

IDACORP – 2022: Report on Climate Transition Plan

IDACORP operates Idaho Power, a public utility which provides electrical power to Idaho and Oregon, which are particularly vulnerable to and actively experiencing climate change with an increase in wildfires, heat extremes, prolonged droughts, and reduced water supply for hydropower operations.

IDACORP has a goal of 100 percent renewable generation by 2045, however it has not identified tangible interim goals in order to be able to achieve that goal.

Rather than adopting a clear path to a reduction in greenhouse gases (GHG), IDACORP instead has now proposed extending the use of coal-fired power plants by converting them to natural gas operations in its 2021 Integrated Resourcing Planning Process.ⁱ

The inclusion of natural gas as a clean future instead of a decarbonization plan is concerning because according to IDACORP'S 2021 CDP disclosure, the company "currently do(es) not have any technologies or processes in place to directly reduce methane emissions from our thermal operations." IDACORP'S November 2021 "Preferred Portfolio" indicates an addition of natural gas generation in 2024 as well as no alternative mitigations for water availability risk past 2034.

Although IDACORP exceeded its goal to reduce carbon intensity by 20 percent by 2025, it is now trending upwards as intensity increased from 2018 - 2020. The company attributes the 18 percent increase in 2020 to lower water availability for hydro generation and population increase. Yet, IDACORP'S GHG emissions have increased from 2019 - 2020, underscoring the need for short, medium and long-term absolute GHG emission targets.

IDACORP has not set short, medium, or long term absolute GHG reduction targets for its Scope 1 and Scope 2 emissions, nor a Science-based Target for a Net Zero future. IdaCorp lags behind its peers, including PacifiCorp who committed to reduce GHG emissions 74 percent from 2005 levels by 2030.

IDACORP notes in its 2021 10-K that the cost to comply with potential further climate change-related regulation could be significant and it could face increased climate-related litigation and reduce its access to capital markets with favorable terms.

In 2017 the Financial Stability Board's Task Force on Climate-related Financial Disclosures recommended that companies adopt targets to manage climate-related risks and disclose strategies. 76 percent of Fortune 100 companies set climate or energy related commitment and 17 percent have set Science Based Targets. In many cases, these goals are also linked to executive compensation.

BE IT RESOLVED: Shareholders request that IDACORP issue a report within a year, and annually thereafter, at reasonable expense and excluding confidential information, disclosing short, medium, and long term greenhouse gas targets aligned with the Paris Agreement's goal of maintaining global temperature rise at 1.5 degrees Celsius, and progress made in achieving them. This reporting should cover IDACORP'S full scope of operational and product related emissions.

SUPPORTING STATEMENT: Proponents suggest, at Company discretion, the report describe:

- IDACORP'S climate transition plan for achieving its GHG reduction goals over time, including aligned capital allocation where relevant;
- A rationale for any decision not to set targets aligned with the Paris Agreement's 1.5 degree goal.

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https://docs.idahopower.com/pdfs/AboutUs/PlanningForFuture/irp/2021/2021_Preliminary_PREFERRED_Portfolio.pdf

