



NEWS RELEASE

FOR IMMEDIATE RELEASE
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Contact: Patrick Dorinson
Director of Communications
1 (888) 516-NEWS

STAGE ONE EMERGENCY DECLARED AS DEMAND SOARS California ISO Strongly Urges Conservation

(Folsom, CA) The California Independent System Operator (California ISO) issued a Stage One at 8:04 a.m., at today, May 7, 2001, as operating reserves dipped low on the start of what is expected to be a week of hot weather. Consumers are asked to lessen the strain on the power grid by conserving electricity all week, especially during the afternoon hours. A number of factors are contributing to the emergency conditions today:

- Heat spell predicted with inland highs in the low 90s, causing surge in air conditioner usage.
- Highs closer to 100 degrees in the Southwest, limiting imports from that region. Total imports (NW + SW) expected to be 4,000 megawatts over peak period today.
- A total of 12,500 megawatts worth of generation remains unavailable today with power plants off-line because of preventative repairs and plant malfunctions.
- Four nuclear units are offline in the western U.S. for refueling or repairs.
- An additional 3,000 megawatts of generation from the state's qualifying facilities (QFs) unavailable due to continuing financial concerns.

With operating reserves hovering at critical levels, the California ISO requests that customers voluntarily reduce their use of electricity to prevent more severe curtailment measures. Peak demand on the transmission system is expected to reach more than 32,000 megawatts around 3:00 p.m. today. Today's Stage One declaration,

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STAGE TWO-2-2-2

expected to be in effect until midnight, enables the California ISO to access emergency resources to help maintain operating reserves. A Stage Two is declared when reserves drop below five percent. At this level, large commercial customers that have signed up to voluntarily curtail power during high demand days will be asked to do so. If an operating reserve shortfall of less than one-and-a-half percent is unavoidable, Stage Three is 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 enacted by landmark legislation Assembly Bill 1890 that led to the restructuring of California’s electricity industry.

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 25,526 circuit mile “electron highway.”

Continuously updated information about the California ISO control area’s electricity supply and the current demand on the power grid is available on the web at www.aiso.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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