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- ▶ California Power Authority
- ▶ California Public Utilities Commission (CPUC)
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- ▶ Northern California Power Agency (NCPA)
- ▶ Pacific Gas and Electric
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- ▶ San Diego Gas and Electric
- ▶ SMUD
- ▶ Southern California Edison
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- ▶ Silicon Valley Power
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NEWS RELEASE

Earth Day Message from Utility Industry

Energy Conservation: What's Good For the Planet is Good for the Power Grid

Summer Expected to Bring Record High Demand for Electricity

(Sacramento, CA) Electricity industry officials spent Earth Day at the nerve center for the West's largest power grid, calling on consumers to keep up their conservation habits on the eve of what is predicted to be a summer that breaks the all-time record for electricity demand in California.

The industry joint news conference kicked off a new message for this summer – *Energy Conservation: What's Good for the Planet is Good for the Power Grid*. The Earth Day conservation campaign coincides with the California Independent System Operator (California ISO) release of its Summer Assessment, the forecast for power supply and demand for the months ahead.

Thanks to nearly 10,000 megawatts of new generation built in the ISO Control Area since the energy crisis of 2000-2001, power grid reserves are expected to be adequate under normal conditions this summer and there should be enough resources to meet a peak forecast of up to 44,422 megawatts. However, if conditions turn adverse, the margin for reserves could shrink dramatically.

The pace of new power plant construction has slowed. According to the ISO Summer Assessment, 2,043 megawatts of new generation has come on line since last summer, but that has been offset by 2,218 megawatts of power plants now retired or mothballed. Only 664 megawatts of new units are expected in 2004 compared to 4,830 megawatts built in 2003.

Michael Kahn, Chairperson, California ISO

"We have stabilized energy markets in California, driving down prices and applaud new power plants built that help meet growing demand for electricity. However, the cheapest kilowatt is the kilowatt you don't use and that's when consumers can make a difference".

Terry Winter, California ISO President and CEO

"The ISO Summer Assessment tracks changes in the demand for electricity and charts available supply—megawatts we know we can count on this summer. When the math is calculated, you're looking at 434 fewer megawatts of capacity going into this summer than was available during last summer's peak. We are not predicting blackouts. What we are saying is that operating reserves are adequate—but not ample. On hot days, please conserve".

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CONSERVATION KICK-OFF –2-2-2

William Keese, Chairperson, California Energy Commission

"No one wants to go back to 2001, with its rolling blackouts and market manipulation. This is why the Energy Commission, in its Integrated Energy Policy Report, stresses the need to employ energy efficiency strategies, commit to new generation from renewable energy generation sources, and invest in our State's aging infrastructure, both transmission lines and new natural gas fired power plants. With this balanced approach, we can maintain our status as the most electricity-efficient state in the nation and send a strong signal to the market that we have overcome the problems of 2001 and set the State back on track".

Paul Clanon, Director of the Energy Division, California Public Utilities Commission

"We can make every day Earth Day in California by decreasing energy usage through increased energy conservation and efficiency measures. As we discuss in our Energy Action Plan for California, this would minimize the need for new generation, and reduce emissions of toxic and criteria pollutants and greenhouse gases".

Jim Pope, General Manager, Northern California Power Agency

"NCPA is committed to providing our customers reliable, low-cost electricity from environmentally responsible resources. The conservation and energy efficiency programs, of our individual Members, play a key role in fulfilling that commitment. These programs are at the heart of our planning to meet both our future resource needs and environmental objectives".

Marcie L. Edwards, General Manager, Anaheim Public Utilities

"Anaheim Public Utilities is proud to commit itself to the further development of programs and projects that enhances our community's natural environment. Earth Day gives us a chance to reinforce our support of renewable resources and through programs and projects that promote the efficient use of energy".

Duane Larson, Manager of Residential Energy Programs, Pacific Gas and Electric Company

"As we move into the summer months, conservation will play a key role in making sure the state has enough power to meet customers' demand. In addition, energy efficiency increases reliability and helps reduce the need for new sources of power for the future".

Lynda Ziegler, Director of Business and Regulatory Planning, Southern California Edison

"We encourage our customers to save money on their summer electric bills and help conserve energy by taking advantage of SCE's free home energy audits and numerous cash rebates for energy-efficient household items. In addition, we invite both our residential and business customers to consider our Residential Summer Discount Plan, a program that provides participants with a bill credit from June through September in exchange for allowing SCE temporarily to turn off their air conditioner when necessary. Details are available at www.sce.com."

More from the ISO Summer Assessment....

Along with narrower operating reserves, the ISO estimates that as much as 770 to 1,650 megawatts of capacity from Southern California power plants will not be able to reach consumers due to crowded power lines. Additionally, California's appetite for electricity is expected to increase 3.5 percent or 1,528 megawatts more than last summer, according to the ISO's Summer Assessment (on the web at: <http://www.caiso.com/docs/09003a6080/2f/ca/09003a60802fca50.pdf>). Consumers can have an impact on that "load growth" by practicing conservation. During the height of the crisis, Californians reduced electricity consumption by 14 percent during the peak period of the day. While that level of conservation is not expected this summer, consumers are asked to curb their electricity use whenever possible, especially during the late afternoon.

Flex Your Power Conservation Tips

Find them at: www.consumerenergycenter.org

- If possible, avoid use of large electrical appliances between 4 –6 p.m.
- Set thermostat to 78 degrees when you are home, 85 degrees when away
- Close drapes and blinds to shade rooms from direct sunlight
- Use ceiling and room fans
- Run pool pump during early morning or late evening hours
- Operate dishwasher only when full, turning off "dry cycle"
- Do laundry efficiently, drying clothes on a line when possible