



NEWS RELEASE

FOR IMMEDIATE RELEASE
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HOTTEST AUGUST ON RECORD PUSHES POWER GRID RESERVES Cal-ISO Initiates Stage One Emergency and Strongly Urges Californians to Conserve

(Folsom, CA) California's hottest August in the state's history is prompting the California Independent System Operator (Cal-ISO) to declare a Stage One Emergency today. The Cal-ISO is anticipating a near record-breaking demand on the power grid and is strongly urging consumers to curtail electricity use through 9 p.m. tonight. Yesterday, the Cal-ISO declared a Stage Two Emergency in the late afternoon as the state's suffered under yet another lengthy heat wave. The National Weather Service reports that Sacramento alone has encountered a total of 26 days this summer with temperatures above 100 degrees. Last summer the area saw only 14 days of triple digit heat.

The peak demand on the transmission system is expected to reach 44,800 megawatts by late afternoon. Yesterday, the Cal-ISO reports electricity consumption peaked at 44,339 megawatts at 3:30 p.m. Californians broke the all-time electricity consumption record in the state (for areas served by investor-owned utilities) on Monday, August 3, 1998 when they used 44,927 megawatts of energy at 4:11 p.m.

Stage One of the state's Electrical Emergency Plan is initiated to advise the public of potential power shortages and to ask all customer 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

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STAGE ONE -2-2-2

voluntary curtailments of power are probable. Stage Two is declared when operating reserves have dipped below 5 percent or are expected to within the next two hours. At this level, the Cal-ISO asks the state's investor-owned utilities to implement their load management programs that often rely on commercial customers who receive discounted electricity rates in exchange for voluntarily curtailing their use of electricity to lower the regional demand for power

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 "rolling blackouts" are probable during this emergency declaration. The Cal-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.

Cal-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 mandated the investor-owned utilities turn their private transmission power lines over to the Cal-ISO's public power grid. The mission of the Cal-ISO is to safeguard the reliable delivery of electricity and ensure equal access to the state's "electron highway", which spans 124,000 miles or three-quarters of the state. The Cal-ISO is the second largest control area in the U.S. and the fifth largest in the world. Its computerized control center is located in Folsom, 22-miles from the capital city of Sacramento.

Other helpful contacts:

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