



NEWS RELEASE

FOR IMMEDIATE RELEASE
August 17, 2000

Contact: Stephanie McCorkle
Senior Public Information Officer
1 (888) 516-NEWS

STAGE TWO ELECTRICAL EMERGENCY REPEATED AS STATE ENDURES ANOTHER DAY OF TIGHT POWER RESERVES

(Folsom, CA) Heat-suffering California may finally see the mercury slide down the thermometer tomorrow, but until then air conditioners are continuing to place a heavy demand on the power grid. The California Independent System Operator (California ISO) is declaring a Stage Two Electrical Emergency once again today as operating reserves fall below five percent. The Stage Two is in effect from 2:00 to 6:00 p.m. Higher than expected electrical loads led to a revised forecast for the peak demand period expected to be 43,659 megawatts around 4:00 p.m. today.

The California ISO anticipates possible activation of the voluntary load interruption programs in the state, but is watching power usage load curves before making the decision to call on the customers in the hope that voluntary curtailments can be spared today. **The ISO urges interruptible customers to wait to shed their contracted electrical load until specified to do so by their local utility.** Interruptible customers, mainly commercial and industrial users, receive a reduced rate in exchange for a commitment to come off line when asked to do so for reliability purposes.

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. The California ISO's Electrical Emergency Plan (EEP) is part of the

-MORE-

Stage Two Emergency
Page 2-2-2

state's enhanced reliability standards created by landmark legislation Assembly Bill 1890, which restructured California's electricity industry. A Stage One Emergency, urging Californians to conserve as much energy as possible, was called at 11 a.m., and is effective through 8 p.m. this evening.

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 California 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 12,500 circuit mile "electron highway."

Information about the California ISO control area's electricity supply and the current demand is available on the web at www.caiso.com.

Other helpful contacts:

Pacific Gas and Electric	415/973-5930
Southern California Edison	626/302-2255
San Diego Gas and Electric	877/866-2066

-- ISO --