

NEWS RELEASE

FOR IMMEDIATE RELEASE May 28, 2003 Contact: Stephanie McCorkle Director of Communications 1 (888) 516-NEWS

CALIFORNIA ISO DECLARES STAGE ONE ELECTRICAL EMERGENCY

Consumers Asked to Conserve Electricity this Afternoon

(Folsom, CA) The California Independent System Operator (California ISO) issued a Stage One at 3:00 p.m. today, May 28, 2003, as operating reserves dipped. Consumers are asked to lessen the strain on the state's power grid by conserving electricity by avoiding use of large electrical appliances until after 7 p.m. tonight. No blackouts are expected. Temperatures in California are an estimated 5 – 7 degrees above forecasts, causing customer demand on the ISO power grid to run 4,000 megawatts over the projected peak demand of 38,633 megawatts. Typically, demand for power peaks at 4 p.m. this time of year. The Stage One is in effect until 8 p.m.

The Stage One Emergency declaration enables the California ISO to access emergency resources to help maintain operating reserves. 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. A Stage Two has not been declared at this time.

If an operating reserve shortfall of less than one-and-a-half percent is unavoidable, a Stage Three Emergency 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

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standards enacted by landmark legislation Assembly Bill 1890 that led to the restructuring of California's electricity industry.

The California ISO is a not-for-profit public benefit corporation charged with managing the flow of electricity along California's 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.

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 415/973-593

Southern California Edison 626/302-2255

San Diego Gas and Electric 877/866-2066