



NEWS RELEASE

FOR IMMEDIATE RELEASE
December 13, 2000

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CALIFORNIA ISO ISSUES STAGE TWO ELECTRICAL EMERGENCY Media Teleconference Call at 4:00 p.m. and 6:15 p.m.

(Folsom, CA) The California Independent System Operator (California ISO) is declaring a Stage Two Electrical Emergency today, Wednesday, December 13, 2000 after credit concerns involving market participants stopped the flow of several thousand megawatts of Northwest imports into California. The Stage Two is in effect from 2:00 p.m. to 10:00 p.m. Demand across the California ISO Control Area is expected to peak at 33,767 megawatts around 6:00 p.m.

The California ISO anticipates activating the voluntary load interruption programs administered by the state's investor-owned utilities at around 4:00 p.m. **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.

The California ISO strongly encourages state residents to continue their energy conservation efforts.

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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 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 6:00 a.m. and is effective through midnight.

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 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.

MEDIA TELECONFERENCE CALLS WILL BE HELD AT 4:00 P.M. AND 6:16 P.M.

Call: 800 374-1387

Pass code: 982640

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