



NEWS RELEASE

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President and CEO of the California ISO Resigns Accepts New Position with Sithe Energies, Inc.

(Folsom, CA) After successfully guiding the California Independent System Operator (Cal-ISO) through its start-up phase and almost a year of reliable operation, Jeffrey D. Tranen announced today, February 9, 1999, that he will leave his post as President and Chief Executive Officer of the Cal-ISO effective March 12, 1999. Mr. Tranen has accepted the position of President and Chief Operating Officer with Sithe Northeast, Inc., a new entity being formed by Sithe Energies, Inc. to combine its generating assets in the Northeast.

"Jeff's leadership was crucial to the successful start-up and first year operation of the California ISO", said ISO Board of Governor's Chairperson Jan Smutny-Jones, " He laid a firm foundation by creating a dedicated and talented team, which will continue to fulfill the Cal-ISO's mission of reliability through markets. We will miss Jeff very much, but wish him well in his new challenge".

Mr. Tranen, a native of the Northeast, spent his entire career there before coming to California in September 1997 to lead the ISO. He will be returning to the area where he began his work in the energy industry over 28 years ago.

" The experience of leading the California ISO from start-up to full operation, is one I will always remember with great pride", said Mr. Tranen, " I am confident that the ISO team will carry on their important work of ensuring reliability through markets. I leave to accept new challenges, but I leave knowing that California is in good hands. I will miss the ISO team and wish them continued success."

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