



NEWS RELEASE

FOR IMMEDIATE RELEASE
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SECOND CONSECUTIVE STAGE TWO ELECTRICAL EMERGENCY ISSUED Delay of Holiday Lights Requested to Help Conserve Power

(Folsom, CA) With operating reserves anticipated to fall below five percent, the California Independent System Operator (California ISO) is declaring a Stage Two Electrical Emergency today, Tuesday, December 5, 2000. More than 11,000 megawatts of generation remain off line; the majority categorized as forced outages. Included in that figure is a substantial amount of power plant production shut down because of expired air emission credits. A sudden drop in imported power from the Northwest exacerbates today's thin supply of power today. Demand across the California ISO Control Area is expected to peak at 34,124 megawatts at 6:00 p.m. tonight.

The California ISO has asked utilities Pacific Gas and Electric, Southern California Edison, and San Diego Gas and Electric to shed all of their available voluntary interruptible load—an estimated 1,200 megawatts worth of power curtailments between the hours of 4:00-10:00 p.m. **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.

Earlier today, California ISO joined with utilities Southern California Edison and Pacific Gas and Electric to request additional energy conservation efforts state-wide, including delaying the start-up of outdoor holiday

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lighting until 7:00 p.m. tonight. Additional conservation suggestions recommended for consumers are setting the thermostat at 68 degrees when at home and 55 degrees when you're away, using electrical appliances during off-peak hours (before 4 p.m. and after 7 p.m.), and turning off computers, copiers, lights, etc. when not in use.

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, 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 5:45 a.m., and is effective through 10:00 p.m. this evening.

The California ISO is charged with managing 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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