality means that the nominees receiving the largest number of votes cast are elected for the number of director positions that are to be filled at the meeting. However, under the resignation policy adopted by the Board of Directors in March 2012, if a director nominee in an uncontested election receives a greater number of votes withheld from his or her election than votes for such election, the director must promptly tender a resignation to the Board of Directors. The Board of Directors will then decide whether to accept the resignation within 90 days following certification of the shareholder vote (based on the recommendation of the Corporate Governance and Nominating Committee, which is comprised exclusively of independent directors). We will publicly disclose the Board of Directors' decision and its reasoning with regard to the offered resignation.

Who will count the votes?

An independent tabulator will tabulate the votes cast by mail, Internet, or telephone. Our corporate secretary will tabulate any votes cast at the Annual Meeting and will act as inspector of election to certify the results.

Where can I find the voting results?

We expect to report the voting results on a Current Report on Form 8-K filed with the Securities and Exchange Commission within four business days following the Annual Meeting.

Are the votes of specific shareholders confidential?

It is our policy that all proxies for the Annual Meeting that identify shareholders, including employees, are to be kept secret. Proxies will be forwarded to the independent tabulator who receives, inspects, and tabulates the proxies. No proxies are available for examination and the identity and vote of any shareholder are not disclosed to our representatives or to any third party except (a) as required by law or order or directive of a court or governmental agency; (b) to allow our corporate secretary to tabulate votes cast at the Annual Meeting; (c) to allow the independent election inspectors to certify the results of the shareholder vote; (d) in the event of a matter of significance where there is a proxy solicitation in opposition to the Board of Directors, based on an opposition proxy statement filed with the Securities and Exchange Commission; or (e) to respond to shareholders who include written comments on their proxies.

Who will pay the cost of this solicitation and how will these proxies be solicited?

We will pay the cost of soliciting your proxy. Our officers and employees may solicit proxies, personally or by telephone, fax, mail, or other electronic means, without extra compensation. In addition, Phoenix Advisory will solicit proxies from brokers, banks, nominees, and institutional investors at a cost of approximately \$6,500 plus out-of-pocket expenses. We will reimburse banks, brokerage firms, and other custodians, nominees, and fiduciaries for their expenses in providing our proxy materials to beneficial owners.

What if I have further questions not addressed in this proxy statement?

If you have any questions about voting your shares or attending the Annual Meeting, please call our Shareowner Services Department at (800) 635-5406.

Corporate Governance Principles and Practices

Overview of Our Corporate Governance Practices

The goals of our corporate governance principles and practices are to promote the long-term interests of our shareholders, as well as to maintain appropriate checks and balances and compliance systems, to strengthen management accountability, engender public trust, and facilitate prudent decision making. We evaluate our corporate governance principles and practices and modify existing, or develop new, policies and standards when appropriate. During 2012, this included the following:

- Adoption of a shareholder-approved amendment to our articles of incorporation to declassify our board of directors so that directors are subject to election annually;

- Revisions to our Corporate Governance Guidelines to expressly prohibit our directors, officers, and certain key employees from pledging our securities as collateral in order to secure personal loans or other obligations;

- An increase in the minimum stock ownership requirements for directors, from two times their base annual retainer fee to three times that fee; and

- Adoption of a director resignation policy, which provides that if any director nominee in an uncontested election receives a greater number of votes withheld from his or her election than votes for such election, the nominee must offer his or her resignation to the Board of Directors.

Other of our notable corporate governance practices include the following:

- All of our directors, other than Mr. Keen (our president and chief executive officer), are independent of the company and management;

- Our directors meet in executive session, without management present, at each regular meeting of the Board of Directors;

- All members of the audit, corporate governance and nominating, and compensation committees of the Board of Directors are independent directors;

- Any compensation consultant retained by the compensation committee must be evaluated for independence from management;

- The chairman of our Board of Directors is an independent director;

- We have minimum stock ownership requirements for both our board members and our officers;

- We prohibit the hedging of our securities by directors and officers;

- We require our directors to attend company-approved continuing education programs;

&n