

NEWS RELEASE

FOR IMMEDIATE RELEASE November 14, 2000

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STAGE TWO ELECTRICAL EMERGENCY CALLED BY CALIFORNIA ISO Cold Snap and Plant Outages Strain Operating Reserves

(Folsom, CA) The California Independent System Operator (California ISO) is declaring a Stage Two Electrical Emergency today, Tuesday, November 14, 2000, as operating reserves fall below five percent. The Stage Two is in effect from 5:00 p.m. to 8:00 p.m. Higher than usual heat demand for this time of year coupled with an estimated 12,000 megawatts of generation off line due to planned and unplanned maintenance has reduced operating reserves. In addition, a third of the imported power California expected from the Northwest did not materialize because of the severity of the cold snap affecting Oregon and Washington. Demand across the California ISO Control Area is expected to peak at 32,920 megawatts around 6:00 p.m. tonight.

The California ISO anticipates possible activation of the voluntary load interruption programs in the state, but is watching power usage load curves before making the decision to call on the customers in the hope that voluntary curtailments can be spared today. The ISO urges interruptible customers to wait to shed their contracted electrical load until specified to do so by their local utility. Interruptible customers, mainly commercial and industrial users, receive a reduced rate in exchange for a commitment to come off line when asked to do so for reliability purposes.

A Stage Two Emergency is declared when operating reserves dip below five percent or are expected to within the next two hours. If an operating reserve shortfall of less than one-and-a-half percent is unavoidable,

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Stage Three will be initiated. Involuntary curtailments of service to customers, including "rotating blackouts," are

possible during this emergency declaration. The California ISO's Electrical Emergency Plan (EEP) is part of the

state's enhanced reliability standards created by landmark legislation Assembly Bill 1890, which restructured

California's electricity industry. A Stage One Emergency, urging Californians to conserve as much energy as

possible, was called at 4 p.m., and is effective through 9 p.m. this evening.

California 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 the state's investor-owned utilities turned their private transmission power lines over to the California ISO to

manage. The mission of the California ISO is to safeguard the reliable delivery of electricity, facilitate markets

and ensure equal access to a 12,500 circuit mile "electron highway."

Information about the California ISO control area's electricity supply and the current demand is available

on the web at www.caiso.com.

Other helpful contacts:

Pacific Gas and Electric

415/973-5930

Southern California Edison

626/302-2255

San Diego Gas and Electric

877/866-2066

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