

NEWS RELEASE

FOR IMMEDIATE RELEASE June 25, 2004

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Mothballed Power Plant Ready to Power Up California ISO Gets Units Back on Grid

(Folsom, CA) The California Independent System Operator (California ISO) signed contracts with Reliant Energy to take two key power plant units in Southern California out of mothball status in time to help meet reliability needs this summer/fall. The Etiwanda power plant units #3 and #4, located in San Bernardino, produce 320 megawatts each. Together the units produce 640 megawatts or enough electricity to serve the annual energy needs of about 600,000 homes.

Powering up the two units is especially helpful to the grid with supply margins on the thin side going into summer. The ISO opened negotiations with Reliant to put the two Etiwanda units on Reliability Must-Run contracts that allow the ISO to use those units to help meet local reliability needs. One unit is expected to be available within a couple of weeks, and the other will come on line in September when Southern California energy demand often peaks. That is also just prior to a planned outage of the Pacific DC Intertie, a major high voltage corridor between Oregon and Southern California that brings imported power into California from the Northwest. With less transmission capacity available, having adequate generation within California will be all the more important.

"Having these units back on line is a major accomplishment for this summer and into the fall," said Jim Detmers, ISO VP of Operations and Acting Chief Operations Officer. "We're not forecasting blackouts this summer, but there may well be some days when the demand for power gets pretty close to our available supply. Having these units coming back into service will add just a little more cushion to our reserve margins."

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The California ISO is a not-for-profit public benefit corporation charged with managing the flow of electricity along California's open-market wholesale power grid. The mission of the California ISO is to safeguard the reliable delivery of electricity and ensure equal access to a 25,000 circuit miles of "electron highway". As the impartial operator of the wholesale power grid in the state, the California ISO conducts a small portion of the bulk power markets. These markets are used to allocate space on the transmission lines, maintain operating reserves and match supply with demand in real time.

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