News for Immediate Release

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Contacts:

Veronica Hicks, Office of Power and Risk	(916) 574-1295
Ted Thomas, Information Officer	(916) 653-9712

NEW LODI ENERGY PLANT WILL HELP CALIFORNIA'S STATE WATER PROJECT CUT EMISSIONS, GO GREENER

LODI -- A new natural gas energy plant opening here today will enable California's State Water Project to substantially cut greenhouse gas emissions.

The new, 296-megawatt Lodi Energy Center will provide the Department of Water Resources (DWR), which operates the State Water Project, cleaner energy to replace a portion of its power needs now served by coal-fired generation.

"This action will reduce DWR's greenhouse gas emissions, moving us closer to our goal of reducing emissions by 50 percent below 1990 levels by 2020," reported Veronica Hicks, Chief of DWR's Power and Risk Office. She noted that:

"Energy supplied to DWR from this new plant will release 68 percent less emissions than the same amount of energy supplied through DWR's coal contract, which ends in July 2013."

DWR uses electrical energy to move water through the State Water Project, the largest State-run water and power system in the United States. The project provides water to an estimated 25 million Californians and 750,000 acres of irrigated farmland. By generating electricity at Oroville Dam and its other hydroelectric facilities, the State Water Project produces much of the energy it needs, but still must buy some electricity.

Owned and operated by the non-profit Northern California Power Agency, the new state-of-the-art Lodi Energy Center cost $388 million to build and will cost $90 million to operate annually.

DWR is the largest of 13 project participants associated with the Lodi Energy Center. DWR has contract rights to almost 100 megawatts, or 33.5 percent of the

plant's capacity.

"This facility has one of the lowest greenhouse gas emission rates for a natural gas plant in California," said Hicks. The new facility will employ advanced emission control technology and has a fast-start capability allowing it to deliver about 200 megawatts of power capacity within just 30 minutes. This feature will help grid operators integrate into California's electrical system intermittent, weather-dependent sources of renewable electricity generated by the sun and wind. Fast-start capability also reduces greenhouse gas emissions by 30 percent when compared to conventional units.

DWR's contract for coal-fired energy will not be renewed after it expires in July, 2013. Since 1979, DWR has held a partial interest in Unit 4 of the Reid Gardner Power Station in Moapa, Nevada. It supplied up to 235 megawatts of capacity to the SWP.

For more information about the new Lodi Energy Plant and the Northern California Power Agency, click on this link: www.ncpa.com

To learn more about DWR's efforts to cut greenhouse gas emissions, click on this link to access DWR's Climate Action Plan:
http://www.water.ca.gov/climatechange/CAP.cfm

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The Department of Water Resources operates and maintains the State Water Project, provides dam safety and flood control and inspection services, assists local water districts in water management and water conservation planning, and plans for future statewide water needs.