



NEWS RELEASE

FOR IMMEDIATE RELEASE
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STAGE THREE ELECTRICAL EMERGENCY DECLARED

Conservation is Key as Critically Low Operating Reserves Continue

(Folsom, CA) According to the California Independent System Operator (California ISO), a Stage Three Electrical Emergency was declared this morning at 4:30 a.m. through midnight for Friday, January 26, 2001.

Early this morning a generating unit in Northern California tripped off-line, decreasing the state's power supply by approximately 260 megawatts. The unit is expected back into service this afternoon. The State Three declaration allows the California ISO to access emergency assistance from federal and state agencies in order to make up for the generation loss. Interruptions of firm load are not expected to be necessary today.

A tremendous amount of conservation -- approximately 1,000 megawatts each day -- has been recognized on the state's electrical system this week. Californians are urged to continue those efforts, curtailing their use of electricity whenever possible. Increased conservation efforts during the peak usage hours of 6:00-10:00 a.m. and 4:00-8:00 p.m. are especially important.

Today's forecasted peak demand is 30,559 megawatts at approximately 6:00 p.m.

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Stage Three of the state's Electrical Emergency Plan (EEP) is required when operating reserves fall below one-and-a-half percent. The California ISO's 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.

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