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GOVERNOR DAVIS DECLARES

END TO ENERGY CRISIS

SACRAMENTO -- Governor Gray Davis today officially rescinded the state of emergency originally signed on January 17, 2001. The Governor's proclamation signals an end to California's energy emergency.

"This summer, California experienced its highest demand ever without any type of power outage," Governor Davis said. "Southern California Edison had the largest load ever on its system and the lights didn't even flicker. I'm pleased to declare California's energy emergency over."

"I thank those who worked to expedite construction of 24 new power plants. And I will always be grateful to Californians for their extraordinary efforts at energy conservation in 2001 and 2002."

While tremendous progress has been made, much still needs to be done to recover money ripped off from ratepayers, reduce energy rates, develop renewable energy, improve the reliability of transmission lines and continue building power plants to meet California's growing energy demand.

"The market manipulators still owe California's ratepayers more than \$9 billion dollars. FERC should order that refund immediately," Governor Davis said.

Throughout the energy crisis the Davis Administration accelerated licensing of new power plants, reduced red tape and paved the way for new major power plants and "peaker" plants.

Since 1999, 38 power plants have been licensed, totaling 14,365 MW. In 2001, more new power was brought online than in the previous 12 years combined - enough to power more than two million homes. From January 2001 to August 2003, 8,086 MW of new generation was brought online, including 6,200 from major plants of 300 MW or more, without compromising environmental standards.

The Davis Administration also created the nation's largest Renewable Portfolio Standard making the largest commitment to renewable power in the country.

While increasing the energy supply, the Davis Administration also reduced energy demand through landmark conservation and energy-efficiency programs. The \$850-million conservation program is the largest of its kind in the nation.

The Davis Administration's peak load reduction program delivered 1,411 MW of savings. Its new building standards saved 200 MW in its first year. And the "Flex Your Power" program saved 1,468 MW in 2002, and is expected to provide the same amount of savings for 2003.

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# PROCLAMATION

by the  
Governor of the State of California

WHEREAS, on the seventeenth day of January, 2001, I proclaimed that a state of emergency did exist due to shortages of energy available to California's utilities, resulting in extraordinary energy prices and blackouts that affected millions of Californians and that threatened California's emergency services, law enforcement, schools, hospitals, homes, businesses, and agriculture; and

WHEREAS, in that same proclamation, I ordered the Department of Water Resources to enter into contracts for the purchase and sale of energy as necessary to mitigate the effects of the energy emergency, and also ordered all agencies of the state to use their powers to alleviate the emergency; and

WHEREAS, in accordance with that proclamation, the Department of Water Resources has entered into binding long-term contracts for the purchase and sale of electric power to the people of California, and other agencies of the State have acted to alleviate the emergency; and

WHEREAS, the State of California, acting by and through its agencies and the Office of the Attorney General, has taken legal action to prosecute those persons and entities that caused and exacerbated this crisis, and has taken action to recover the unfairly gotten gains from such persons and entities, for the good of the people of California; and

WHEREAS, since that proclamation was issued, over 9,500 megawatts of new electric generation facilities have been constructed in California, and California utilities have added significant quantities of transmission upgrades;

WHEREAS, these actions have resulted in lower, stable energy prices for the people of the State of California, and have resulted in the complete absence of blackouts due to the shortages of electricity since 2001; and

WHEREAS, I am advised by the appropriate agencies of the State of California that, due to these actions and others, the current conditions warrant the termination of the State of Emergency;

NOW, THEREFORE, I, GRAY DAVIS, Governor of the State of California, in accordance with the authority vested in me by the California Emergency Services Act, and in particular, Section 8629 of the California Government Code, HEREBY PROCLAIM THE STATE OF EMERGENCY TO BE AT AN END; and

I FURTHER DIRECT that as soon as hereafter possible, this proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given to this proclamation.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 13th day of November 2003.

Governor of California

ATTEST:

Secretary of State