IDACORP, Inc. (IDA)

Updated August 1st, 2026, by Kody Kester

Key Metrics

Current Price:	$143	**5 Year CAGR Estimate:**	7.8%	**Market Cap:**	$8.3B
Fair Value Price:	$127	**5 Year Growth Estimate:**	8.0%	**Ex-Dividend Date:**	08/05/26
% Fair Value:	112%	**5 Year Valuation Multiple Estimate:**	-2.3%	**Dividend Payment Date**	08/31/26
Dividend Yield:	2.5%	**5 Year Price Target**	$187	**Years Of Dividend Growth:**	15
Dividend Risk Score:	C	**Sector:**	Utilities	**Rating:**	Hold

Overview & Current Events

IDACORP, Inc. (IDA) is a holding company for Idaho Power Company, a regulated electric utility that serves over 670,000 customers throughout a 24,000-square-mile area in southern Idaho and eastern Oregon (though IDA announced earlier this year that it's selling its Oregon service territory to Oregon Trail Electric Cooperative for $154 million). The company holds franchises, generally in the form of right-of-way arrangements, in 71 cities in Idaho and 7 cities in Oregon. It holds certificates from the appropriate utility regulatory authorities to serve all or part of 25 counties in Idaho and 3 counties in Oregon. Idaho Power's commercial and industrial customers are engaged in sectors including food processing, electronics and general manufacturing, agriculture, health care, government, and education.

The company's $1.81 billion in total revenue in 2025 was derived from residential (~45%), commercial (~26%), industrial (~18%), and irrigation customers (~11%). Other subsidiaries include IDACORP Financial Services, Inc. (IFS), an investor in affordable housing and other real estate tax credit investments.

On Jul. 30, IDA released its financial results for the second quarter ended Jun. 30, 2026. The company's operating revenue grew by 4.2% year-over-year to $469.8 million in the quarter. That was driven by a combination of higher retail base rates, a surge in demand from large customer contracts ramping up, and a 2.3% growth rate over the year-ago period in the customer count. IDA's diluted EPS inched 1.7% higher year-over-year to $1.79 during the quarter. This managed to beat the analyst consensus for the quarter by $0.01. The reason for the modest diluted EPS growth had to do with a $17.2 million drawdown in Additional Tax Credit Amortization in Q2 2025 versus $0 in ADITC amortization in Q2 2026 due to strong core utility operating performance.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$3.94	$4.21	$4.49	$4.61	$4.69	$4.85	$5.11	$5.14	$5.50	$5.90	***$6.37***	***$9.36***
DPS	$2.08	$2.24	$2.40	$2.56	$2.72	$2.88	$3.04	$3.20	$3.35	$3.46	***$3.52***	***$4.49***
Shares[1]	50.4	50.4	50.4	50.4	50.5	50.5	50.6	50.6	54.0	54.0	***57.8***	***65.0***

Since 2016, IDA's diluted EPS has grown almost 5% annually. Looking out, we anticipate significant acceleration in the company's diluted EPS growth to 8.0% annually through 2031, off an anticipated diluted EPS base of $6.37 for 2026. This is because, in recent years, Idaho has been a major beneficiary of migration from the West Coast states of California, Oregon, and Washington. Along with economic development projects like Meta Platforms' data center and clean energy projects like Micron's solar project, this is leading to significant growth in the company's customer count and load.

This is why the utility expects to spend approximately $7.1 billion on capital expenditures from 2026 through 2030. That could generate a 16.7% compound annual growth rate in the company's total system rate base growth over that same period. Funding these investments will require meaningful share issuances, so we do expect the share count to grow by more than 2% annually.

[1] Share count is in millions.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	20.5	21.7	20.7	22.9	20.5	23.4	21.1	19.1	19.9	21.5	***22.4***	***20.0***
Avg. Yld.	2.6%	2.5%	2.6%	2.4%	2.8%	2.5%	2.8%	3.3%	3.1%	2.7%	***2.5%***	***2.4%***

Over the past decade, IDA's shares have been valued at a P/E ratio as low as the upper teens to as high as the low 20s. The average P/E ratio over that time was roughly 21 (also in line with the five-year average). In the years ahead, we believe that a reasonable fair value multiple for IDA remains around 20. That's because the company's better growth prospects cancel out the higher interest rate environment that would otherwise be a drag on the valuation.

With the current P/E ratio of 22.4, shares of IDA remain overvalued by a double-digit percentage.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	53%	53%	53%	56%	58%	59%	59%	62%	61%	59%	***55%***	***48%***

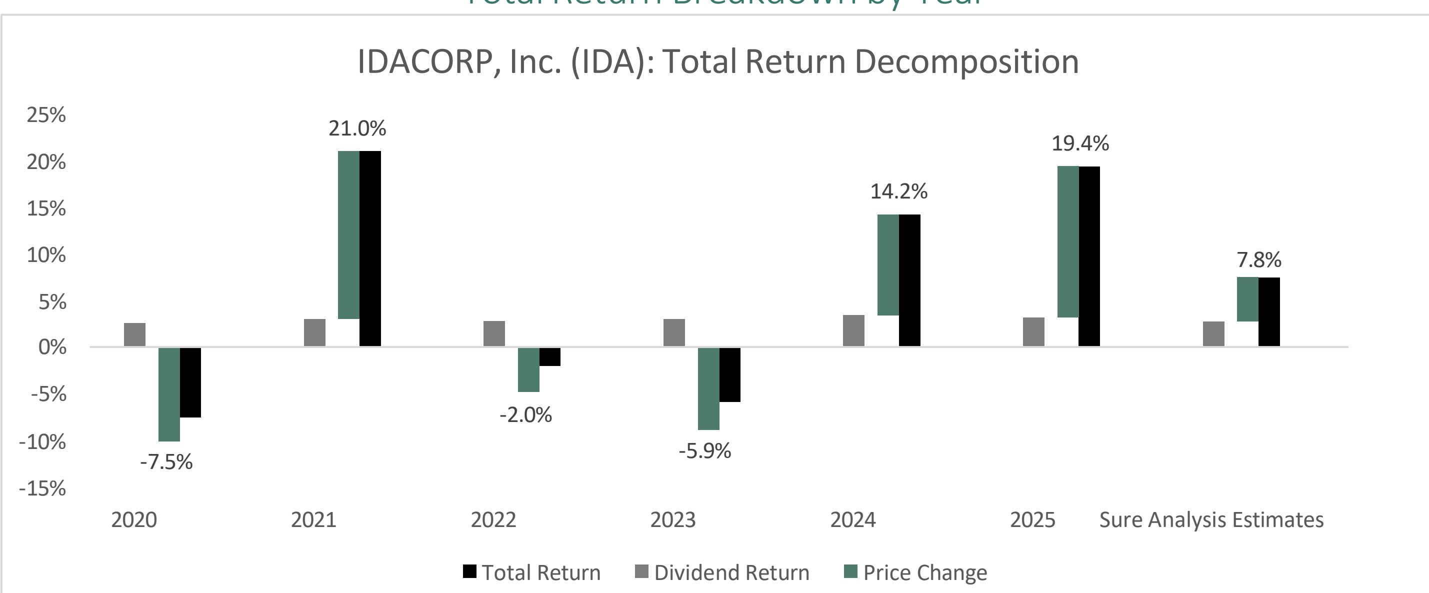
IDA is a utility company that benefits from Idaho's economic expansion and sets itself apart through its reliance on hydroelectric power. The company operates 17 hydropower plants across southern Idaho and eastern Oregon, with hydroelectric energy making up approximately 40% of its total power generation—significantly higher than the 7% national average. This cost-efficient energy mix allows IDACORP to offer some of the lowest electricity rates in the U.S., making it an attractive provider for high-consumption industries, such as data centers.

IDA is also financially healthy, with S&P awarding a BBB credit rating on a stable outlook. The company's dividend is also well-covered, with the payout ratio set to be in the mid-50% range for 2026. We think that the payout will grow more slowly than diluted EPS because of the company's substantial capital spending plan to keep up with the rapid growth in electricity demand. That's why we believe IDA can extend its 15-year dividend growth streak with 5.0% annual dividend growth for the foreseeable future (possibly slower in the near-term, with dividend growth picking up in the last couple years of this decade).

Final Thoughts & Recommendation

IDA's 2.5% yield, 8.0% annual diluted EPS growth prospects, and 2.3% annual valuation multiple downside potential could generate 7.8% annual total returns through 2031. Overall, we believe there are options with similar growth prospects at better valuations in the regulated electric utility sector. This is why we're reiterating our Hold rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	1,261	1,349	1,369	1,345	1,348	1,455	1,639	1,773	1,834	1,812
Gross Profit	310	353	305	324	318	342	257	294	416	401
Gross Margin	24.6%	26.2%	22.2%	24.1%	23.6%	23.5%	15.7%	16.6%	22.7%	22.2%
D&A Exp.	147	166	169	174	176	179	174	200	228	258
Operating Profit	269	314	265	285	316	339	254	290	412	397
Operating Margin	21.3%	23.3%	19.4%	21.2%	23.4%	23.3%	15.5%	16.4%	22.4%	21.9%
Net Profit	198	213	228	233	238	246	260	262	290	324
Net Margin	15.7%	15.8%	16.6%	17.3%	17.7%	16.9%	15.8%	14.8%	15.8%	17.9%
Free Cash Flow	51	150	214	88	63	48	(91)	(347)	(419)	(594)
Income Tax	36	49	17	25	29	37	38	27	15	(14)

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	6,290	6,045	6,383	7,008	7,487	7,561	7,834	8,804	9,593	10,594
Cash & Equivalents	61	77	267	217	300	215	178	327	369	216
Accounts Receivable	152	150	146	137	145	154	199	198	213	178
Inventories	112	112	103	114	97	96	107	160	245	226
Goodwill & Int.	9	10	-	-	-	-	-	-	-	-
Total Liabilities	4,132	3,789	4,007	4,538	4,921	4,886	5,020	5,889	6,255	7,015
Accounts Payable	106	90	111	111	121	146	293	309	307	345
Long-Term Debt	1,746	1,746	1,835	1,837	2,000	2,001	2,194	2,826	3,074	3,664
Shareholder's Equity	2,154	2,251	2,370	2,465	2,560	2,668	2,807	2,908	3,331	3,572
LTD/E Ratio	0.82	0.78	0.77	0.75	0.78	0.75	0.78	0.97	0.92	1.03

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	3.2%	3.5%	3.7%	3.5%	3.3%	3.3%	3.4%	3.1%	3.2%	3.2%
Return on Equity	9.4%	9.7%	9.8%	9.6%	9.4%	9.4%	9.5%	9.1%	9.3%	9.4%
ROIC	5.1%	5.4%	5.5%	5.5%	5.4%	5.3%	5.4%	4.9%	4.8%	4.7%
Shares Out.	50.4	50.4	50.4	50.4	50.5	50.5	50.6	50.6	54.0	54.0
Revenue/Share	25.03	26.74	27.11	26.62	26.66	28.73	32.32	34.89	34.85	33.05
FCF/Share	1.01	2.97	4.23	1.74	1.24	0.95	(1.80)	(6.82)	(7.96)	(10.84)

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.