



NEWS RELEASE

FOR IMMEDIATE RELEASE
August 2, 2000

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CALIFORNIA ISO DECLARES STAGE ONE ELECTRICAL EMERGENCY ***Severe Heat Continues throughout Western States***

(Folsom, CA) Continuing hot weather throughout the western region coupled with a very high demand for electricity has prompted the California Independent System Operator (California ISO) to issue a statewide Stage One Electrical Emergency today, August 2, 2000. The California ISO urges consumers to conserve electricity between the hours of 11 a.m. and 8 p.m. today to prevent more severe curtailment measures.

An increased demand for electricity – prompted by hot weather and high humidity throughout the west – has resulted in narrow energy reserves. Peak demand on the transmission system is expected to reach 45,723 megawatts by late afternoon – coming close to the previous record demand on the system of 45,884 set on July 12, 1999.

Stage One of the state's Electrical Emergency Plan is initiated to advise the public of potential power shortages and to ask all customers to conserve electricity to ensure there will be enough power to meet future demand. The request for demand reduction is not intended to disrupt employment or curtail industrial production or commerce. However, if the conservation measures are insufficient in lowering the demand for power, load management programs that implement voluntary curtailments of power are probable.

A Stage One Emergency takes effect when electricity operating reserves fall below seven percent. A Stage Two is declared when reserves drop below five percent. At this level, large commercial customers that have signed up to

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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 probable 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 chartered by the state to manage 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 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 vast 12,500 circuit miles of “electron highway”.

Continuously updated information about the electricity supply within the California ISO control area and the current demand on the power grid is available at www.caiso.com.

Other helpful contacts:

PG&E	415 973-5930
SCE	626 302-2255
SEMPRA ENERGY	619 696-4292

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