



NEWS RELEASE

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FEDERAL POWER ORDER INVOKED BY CALIFORNIA ISO **Additional Energy Supplies Requested for Tomorrow's Operation**

(Folsom, CA) For the second day in a row the California Independent System Operator (California ISO) invoked the federal order issued late last week by Energy Secretary Bill Richardson. The order from the U.S. Department of Energy (DOE) instructs approximately 75 entities, some within the state of California and others within the western region, to make arrangements to generate, deliver, interchange and transmit the electric energy requested by the California ISO. Invoking the order today is expected to increase the supply options available to meet the state's energy demand for tomorrow, Thursday, December 21, 2000.

A week's extension of the DOE order, which is pursuant to the Federal Power Act, was granted earlier today. The order is now slated to expire at 3:00 a.m. EST on Thursday, December 28. The extension was requested by the California ISO early this morning in anticipation of the order's expiration this evening.

The resource challenges experienced the last several weeks remain unchanged. Lack of power resources in Northern California and the inability to get additional resources from the Pacific Northwest necessitated this action. At the same time, transmission constraints in the middle of the state have limited the ability of the California ISO to get additional power from Southern California up to the northern portion of the state.

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Federal Power Order

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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."

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