

NEWS RELEASE

FOR IMMEDIATE RELEASE

July 24, 2006

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**ADDITIONAL CONSERVATION CRITICAL
AS RECORD PEAK DEMAND EXPECTED TODAY
California ISO Declares Stage One Emergency**

(Folsom, CA) The California Independent System Operator Corporation (California ISO) issued a Stage One Emergency at 10:00 a.m. today, July 24, 2006. The peak power demand on the transmission system is expected to reach 52,000 megawatts around 4:00 p.m. today. This morning's electricity demand is trending nearly 3,000 megawatts over the record demand experienced last Friday, July 21. Friday's peak of 49,036 megawatts set a new record for electricity usage for the state, breaking the old record by 2,500 MWs.

Thus far, the California ISO has served this record demand, but it has been with some difficulty and challenges. The amount of conservation received during the peak periods has made a tremendous difference and the ISO wants to express its appreciation. **However additional conservation is critical today if the ISO and the state's utilities are to continue service. If Californians do not step up their conservation efforts this afternoon considerably, rotating outages are possible.**

Powerful Habits at Home:

- Set your thermostat at 82 degrees or higher when home, off when away.
- Avoid using unnecessary lighting and appliances during the peak usage period from 2 to 8 pm.
- Turn off your pool pump and avoid outdoor watering during peak periods.

Powerful Habits at Work:

- Turn off computer monitor when you are away from your desk
- Turn off half the overhead lighting.

Additional conservation tips and continuous system condition updates are available on the web at www.aiso.com and the California Flex Your Power website is at www.flexyourpower.ca.gov.

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STAGE ONE -- 2-2-2

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.

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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