

NEWS RELEASE

FOR IMMEDIATE RELEASE September 2, 1998 Contact: Patrick Dorinson Director of Communications 1 (888) 516-NEWS

LINGERING HEAT WAVE MAXIMIZES USE OF POWER GRID RESERVES Cal-ISO Calls for Stage One Emergency and Counts on Californians to Conserve

(Folsom, CA) The California Independent System Operator (Cal-ISO) is declaring a third Stage One Emergency in as many days today. Chronic heat is producing potentially record-breaking demand for electricity today and the Cal-ISO is appealing to consumers to curtail electricity use through 9 p.m. tonight. Yesterday, the Cal-ISO declared a Stage Two Emergency for the second day in a row as Californians endured yet another day of searing temperatures.

The peak demand on the transmission system is expected to reach 45,665 megawatts by late afternoon. Yesterday, the Cal-ISO reports electricity consumption peaked at 44,406 megawatts at 4:26 p.m., after 750 megawatts worth of power was reduced during a call for voluntary curtailments from commercial customers. Had the power not been cut back, power consumption on the Cal-ISO controlled power grid would have topped the record 44,927 megawatts used on August 3 this year.

Stage One of the state's Electrical Emergency Plan is initiated to advise the public of potential power shortages and to ask all customer to conserve electricity to ensure there will be enough power to meet future demand. The request for demand reduction is not intended to disrupt employment or curtail industrial production or commerce. However, if the conservation measures are insufficient in lowering the demand for power, load management programs that implement

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voluntary curtailments of power are probable. Stage Two is declared when operating reserves have dipped below 5 percent or are expected to within the next two hours. At this level, the Cal-ISO asks the state's investor-owned utilities to implement their load management programs that often rely on commercial customers who receive discounted electricity rates in exchange for voluntarily curtailing their use of electricity to lower the regional demand for power

If an operating reserve shortfall of less than one-and-a-half percent is unavoidable, Stage Three is initiated. Involuntary curtailments of service to customers including "rolling blackouts" will occur during this emergency declaration. The Cal-ISO's Electrical Emergency Plan (EEP) is part of the state's enhanced reliability standards enacted by landmark legislation Assembly Bill 1890 that led to the restructuring of California's electricity industry.

Cal-ISO is chartered by the state to manage the flow of electricity along the long-distance, high-voltage power lines that make up the bulk of California's transmission system. The not-for-profit public-benefit corporation assumed the responsibility in March 1998 when California opened its energy markets to competition and mandated the investor-owned utilities turn their private transmission power lines over to the Cal-ISO's public power grid. The mission of the Cal-ISO is to safeguard the reliable delivery of electricity and ensure equal access to the state's "electron highway", which spans 124,000 miles or three-quarters of the state. The Cal-ISO is the second largest control area in the U.S. and the fifth largest in the world. Its computerized control center is located in Folsom, 22-miles from the capital city of Sacramento.

Other helpful contacts:

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