

Department of Energy
Washington, DC 20585

January 23, 2001

**Amendment No. 2 to January 11, 2001, Order Pursuant to Section 202(c)
of the Federal Power Act**

On January 11, 2001, pursuant to section 202(c) of the Federal Power Act (16 U.S.C. 824a(c)) and 10 C.F.R. § 205.370, because of a shortage of currently operational electric generation facilities, a shortage of water used to generate electricity, unusual volatility of electricity and natural gas markets, and for other reasons, the Secretary of Energy determined that California was experiencing an unexpected shortage of electric energy. Therefore, pursuant to Section 202(c) of the Federal Power Act, the Secretary found an emergency existed in California by reason of the shortage of electric energy, and issued an order requiring entities listed in the order to make arrangements to generate, deliver, interchange, and transmit electric energy when, as, and in such amounts as may be requested by the California Independent System Operator (California ISO). On January 17, 2001 an order was issued modifying certain provisions of the January 11 emergency order, and extending the order until 3:00 a.m., EST, January 24, 2001.

I find that the circumstances which led to the previous determinations that California was experiencing a shortage of electric energy continue and hereby extend the Section 202(c) emergency order until 3:00 a.m., EST, February 7, 2001.

The January 17, 2001 amendment to the emergency order required the California ISO to submit a progress report on the California state program to reduce peak load electricity use from a responsible state official. In satisfaction of that requirement, a progress report from the Secretary of the California State and Consumer Services Agency was submitted on January 23, 2001. I am requiring the California ISO to submit further progress reports on the state program to reduce peak load electricity use from a responsible state official by 5:00 p.m., EST, January 29, 2001, and on a weekly basis thereafter.

All other terms of the January 11, 2001 order, as amended, remain the same and in effect.

ORDER

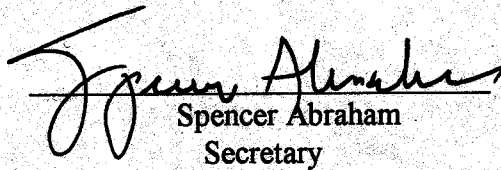
For the reasons set forth above, pursuant to Section 202(c) of the Federal Power Act, it is ordered that:

- A. Ordering Paragraph C of the "Order pursuant to Section 202(c) of the Federal Power Act" (the Order), dated January 11, 2001, as amended, is further amended to read as follows:

"This order is effective immediately and expires at 3:00 a.m., EST, February 7, 2001, unless altered or revoked by further order."

- B. Ordering Paragraph D of the Order is amended by adding the following sentence after the sentence ending with "January 22, 2001.": "The California ISO must submit further progress reports on the state program to reduce peak load electricity use from a responsible state official by 5:00 p.m., EST, January 29, 2001, and on a weekly basis thereafter."

Issued in Washington, D. C., on January 23, 2001


Spencer Abraham
Secretary