

NEWS RELEASE

FOR IMMEDIATE RELEASE August 30, 2007

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Stage One Electrical Emergency Expected: Conservation Urged

Stage Two Emergency Also Likely this Afternoon

(Folsom, CA) Today is the second day of appeals for statewide energy conservation by the California Independent System Operator Corporation (California ISO). A Stage One Electrical Emergency is expected to be issued this afternoon at about 2 pm when the California ISO anticipates accessing its seven percent reserve margin. The peak demand for power today, August 30, 2007 is forecast at 49,500 megawatts. The all-time record peak demand is 50,270 megawatts. A Stage Two Electrical Emergency will likely be called this afternoon to ease the strain on the power grid. Blackouts are not forecast today.

A regional heat wave is lowering imports from the southwest. Another factor affecting resources is a low hydroelectricity level throughout the state--about 1,000 megawatts below normal--resulting from this year's dry winter. This is the second consecutive day the California ISO issued a Flex Alert requesting conservation.

Flex Your Power NOW! Conservation Tips:

- Set your thermostat at 78-80 degrees when home (health permitting), and off when away.
- Avoid using unnecessary lighting and appliances during the peak usage period from 4 to 6 pm
- Turn off your pool pump and avoid outdoor watering during peak hours.

A California ISO media spokesperson is available on site at the Alhambra control room (contact Gregg Fishman at 916/802-9323). An update on California ISO grid conditions and expectations for the remainder of the day will be provided during an afternoon Media Briefing:

DATE: Thursday, August 30, 2007

TIME: 2 p.m.

PLACE: California ISO Headquarters in Folsom CALL-IN ACCESS: (866) 254-5941 PASSCODE: ISO NEWS

Media Hotline: 888 516-NEWS

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More energy conservation tips are available at the Flex Your Power website at www.flexyourpower.org. The California ISO website www.caiso.com features Today's Outlook, which allows the media and the public to follow grid conditions in real time.

A Stage Two Electrical Emergency 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 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 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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SM/GF/080807 Media Hotline: 888 516-NEWS