

California Independent System Operator

NEWS RELEASE

FOR IMMEDIATE RELEASE February 28, 2001

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

STAGE TWO ELECTRICAL EMERGENCY ISSUED BY CALIFORNIA ISO Conservation Efforts Today are Crucial

(Folsom, CA) At 9:40 a.m. the California Independent System Operator (California ISO) declared a Stage Two Electrical Emergency today, Wednesday, February 28, 2001. This morning, several significant generation sources – one in Northern California, one in Oregon and two in Montana -- were lost, necessitating this Emergency declaration. A total of 10,600 megawatts of California power plants are unavailable today due to planned and forced outages and a limited amount of imports are available from the Northwest.

Conservation plays a large part in the California ISO's efforts to "keep the lights on." Californians are encouraged to continue, and step-up, their conservation efforts as much as possible today. The Stage Two is in effect until midnight tonight. Demand across the California ISO Control Area is expected to peak at 29,127 megawatts around 6:00 p.m. this evening.

With the Stage Two declaration, the California ISO is able to access emergency resources that will help maintain operating reserves today. At this time, the ISO has not requested that the utilities' voluntary interruptible customers, mainly commercial and industrial users, come off line.

-MORE-

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.

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 <u>www.caiso.com</u>.

Other helpful contacts:

Pacific Gas and Electric415/973-5930Southern California Edison626/302-2255San Diego Gas and Electric877/866-2066

-- ISO --