



NEWS RELEASE

FOR IMMEDIATE RELEASE

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CALIFORNIA ISO HITS STAGE ONE FOLLOWED BY A STAGE TWO ELECTRICAL EMERGENCY

(Folsom, CA) The California Independent System Operator (California ISO) declared a Stage One Electrical Emergency today, Thursday, January 11, 2001, at 3:19 a.m. and a Stage Two at 5:00 a.m., both in effect until midnight tonight. Operating reserves needed to maintain reliability of the ISO-controlled grid are forecasted to dip to below five percent for much of the day. Californians are strongly encouraged to conserve electricity. The demand for electricity is estimated to peak at 32,488 megawatts tonight around 6:00 p.m.

An enormous amount of generation is reporting to the California ISO it is offline because of forced outages. After Diablo Canyon Nuclear Generating Station was reduced to 20 percent of its power yesterday afternoon due to high surf, more than 1200 megawatts of additional power fell out of service last night, bringing the total plant outages (planned and unplanned) to more than 13,000 megawatts.

The California ISO anticipates calling on voluntary interruptible load shedding tonight, but plans to manage the morning "rush-hour" for electrons without calling on the customers' help. **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.

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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.

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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