

NEWS RELEASE

FOR IMMEDIATE RELEASE July 21, 2005

Contact: Stephanie McCorkle Director of Communications 1 (888) 516-NEWS

CALIFORNIA ISO ISSUES A STAGE TWO ELECTRICAL EMERGENCY IN SOUTHERN CALIFORNIA ONLY AFTER EQUIPMENT FAILURE AT SEVERAL POWER PLANTS

Californians Urged to Conserve Electricity through 6 p.m. tonight

(Folsom, CA) The California Independent System Operator (California ISO) issued a Stage Two Electrical Emergency for Southern California only after several power plant units, equaling approximately 2,000 megawatts, tripped offline since yesterday due to various equipment failures, some of which are heat-related.

The California ISO has not triggered voluntary load interruptions, yet, but is prepared to do so to relieve a strained system that is importing additional power from out-of-state in order to accommodate the loss of in-state resources. The added imports are causing interstate transmission lines to near their capacity limitations.

The *Flex Your Power NOW!* power watch is in effect and conservation is very important through six p.m. tonight.

A Stage Two Emergency is declared when operating reserves dip below five percent or are expected to within the next two hours. If an operating reserve shortfall of less than one-and-a-half percent is unavoidable, Stage Three will be initiated. Involuntary curtailments of service to customers, including "rotating blackouts," are possible during this emergency declaration. A Stage Three Emergency is not forecasted at this time.

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STAGE TWO

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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 the to the California ISO to manage. The mission of the California ISO is to safeguard the reliability delivery of electricity, facilitate markets and ensure equal access to a 25,000-circuit mile "electron highway."

Other helpful contacts:

Pacific Gas and Electric Company 415/973-5930

Southern California Edison 626/302-2255

San Diego Gas and Electric 877/866-2066

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GF/3-14-02 Media Hotline: 888 516-NEWS