



NEWS RELEASE

FOR IMMEDIATE RELEASE
January 9, 2001

Contact: Patrick Dorinson
Director of Communication
1 (888) 516-NEWS

MORNING BEGINS WITH STAGE ONE ELECTRICAL EMERGENCY **Outages + Slim Imports + Transmission Constraints = Low Reserves**

(Folsom, CA) The California Independent System Operator (California ISO) declared a Stage One Emergency at 6:45 a.m. today, Tuesday, January 9, 2001, after operating reserves dipped to below seven percent. Today's consumption of electricity is expected to peak by 6:00 p.m. and draw an estimated 32,322 megawatts off the ISO-controlled power grid. The Stage One Emergency triggers a public request for conservation of electricity that will be in effect until 10:00 p.m. tonight

A combination of factors is leading to the shortfall: Some 10,000 megawatts of California power plants are offline due to planned and forced outages, imports from the Northwest are lean, and Path 15 is experiencing bottleneck. Path 15 is a group of high-voltage power lines that feed electricity back and forth between Northern and Southern California. A traffic jam of sorts occurs on the lines when demand for power draws electricity from Southern California to the point the power lines approach and sometimes exceed transmission capacity.

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.

-MORE-

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

-ISO-