



NEWS RELEASE

FOR IMMEDIATE RELEASE
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CALIFORNIA ISO ISSUES STAGE ONE ELECTRICAL EMERGENCY Forced Plant Outages Put Operating Reserves in Short Supply

(Folsom, CA) The California Independent System Operator (California ISO) declared a Stage One Emergency at 5:45 a.m. today, Tuesday, December 5, 2000 after operating reserves were forecasted to fall below seven percent. More than 11,000 megawatts of generation remain off line, the majority categorized as forced outages. Included in that figure is a substantial amount of power plants production shut down because of expired air emission credits. Additionally, the thin supply picture is exacerbated by a sudden drop in imported power from the Northwest today.

The Stage One Emergency triggers a public request for conservation of electricity that will be in effect until 10:00 p.m. tonight. Today's peak demand is expected around 6:00 p.m. when the demand for power will reach 34,100 megawatts. The ISO's all-time record winter peak of 34,432 megawatts was set December 13, 1999.

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 voluntary curtailments of power are probable. A Stage Two 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.

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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’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.

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 to the 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 vast 12,500 circuit miles of “electron highway”.

Continuously updated information about the California ISO control area’s electricity supply and the current demand on the power grid 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

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