

2016

Corporate Responsibility & Sustainability Report



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On The Cover: Alexandra Guerra is a Renewable Energy Integration Engineer at Edison.

About This Report

This year's report reflects Edison International's corporate responsibility and sustainability metrics and our community investment activities from 2016. This report is structured to cover our strategy and performance around four areas that we have deemed critical to the long-term sustainability of our business: **servicing our customers, protecting the environment, supporting our communities** and **partnering with our employees**.

We disclose information that aligns with the Global Reporting Initiative's fourth generation of sustainability reporting guidelines (GRI G4), as well as applicable Electric Utility Sector guidelines. This report is an annual snapshot in time, and we regularly update our website to highlight our sustainability efforts and community engagement activities.

Corporate responsibility and sustainability remain the foundation from which we operate our business each and every day. We know that **our success depends on the quality, productivity and engagement of our employees**. We are pleased this year to include corporate responsibility and sustainability activities and metrics from Edison Energy for the first time.

Edison is proud to foster an inclusive **culture in which every employee is valued and respected**; and to do **the right thing for customers, fellow employees, investors, suppliers** and our **communities**. We strive to be transparent and straightforward when we discuss our business performance. Your feedback continues to guide our reporting. To share your thoughts and suggestions, please contact us at crreport@edisonintl.com.

Company Overview

Edison International (NYSE:EIX), through its subsidiaries, is a generator and distributor of electric power, as well as a provider of energy services and technologies, including renewable energy. Headquartered in Rosemead, Calif., Edison International is the parent company of Southern California Edison, **one of the nation's largest electric utilities**. Edison International is also the parent company of Edison Energy, an independent advisor for commercial and industrial energy users. Edison Energy delivers comprehensive, data-driven and integrated energy solutions. Edison Energy is independent from Southern California Edison.



Our Values:

- **Safety**
- **Integrity**
- **Excellence**
- **Respect**
- **Continuous Improvement**
- **Teamwork**

CEO's Message

Our company, industry and global economy are all in the midst of a profound transformation toward a low-carbon future as a response to climate change. New technologies are giving customers and utilities alike more and cleaner choices in energy production and efficient usage. With more than 130 years of innovation in our history, we at Edison International are well positioned to lead the transformation of the electric power industry, focusing on opportunities in clean energy, electrification, grid edge and customer choice to achieve growth and create optionality for our business. We believe in the clean energy future and we are leading by example, developing smart solutions to society's climate and energy challenges.

Creating a Next-Generation Energy Company

At our principal subsidiary, Southern California Edison (SCE), we are building a modern electricity company that is much more than today's traditional utility. The energy company of the future allows customers to take control of their energy consumption by providing safe, smart, flexible, reliable and affordable services. We are also focused on supporting California's goal to cut greenhouse gas emissions to 40 percent below 1990 levels by 2030 and ultimately reducing emissions 80 percent under 1990



levels by 2050. We believe that California will have to move much more aggressively than it has in the past to meet the mandates within a short 13 years. Many of the state's policies to date have focused on electric power generation, which represents approximately 20 percent of current statewide greenhouse gas emissions. The transportation sector, when including petroleum refining, makes up about 50 percent of the state's current greenhouse gas emissions. In 2016, we began a \$22 million pilot to add as many as 1,500 electric vehicle charging stations in SCE's service area. In January 2017, SCE

filed an application at the California Public Utilities Commission laying out a path for using transportation electrification to help meet the state's goals. Our plan includes more than \$570 million in programs and infrastructure to grow transportation electrification with an emphasis on goods movement, including medium and heavy-duty trucks and port equipment.

In 2018, SCE also expects to file an additional application aimed at accelerating light-duty electric vehicle adoption. These proposals will help SCE work towards achieving our share of California's 1.5 million electric vehicle target by 2025. We are also focused on modernizing the grid as the critical enabler of carbon reduction across the entire economy, not just the power sector. A modern, two-way grid is the framework at the core of our strategy to enable our economy's transformation through innovation while enhancing customer reliability with fewer and shorter unplanned power outages.

Sustainability for the Nation's Largest Energy Users

At Edison Energy, we are helping the nation's largest energy users achieve sustainability through strategic energy planning, renewable energy integration and energy efficiency. We count some of the nation's largest and most dynamic companies as our clients, including 17 of the Fortune 100. Across the nation, commercial and industrial companies, universities and hospitals are turning to us to help them save money, improve resiliency and reach their sustainability goals. In corporate renewable energy purchasing alone, we have advised customers on over 1.6 gigawatts of wind and solar transactions.

Part of Our Community

While we lead the clean energy transformation in California and across the nation, we also remain mindful of the communities in which we live and serve. We want to ensure that everyone benefits as our economy moves to adopt clean energy technologies for healthy air and a healthy climate. One way we do this is by offering financial assistance programs to ensure equal adoption of energy efficiency and demand response technologies, electric vehicles, renewable energy and energy storage. Last year we contributed \$20 million to community organizations, with a focus on education, environment, civic engagement and emergency preparedness. Of that total investment, we gave nearly \$12.3 million to scholarships and programs in education to nurture the future innovators who will help transform our

industry and society in the years to come. We support and encourage our employees to give their time, money and expertise to community causes that are important to them. Our employees put in 143,675 hours volunteering for nonprofit and community-based organizations last year and individually contributed \$2.1 million for worthwhile causes. The local, personal causes that our employees support strengthen the fabric of the communities in which they live — like in Dublin, Ohio, where Edison Energy employees collect school supplies for underserved kids, and in Long Beach, California, where Edison employees donate, prepare and serve food to people in need at the AIDS Food Store.

Strength in Diversity

Embracing diversity and inclusion continues to be critical in all we do, and our workforce reflects that commitment. We are proud to employ more than 12,000 people from a wide range of cultures, religions, ethnic groups and sexual orientations. In 2016, Edison endorsed two national initiatives focused on gender parity in compensation practices and corporate leadership; the White House Equal Pay Pledge, and the Paradigm for Parity Coalition.

Supplier diversity is also important to us. In 2016, 44.5 percent of SCE's total purchases, or over \$1.68 billion, went to Diverse Business Enterprises. This marks the fourth year in a row that we exceeded our aspirational goal of 40 percent spend with diverse suppliers. We continually collaborate

with our stakeholders to develop innovative and new procurement opportunities to evolve and enhance our supplier diversity strategies and activities. I am proud of the inspiration of our employees who make Edison International a place where innovative sustainability initiatives are a mainstay. We continually challenge ourselves to do more, especially as California's progressive policies on environmental and social issues often lead other states to adopt similar actions. Beyond California, we joined a growing list of American businesses, universities, and state and local leaders in confirming our continued support for the Paris Accord and its commitment to action on greenhouse gas reduction.

Looking Ahead

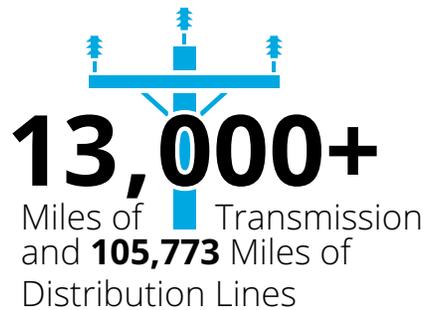
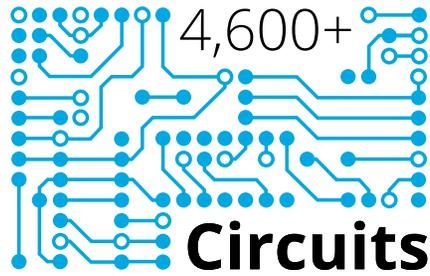
Building on our expanded report this year, we plan to continually broaden our sustainability reporting in the future. We see this report as a snapshot in time, and part of the ongoing dialogue we strive to maintain with our customers, communities and stakeholders. Please share your thoughts with us at crreport@edisonintl.com.



Pedro J. Pizarro
President and CEO, Edison International



At A Glance: 2016



*SCE delivered more solar energy to its customers than any other utility in the nation, according to the Smart Electric Power Alliance.

California's 2030 Targets on Climate Change & Greenhouse Gas Emissions

California has made a major commitment to addressing climate change and our company will be a key player in this effort. Last year California passed SB 32, which aims to reduce greenhouse gas emissions 40 percent below 1990 levels by 2030. It demonstrates California's willingness to lead in this effort, to demonstrate what can be done for other states and other governments across the world. In order to meet this ambitious mandate within a short 13 years, California will have to move much more aggressively than it has in the past — and sooner rather than later. Many of California's policies have focused on electric power generation, but that represents only about 20 percent of current statewide greenhouse gas emissions. The largest source is the transportation sector (including petroleum refining), with about 50 percent of current emissions.

Substantial new efforts will be needed across all sectors of the economy, and many of these efforts will require significant efficient electrification of sectors that today rely on fossil fuels and can instead rely on much cleaner power from the electric grid.

We see the efficient electrification of transportation in California as a key component of carbon reduction. In January 2017, we filed our application at the California Public Utilities Commission laying out a path for using transportation electrification to help meet the state's greenhouse gas reduction goals.

The race to lower emissions is embraced by our customers, who are adopting rooftop solar at a rate of 4,000 to 5,000 customers a month. Our role at Edison is to enable this shift with **a strong grid that supports electric vehicles, customer-sited storage, rooftop solar, energy management systems, smart thermostats and all other technologies** that allow customers to manage their electricity usage.



Increasing Renewables in the Energy Mix

More than 28 percent of the electricity SCE provided customers in 2016 came from eligible* renewable sources. That's up from 24 percent in 2015. This increase was driven by:

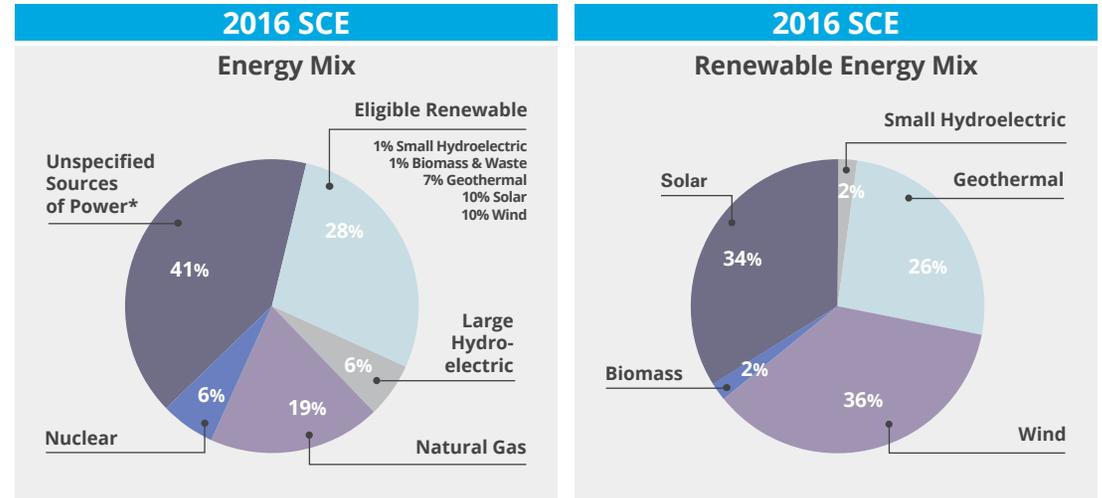
- 49 percent increase in solar power
- 22 percent increase in wind power

SCE expects to derive 50 percent of its power from eligible renewable sources by 2030. The Renewables Portfolio Standard (RPS), which is set by the state, includes eligible renewable sources such as solar and wind energy that SCE produces or purchases. It excludes rooftop solar and large-scale hydropower in this definition. **When all is included, SCE is currently at 40 percent clean power today.**

Our commitment to clean, renewable energy sources has risen consistently over the years. These commitments are explained in terms of [California's Power Content Label](#) and its RPS.

*Eligible renewable resources are defined by statute and the California Energy Commission.

Solar energy represented 10 percent of SCE's 2016 total power mix and 34 percent of its renewable energy mix.



*Electricity from transactions that are not traceable to specific generation sources

Average Greenhouse Gas Per Unit of Electricity Provided

SCE's GHG intensity per unit of electricity provided remains well below the estimated national and western U.S. averages, primarily because **SCE does not rely on coal generation to meet customer needs.** SCE's remaining utility-owned generation fleet is composed primarily of large hydropower and natural gas-fired facilities.

Average GHG Per Unit of Electricity Provided
[Metric Tons of CO₂ Equivalent per Megawatt-Hour]

	2014	2015	2016
SCE Portfolio Estimate (utility-owned generation and purchased power)	0.26	0.23	0.24
EPA's US Estimate	0.56	0.70	0.51

Energy Efficiency & Demand Response

Energy Efficiency and Demand Response programs help **reduce greenhouse gas emissions** and thus support California's GHG reduction goals. Just as important, these programs help customers manage their electricity usage. SCE offers a variety of energy-saving plans, rate programs and rebates for residential and business customers.

Energy Efficiency

Energy Efficiency programs reward utility customers for making changes that impact their **long-term energy usage**; for example, replacing older appliances or equipment with newer energy-efficient models. This includes items like heating ventilation and air conditioning systems, pool pumps and LED lighting.

SCE: 2016	1,477 GWh in energy savings <i>(113% of CPUC goal)</i>	286 MW of long-term peak demand reduction	Helped prevent 329,629 metric tons of GHG emissions	Equivalent to 219,224 cars removed from California's roads for an entire year
SCE: Last 5 Years	71,000 GWh in energy savings	Enough to power 1 million homes in California for an entire year	Helped prevent approx. 2.4 million metric tons of GHG emissions	Equivalent to 1 million cars removed from California's roads

Demand Response

Utility-sponsored programs that reward customers who make **short-term energy use reductions based on a trigger or signal from the utility**; these reductions usually last 1-4 hours per event and help us avoid using less efficient peaker plants.

SCE: 2016 Portfolio	649,733 total residential enrollments	19,834 total commercial enrollments	Approx. 1,408 MW of eligible resources for electricity usage reduction if needed
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Demand Response

Summer Discount Plan - 2016 Results

- A popular demand response program that lets participants earn up to **\$200** in bill credits over the summer
- Allows SCE to remotely turn off (or “cycle”) a customer’s air conditioner as needed
- Customers choose their incentive level by deciding how often — and for how long — they permit SCE to cycle their air conditioner during these events

Total participation:
277,136 customer accounts

11,282
new enrollments

12.45 MW
of energy savings per event by new 2016 enrollments

2,415 MW
total saved from the 57 Summer Discount Plan events

Demand Response

Save Power Days - 2016 Results

- On any weekday when electricity demand is relatively high, SCE can call a Save Power Days “event” between 2-6 p.m. asking customers to conserve electricity
- All SCE customers enrolled in Save Power Days have the option to earn up to **\$0.75** for every kilowatt-hour reduced during the event (based on the customer’s average weekday usage from 2-6 p.m.)

14
Save Power Day events

381,977
homes participating

31.7 MW
total energy savings per event

Edison Energy is Helping Companies Save Energy

General Motors (GM), one of the world's largest automakers, is one of just 96 global companies (and one of only three auto manufacturers) to join RE100 pledging to meet the electricity needs of its global operations with **100 percent renewable energy by 2050**. GM's partner in this ambitious effort is Edison Energy's renewable energy service, a long-term and trusted partner. GM's use of renewable energy has saved the company \$80 million over the last two decades. GM expects its renewable energy financial returns to expand as its project portfolio grows to meet its renewable energy commitment.

Edison Energy assisted the GM team in navigating the complex world of project due diligence and risk assessment, and developed confidence intervals to forecast economics for each project. The result was a formalized process that yielded best-in-market opportunities for GM.

GM has made significant progress in building its energy portfolio based on an analytically rigorous methodology that aligns with the company's long-term business plans. The renewable energy initiatives are being successfully built into the company's planning around brand and operations, and have gained the tactical support of senior management across the organization.

The GM experience shows that America's biggest companies can benefit their bottom line by using renewable energy while improving the communities where they operate.

Read more:

[GM Commits to 100 Percent Renewable Energy by 2050](#)

Sustainable Facilities at SCE

Over the past few years, we have increased enrollment in our online billing program, helping customers reduce paper consumption.

The LEED Platinum (Leadership in Energy and Environmental Design) Wildomar facility uses cutting-edge water management practices such as porous concrete, storm water bioretention basins, vegetated swales, inlet filters and underground storm water detention.

Similarly, at our award-winning Villa Park substation, we have dramatically cut annual water use and eliminated dry-weather runoff.

Our WasteNot workplace recycling program has gained recognition on the state and national levels since we introduced it more than 25 years ago.



Safety Becomes a Company Value

In 2016, we officially added safety to the top of our list of existing values — along with integrity, excellence, respect, continuous improvement and teamwork. Our values have implicitly shaped our 130-year history, and they mean a great deal to us.

Safety is not just a word to us. It is a way of working and living. Each of us plays a critical role in creating an injury-free safety environment — one that relentlessly pursues the prevention of all injuries to employees, contractors and the public. We want everyone to be aware of our deep commitment to safety, including stopping work anytime unsafe conditions or behaviors are observed. Adding safety as a value is an important step in creating a culture that truly puts safety first.

Public Safety: Education

Keeping the Public Safe

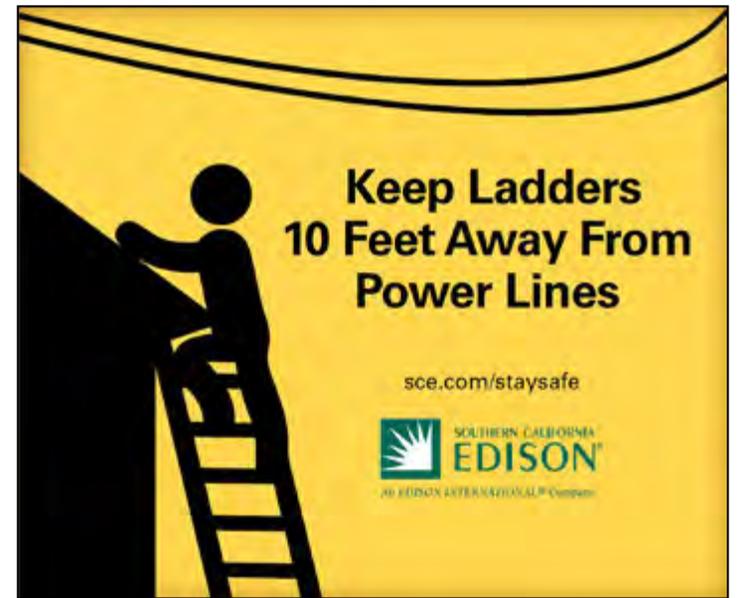
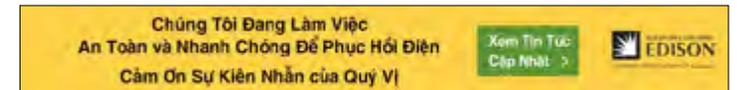
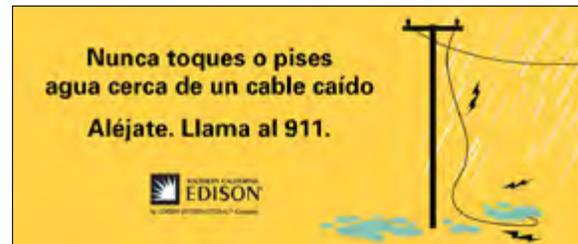
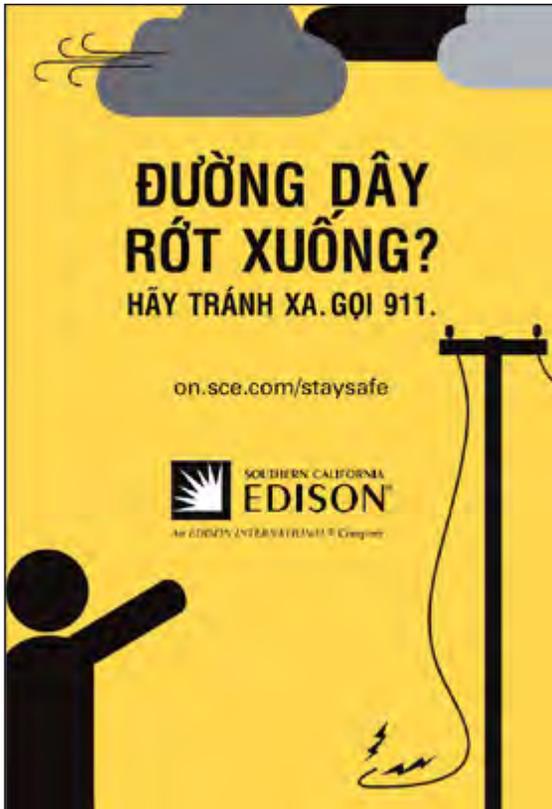
Read more about distribution system investments to ensure reliability and protect the public on page 17. When we do have system failures, such as a downed wire or a pole fire, we want to ensure that members of the public know how to recognize the hazard and keep themselves safe.

SCE's 2016 advertising campaign extended 2015's focus on safety near power lines, especially in everyday, nonemergency situations. The campaign achieved **more than 2 billion advertising impressions** — up from 1.5 billion in 2015 — via television, print, radio, digital/online, billboards and bus shelters.

Ethnic language outlets are important avenues for safety advertising campaigns. We have advertisements in English, Spanish, Korean, Chinese and Vietnamese, in alignment with the demographic makeup of the service area. In 2016, we published 356 ads in 35 ethnic language printed newspapers. Hispanic audiences accounted for 47 percent of overall impressions across all channels.

Social media is key - in 2016, SCE public safety messages on Facebook resulted in 15 million impressions from 4.6 million users, and 10.6 million impressions via Twitter

Samples of Advertising



Public Safety: Emergency Preparedness

First Responders

In the event of a major public safety emergency, first responders and communities will rely on Edison to play a critical role in disaster response. Electrical equipment damaged in a catastrophic event can be a major public safety hazard; at the same time, electricity is so essential to modern life that rapid power restoration is critical to disaster recovery efforts. That's why we invest significant time and resources into strengthening disaster preparedness and response capacity across the service territory.

In 2016, more than 1,500 outreach packages were sent to first responders across SCE's service territory. The contents of the package — First Responders Beware Poster, Booklet, Electrical Safety for First Responders DVD and a letter that includes the offer for additional safety training materials — are designed to help first responders stay safe around electricity. The mailing was in conjunction with in-person presentations from SCE's Business Resiliency Fire Management and Corporate Security Investigative Services.

Fire and Storm Preparedness

In 2016, we had our share of high rains, storms and fires. In response to each event, SCE deployed additional crews and support staff throughout the service territory in preparation and was ready to repair outages. Also in 2016, SCE ramped up planning for potential wildfires due to the die-off of an estimated 66 million trees in the Sierra Nevada. The trees, ravaged by five years of drought that made them more vulnerable to the deadly bark beetle, posed a major wildfire threat. SCE crews and contractors cleared hazard trees along hundreds of miles of its power lines, and the company reached out to local communities, commercial landowners and homeowners to work together to offer solutions for disposing of downed trees.

American Red Cross – PrepareSoCal 2.0

PrepareSoCal is a three-year partnership between the American Red Cross and Edison, with Edison giving \$1.5 million over three years from 2015 to 2017, after an initial \$1.5 million was given as a founding partner. The campaign is a collaboration between three regions of the American Red Cross in Southern California to promote resiliency in the face of disaster by sharing life-saving tips, tools and training with families in some of

our state's most vulnerable communities. This is particularly important in communities where income, education and English fluency are low. PrepareSoCal aims to develop volunteer resources and youth leadership across the region, with specific emphasis on designated communities, to support engagement and implementation of preparedness activities. Also, the program aims to increase regional resilience through countywide readiness, disaster communications and public awareness initiatives.

Read more:

[When Disaster Hits, Volunteers Bring Relief](#)

[Cold, Wet Weather to Hit Southern California Thursday & Friday](#)

[SCE Steps Up Wildfire Preparedness in the Sierra Nevada](#)

[Millions of Dead Trees in the Sierras Pose Unprecedented Fire Safety Hazard](#)



Employee Safety

Nothing is more important than our employees going home safely to their families at the end of each day. In 2016, Edison International continued its journey toward **improved safety performance**, as reflected in these measurements:

- The rate of workplace injuries reportable to the Occupational Safety and Health Administration (OSHA), and,
 - Days Away, Restricted and Transferred (DART) rate, which measures injuries serious enough for an employee to lose time away from work, or that require the employee to be on restricted duty.

SCE's performance in 2016 versus 2015:

- OSHA rate decreased by 17% (from 2.35 to 1.94)
- DART rate decreased by 15% (from 0.94 to 0.80)

In 2016, SCE's DART Injury Rate performance was in the 4th quartile among peer utilities.*

Edison International's goal is to improve its DART Injury Rate performance into the 2nd quartile in 2017 and continue improvement going forward.

- OSHA rate decreased by 18% (from 2.34 to 1.92)
- DART rate decreased by 14% (from 0.93 to 0.80)

In 2016, there were two SCE employee fatalities and two contractor fatalities. These tragic losses underscore the importance of our safety efforts. We are continually working to improve how we work in order to ensure the safety of our employees, contractors and the public.

**Per Modified Philadelphia Utility Index*

***SCE Only*



Safety: Employee OSHA Recordable Rate

Safety: Employee Lost Workday Case Rate

Safety: DART Rate

2014**	2015	2016
2.27	2.34	1.92
0.66	0.61	0.58
0.92	0.93	0.80



Outage Management

When outages are unavoidable, **SCE is dedicated to minimizing the disruption for our customers.** Substantial improvements to the outage experience were made in 2016 by making customer notifications consistent and easier to understand. This applied to postcards, online information and outbound phone calls, emails and texts.

In response to customer feedback, SCE streamlined its online outage map to make it easier to use. To help educate customers, SCE completed outreach to every city and county in its service territory on local infrastructure upgrades. The company also held 49 external outage schools in local communities, teaching business and residential customers how to prepare in the event of an outage.

This included information on safety, the maintenance and repair outage processes, outage resources and support and outage-related tools.

In 2016, more than 70 percent of all maintenance outages began and ended as communicated to the customer. SCE canceled or rescheduled maintenance outages slightly more than 10 percent of the time. To minimize outage inconveniences, the company is continuing to improve its maintenance outage processes to avoid sensitive dates, such as religious and civic holidays. In 2017, SCE plans to **enhance outage preference management tools** and **improve the timeliness of outage notifications** to keep customers adequately informed with the right amount of information at the right time.



Distribution System Investments

A high-performing distribution system is the critical link that will enable **the energy system of the future**. We are continually investing to strengthen and **modernize the grid**, to **expand accessibility for solar** and other **green power generation interconnection** at any point on the grid and **deliver the increasing power demands** of modern homes and businesses, all while improving reliability.

In 2016, our pole inspection program continued to swap out poles to support larger equipment and proactively replace deteriorating poles. We are also replacing older equipment with new, automated and updated models that allow for more options to provide power during storms or other natural events.

- **24,723** new poles installed, 20,849 for the distribution system and 3,874 for the transmission system.
- **199** underground vaults and manholes replaced.
- **519** conductor-miles of distribution underground cable replaced.

New Circuits

- **Pine Mountain Club, Kern County:** SCE invested \$2.2 million in new 12kV circuits that enable a two-way flow of electricity, installing 19 conductor miles.
- **Tulare,** a \$5-\$6 million investment was made to add four miles of new circuit. The new circuit added pump load needed due to the drought.

New Investments

- **Apple Valley:** SCE invested almost \$2.3 million to install multiple vaults and 4,000 feet of cable to cross the New Yucca Loma Bridge Crossing, supporting the Yucca Loma Road-Green Tree Boulevard. Transportation Improvement Project.
- **Alhambra:** SCE invested \$2.3 million in 7.5 miles of cable and 2 underground switches.

Public Safety - 12kV-16kV Overhead Conductor Program

SCE completed 607.3 miles and 2,513 branch line fuses to improve service and reliability and replace aging infrastructure.

- **El Monte:** SCE invested \$5 million and installed 51,000 feet of overhead wire.

- **Torrance:** \$3.5 million was spent on reworking almost 30,000 feet of wire and replacing 46 transformers.
- **Hawthorne:** Between \$4-\$5 million was spent to install 37,000 feet of overhead wire, fuses and replacement poles.

Roadway Projects

SCE completed two projects to alleviate congestion and intersection/pedestrian risks; lower the risk of train-vehicle collisions and delays for emergency responders; and reduce emissions and locomotive horn and crossing gate noise.

- In Los Angeles, we worked with several partners from the city to construct a six-lane roadway underpass and double-track railway bridge to separate Nogales Street with the railroad between San Jose Avenue and Gale Avenue/Walnut Drive North.
- We partnered with the City of Fullerton and Orange County Transportation Authority to construct a vehicle undercrossing at the intersection of Raymond Avenue and the Burlington Northern Santa Fe Railway, relocating and undergrounding multiple electrical facilities.



Undergrounding Projects

- **Laguna Beach:** SCE undergrounded 1,800 feet of overhead facilities along Laguna Canyon Road.

Infrastructure Elimination Cutovers

Circuit cutovers and substation elimination programs are one step in a much larger investment strategy to modernizing the grid to meet the growing electrical demands of our modern economy.

- **Ventura:** SCE invested \$8.5 million to eliminate 127 aging 4kV transformers and to transfer all 4kV circuits to neighboring 16kV circuits.
- **Topanga:** \$1.6 million investment to eliminate 52 transformers.
- **Montebello and Whittier:** \$10 million investment to eliminate 318 transformers.

Load Growth Cutovers

Load growth cutovers are used to shift a portion of an existing 4kV circuit to a different voltages, helping to reduce overall load on a 4kV circuit, improving reliability and meeting electrical demands. Almost \$3 million was invested in Santa Barbara County on two 4kV Load Growth Cutovers projects, cutting 37 transformers in all.

Other Investments

Catalina Island Project:

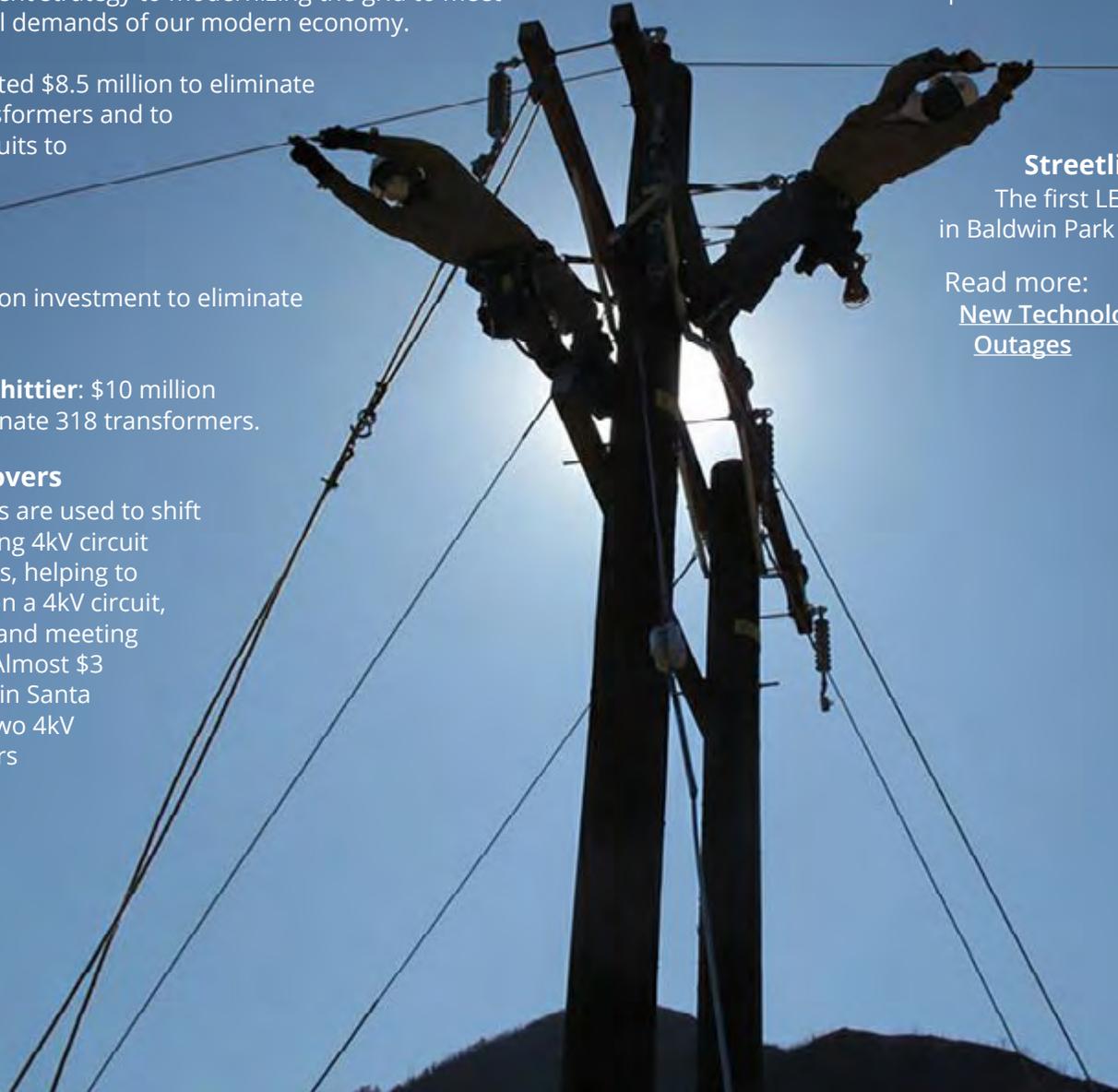
The second desalination plant came online in 2016.

Streetlight Program Management:

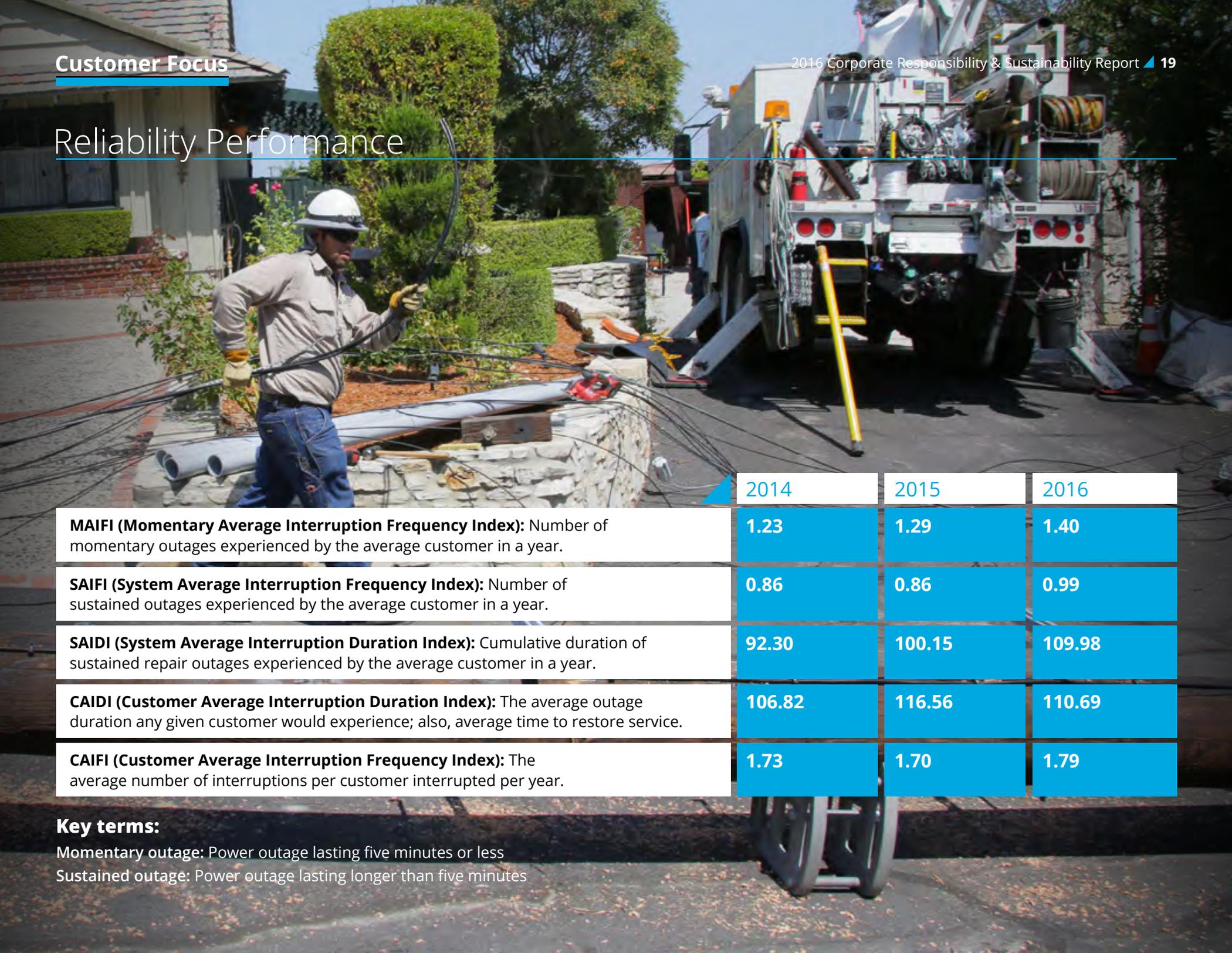
The first LED conversions were completed in Baldwin Park and Laguna Woods.

Read more:

[New Technology Will Help Reduce Impact of Outages](#)



Reliability Performance



	2014	2015	2016
MAIFI (Momentary Average Interruption Frequency Index): Number of momentary outages experienced by the average customer in a year.	1.23	1.29	1.40
SAIFI (System Average Interruption Frequency Index): Number of sustained outages experienced by the average customer in a year.	0.86	0.86	0.99
SAIDI (System Average Interruption Duration Index): Cumulative duration of sustained repair outages experienced by the average customer in a year.	92.30	100.15	109.98
CAIDI (Customer Average Interruption Duration Index): The average outage duration any given customer would experience; also, average time to restore service.	106.82	116.56	110.69
CAIFI (Customer Average Interruption Frequency Index): The average number of interruptions per customer interrupted per year.	1.73	1.70	1.79

Key terms:

Momentary outage: Power outage lasting five minutes or less

Sustained outage: Power outage lasting longer than five minutes

Likewise, as August's Blue Cut Fire burned in San Bernardino County, SCE crews and equipment prepared and waited in several staging areas nearby to receive clearance to enter from first responders. When the fire was extinguished, damage assessment teams identified 384 destroyed or damaged poles. With 140 customers without power, and significant clean-up required before power restoration was possible, crews installed portable generation to provide temporary service. Amid the continuing fires and difficulty in accessing the impacted areas, SCE helped customers prepare for several more days without power by setting up and staffing a Local Assistance Center at the San Bernardino fairgrounds in Victorville, giving out food, water and information.

In these and others like Kern County's Erskine Fire in August, customers in affected communities demonstrated their gratitude with colorful homemade signs and gestures of appreciation.



Volunteers at a Local Assistance Center distributing food, water and information to affected customers.



Serving Income-Qualified Customers

SCE offers CPUC-authorized programs to customers with qualifying incomes, such as the **California Alternate Rates for Energy** (CARE), the **Family Electric Rate Assistance** (FERA), SCE's **Energy Assistance Fund** (EAF) and **Energy Savings Assistance Program** (ESAP).

2016

California Alternate Rates for Energy (CARE) Ongoing bill support 1.23 million+ SCE customer accounts enrolled* <i>* More than 1/3 of SCE residential customer accounts</i>		Family Electric Rate Assistance (FERA) 19,102+ participating households	
SCE's Energy Assistance Fund (EAF) Administered by the United Way. Qualifying SCE customers can receive up to \$100 toward their energy bill once in a 12-month period			
\$1.39 Million donated by employees, customers and Edison International shareholders		12,760 households assisted	
Energy Savings Assistance Program (ESAP) Helps save energy and money by offering energy-efficient appliances at no cost to customers			
74,000+ participating homes	27 Million+ kWh saved	Reduced demand by 4,409 kW	



Helping Customers Go Solar: 2016 Totals

- #1 Nationwide*** for solar customers connected
- 53,282** interconnection projects
- Nearly 4,400** new interconnections each month
- Every 10 Minutes** a new solar customer is connected on average
- 447.7 MW** of new solar capacity added in 2016



SCE offers customers helpful information about installing solar generation at their **home** or **business**

**Source: Smart Energy Power Alliance Annual Utility Solar Rankings*

Solar for Families

Solar for Affordable Housing (SASH):

- The California Solar Initiative is part of the Go Solar California campaign run by the California Public Utilities Commission. A solar rebate program, the Single-Family Affordable Solar Housing program provides low-income families with free or low-cost solar photovoltaic (PV) systems that significantly reduce household energy expenses and allow families to direct those savings toward other basic needs.
- SCE works with GRID Alternatives, a non-profit solar contractor and the statewide program manager for the SASH Program.



As of Dec. 31, 2016, SCE had completed:

- 2,595 projects** for low-income families
- 8.2 MW** of generating capacity
- \$44.1 Million** paid in incentives

(Since program inception)

Solar for Multifamily Housing (MASH):

- The Multifamily Affordable Solar Housing program provides incentives for the installation of solar systems on low-income multifamily housing.

As of Dec. 31, 2016, SCE had completed:

- 153** solar projects for multifamily affordable housing
- 14.4 MW** of generating capacity
- \$44.2 Million** paid in incentives

(Since program inception)

Customer Satisfaction

One of the ways the utility industry measures **customer satisfaction** is through annual J.D. Power surveys. The surveys help SCE track its progress in meeting our customers' needs compared to other utilities across the nation.

J.D. Power examines several factors to determine a utility's overall customer satisfaction score and industry ranking for both residential and business customers. These factors include Power Quality & Reliability, Price, Billing and Payment, Corporate Citizenship, Communications and Customer Service.

Read more about Customer Focus at Edison International:
[Learning the Hows and Whys of Power Outages](#)
[Helping Customers Understand Their Utility Bills](#)
[Five Facts to Keep You Safe From Utility Bill Scams](#)
[Smart Thermostats Can Save Customers Energy and Money](#)
[9 Ways to Maximize Your A/C Efficiency](#)
[SCE Offers Bill Forgiveness to Kern Valley Fire Victims](#)

Among large utilities in the West, SCE was **ranked seventh** in J.D. Power's 2016 Residential Electric Utility Customer Satisfaction study (unchanged from 2015). SCE ranked sixth in the J.D. Power 2016 Business Electric Utility Customer Satisfaction study (up one position from the previous year).



Edison Energy's Customer Service Commitment

Daniel Weeden, head of Edison Energy's engineering service line, tells employees that they may think they work for a full-service energy consulting, engineering and project development firm, but in reality they are in the **customer service business**.

A project with Boston's Dana Farber Cancer Institute typifies the team's approach to customer service. From the start, it was evident that the design, operations and performance of the facility's HVAC systems were fragmented; some areas were operating properly, others inadequately. In response, Edison Energy engineers took a holistic approach to upgrading

the system's performance, conducting an energy audit, IT infrastructure upgrades, air balancing project and retro-commissioning projects such as steam leak repairs and air damper replacements. The repairs and adjustments resulted in total annual energy program savings of \$900,000 for the hospital.

In addition to the technical solutions, the team working at the hospital was always mindful of the delicate environment and the needs of the hospital patients while conducting work on-site.

Community Investment

At Edison, giving back is part of who we are and what we do. **We believe in our communities** — in meaningful causes and everyday heroes. We believe that when we care, we'll inspire others to do the same. We're committed to **building a better tomorrow** — a cleaner, safer, more affordable tomorrow where we can all live, grow, learn, work and play in safe, prosperous and inclusive environments.

We're investing in the environment so we can leave the world better than we found it; focusing on science, technology, engineering and math (STEM) education to develop tomorrow's technology innovators; and promoting emergency preparedness and safety education to safeguard for the future. Each of these areas is critical to helping provide the energy for what's ahead.

This chapter is a snapshot into some of the programs we have supported in 2016, through financial investments, employee volunteer hours and leadership mentoring.



Employee Volunteerism



In 2016, employees donated \$2.1 million through the Annual Employee Giving Campaign, Direct Match Program, fundraising and disaster relief efforts.

Read more:

[SCE Engineer Returns to Alma Mater for National Engineers Week](#)
[Students Find Motivation for Future Success](#)
[Volunteers Fight to End Hunger and Homelessness for Veterans](#)
[Giving Tuesday: Donations Can Help Power a Home](#)





143,675 Edison employee volunteer hours

Employee Volunteerism

At Edison we know that strong communities enhance how we work and live, and we are very much a part of the communities we serve. **Employees take pride in being a part of the fabric that helps strengthen their neighborhoods and eagerly join in opportunities to give back** through the annual employee giving and volunteer campaigns; memberships in employee resource groups; participation in the year-

round Matching Gift Program; and employee-led fundraising/donation drives.

In 2016, employees donated \$2.1 million and volunteered more than 143,675 hours on community projects that benefited the underserved.

Edison Energy Philanthropy

Edison Energy knows that their **service culture does not stop with suppliers, customers and fellow employees - it extends to the communities in which they live and work.** They choose causes that are close to employees and they find creative ways to contribute time, talent and money to advance the goals of the organizations they work with.

Two examples of Energy Services community investment activities are their work with **Ronald McDonald House** and **Dress for Success.** At the Ronald McDonald House of Central Ohio, the team prepared and

delivered goody bags for more than 50 children and families staying at the downtown headquarters. Dress for Success Columbus is another local organization that is meaningful to employees. They had a women's clothing drive, where they collected more than 50 items such as purses, shoes and briefcases to donate to out-of-work women to help them prepare for job interviews. Employees also volunteered to help several out-of-work women prepare for interviews by selecting outfits and work attire.



Support for Education

We believe **education can transform lives and change entire communities**. Our support focuses on providing underrepresented students access to higher education through scholarships in STEM. We want our future workforce to reflect the ethnic diversity of our customer base. **Scholarships and grants** to community colleges and universities **provide underserved and underrepresented students the opportunity to attend college where otherwise they may not have had the opportunity to do so**. In many cases, recipients of educational funding and winners of the Edison Scholars scholarships program are the first in their families to attend college.

We fund **more than 100 higher education institutions** — all community colleges, all California State Universities, all University of California schools and several private schools in our service territory. Funding education programs nurtures STEM scholars and helps them develop skills needed for the future workforce of our company, our region and the country.

One specific example of our education funding is the grant to the **Los Angeles County Library**, through the Library Foundation, to expand their popular science, technology, engineering, arts and math programs (STEAM). Edison gave an \$80,000 grant to provide free science and math programs at 10 libraries and four mobile vans, called MakerMobiles. From building robots to learning how to code, the classes teach kids how bridges are built and how aerodynamics work. Most importantly, the programs at

the library are free, enabling children from all backgrounds to access high quality programs.

Another example of Edison STEM funding is the **FIRST robotics program** — an international competition giving high school students and their adult mentors the opportunity to work together to create and solve a common problem using science and technology. In 2016, Edison supported the Orange County regional FIRST robotics competition with a \$15,000 grant. Supporting efforts like this help Edison build awareness of the rewarding STEM careers available in the energy industry.

Read more:

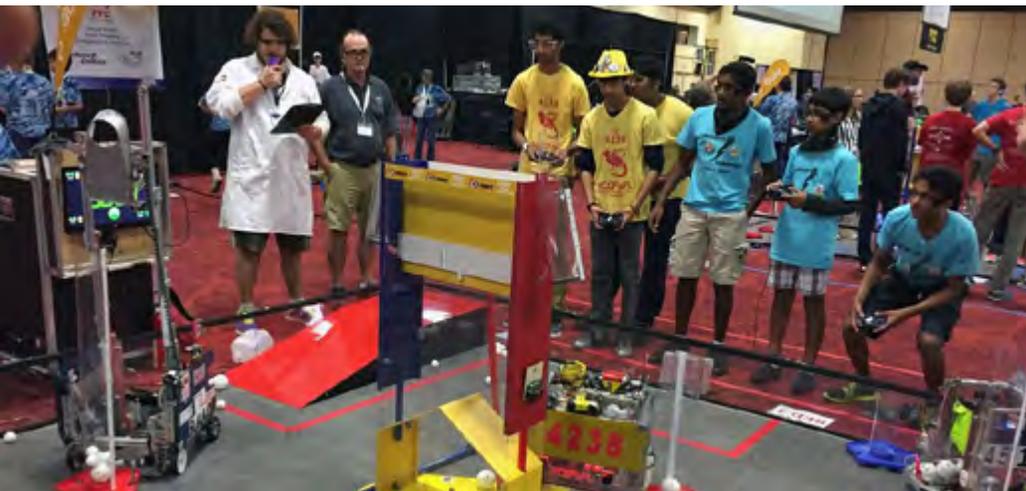
[Video: FIRST robotics competition](#)

[Grant for L.A. County Libraries Aims to Bring STEAM to Diverse, Low-Income Communities](#)

[Nonprofit Brings Computer Coding to Underserved Youth](#)

[Edison Unveils Program to Mentor Veterans Returning to Civilian Workforce](#)

[Student Breaks Stereotypes Through Higher Education](#)



Edison Scholars

The \$1.2 million Edison Scholars Program aligns with Edison's support for STEM education, to nurture the future innovators who will help transform our industry and society in the years to come. The program focuses on underrepresented, low-income students, awarding \$40,000 scholarships to 30 new Edison Scholars each year to pursue STEM degrees in college. From Hanford to Rancho Santa Margarita, these high school seniors are determined to succeed and make this world a better place for everyone.

Since 2006, Edison has awarded more than \$7.5 million in scholarships to 580 Edison Scholars.

Read more:

[Meet the 2017 Edison Scholars](#)

[From Wildomar to Rosemead, High Schoolers Get an Edison Scholars Surprise](#)

[Edison Scholars Thrive in College](#)

[Video: 2017 Edison Scholars](#)



Support for the Environment

Edison makes a difference by investing in the next-generation electric grid to encourage **renewable energy** adoption and **greenhouse gas emissions reduction**. We work to bring the clean energy revolution to disadvantaged communities, so that they can enjoy the economic and environmental benefits offered from renewable energy technology. Edison is also active in the local area protecting our land and natural resources, local species and supporting water conservation efforts.

Edison partners with **GRID Alternatives**, an organization that works to provide low-cost solar for families living on limited incomes. In addition to a grant, Edison employees gave their time to help with installation of rooftop solar in homes across our region — a key part of the GRID Alternatives volunteer model.

Edison also supports the GRID Alternatives' Solar Futures Program, an innovative workforce development training program designed specifically for high school youth to help them gain a foothold in the solar industry, one of the fastest growing industries in California. In this program, trainees install solar electric systems for low-income families, working alongside solar installation professionals, where they gain much-needed job experience.

Plug in America and Edison are working together toward widespread adoption of electric vehicles. Ride-and-drive events, organized and hosted

by Plug in America with a grant from Edison, play an integral role in our Charge Ready program, where SCE provides infrastructure for hundreds of electric vehicle charging stations at locations where people park their cars for extended periods of time, such as workplaces, recreation areas, schools and sports and concert venues. Widespread electric vehicle adoption is part of Edison's vision to make clean technology available to all communities and to support state goals for greenhouse gas emission reductions.

Edison supports **Coalition for Clean Air (CCA)** in their important work toward the development of a zero or near-zero emissions freight corridor on the I-710 Freeway. CCA supports the neighborhoods bordering the freeway who are working to ensure that highway expansion plans address public health and environmental concerns on levels of toxic air pollution, which are among the highest in California. They are working to promote personal and freight electric vehicle adoption and mass transit.

Edison also supports CCA's Toast to Clearing the Air, an annual event honoring California's most active clean transportation leaders, and the California Air Quality Awards, both aimed at creating greater awareness of the importance of clean air and support those working toward a clean air future.



Read more:

[Video: GRID Alternatives](#)

[SCE Kicks Off Program to Speed Up Adoption of Electric Vehicles](#)

[Conservation Corps Gives Military Vets a New Direction in Civilian Life](#)
[Volunteers Help Monitor Recovery of Storm-Battered Catalina Island Reef](#)

[SCE Rebuilds Forest Ravaged by Beetles, Drought](#)



Education

Programs



\$12.3M
Grants to support education



840
Grants to support STEM programs

Scholarships



\$4M
Awarded to higher education, Edison Scholars and HP Allen Program



109
Grants to higher education institutions

Investment in our community: **\$24 Million**

Environment

\$1.8M
Grants awarded to support the environment

157 Organizations that received environmental grants from Edison

Civic Engagement

\$4.8M
Grants to support civic engagement

291 Cities/counties benefiting from Civic Engagement Programs

12,760 Families that receive assistance from Energy Assistance Fund

Employee Engagement



\$3.3M*
Value of employee volunteering



\$2.1M
Total funds raised by employees



1,948 Organizations funded through Employee Giving Program



143,675 Edison employee volunteer hours

Public Safety + Emergency Preparedness



\$1.0M
Total grants awarded to Public Safety + Emergency Preparedness

*Based on Independent Sector valuation independentsector.org



Support for Civic Engagement

To help keep our communities strong, we partner with organizations that provide vital services such as **workforce development, leadership development** and **mentoring** to help underserved communities, with a focus on persons with disabilities and veterans.

Edison gave \$10,000 to Goodwill of Southern California for the **Veteran Employment Program** in the Inland Empire. Southern California has the country's highest number of veterans — many of whom face unemployment and physical and mental challenges. Goodwill offers veterans employment readiness workshops, training, job placement and follow-up services. Goodwill also partners with other organizations to ensure ease of access to health care, housing, legal services and other support. For veterans returning to civilian life, finding a job and a career path can be a significant challenge.

Another example of our partnership with civic organizations is **Habitat for Humanity**. In 2016, Edison gave \$90,000 to transform the Washington neighborhood of Long Beach into a vibrant, safe and inviting place for current and future residents. The Edison grant specifically focuses on building four new three-bedroom, two-bathroom "green" homes. Beyond complying with the newest building codes, all appliances are Energy Star®,

and each building is LEED-certified and built with recycled materials. The homes include built-in EV charging in the garage and are also "solar ready," in partnership with GRID Alternatives.

Our partnership with Habitat for Humanity also includes volunteer builds, where **Edison employees work on different home building projects**, building homes in the Washington neighborhood of Long Beach and building homes for veterans in other areas in our service territory.

Habitat for Humanity believes that by purchasing and renovating foreclosed homes, building new, energy-efficient homes and offering neighboring low-income homeowners exterior and interior home repairs, they can make a real investment in low income communities — and Edison is proud to support this effort.

Read more:

[Volunteers Help Bring Solar to Low-Income Homeowners](#)
[Fund Helps Low-Income Customers Pay Electric Bills](#)
[Local Nurse Realizes American Dream of Homeownership](#)



Employee Resource Group Community Outreach and Giving

Providing a platform for employee ideas and concerns on business, workplace and the marketplace is a cornerstone of Edison's culture.

Employee Resource Groups (ERGs, formerly Affinity Groups) have been active for over 40 years, and today Edison supports 11 ERGs with more than 3,500 members.



The groups represent employees from a range of cultures, ethnic groups and sexual orientations, as well as business issues such as safety and the environment. These highly committed and engaged employees aim to drive **an inclusive and productive work environment, while creating a sense of community and work culture where all people are acknowledged, enabled and given an opportunity to thrive.**

ERGs provide members with resources for professional development and opportunities to meet with company leaders, while fostering an environment of continuous learning that contributes to increased employee engagement.

This year, ERGs facilitated **employee mentorships**, contributed to our **safety culture** with education initiatives and created a safe space for **dialogue between employees around diversity and inclusion.** ERGs also worked externally in the community helping to install rooftop solar to support low-income communities.

Eco-IQ is Edison's environmental employee resource group. This year they partnered with Grid Alternatives and Habitat for Humanity to help install rooftop solar panels for low-income families, just one of the many initiatives in support of clean energy in California. Said Marissa Blunschi, SCE project manager and Eco-IQ president, "It's important for us to enable customers in disadvantaged communities to reap the benefits of the renewable energy revolution."

The **Asian American Employee Resource Group (ASCEND)** partnered with the Rosemead Youth Leadership Center to host a computer coding program for students ages 9 to 14. As row after row of computer screens glowed at the Rosemead Public Library, Korbin Deary, a 12-year-old coding expert spoke to the youth in attendance. "When kids talk to kids it's a normal conversation; when adults are there it's like you are being taught," said Korbin, who has led 30 coding workshops. "Anybody can code really — it's a useful skill that will help you succeed in the future in school or in jobs."

Networkers, Edison's African-American Business Resource Group, partnered with the Social Justice Learning Institute, a nonprofit in Inglewood, to build tiered gardens at the La Tijera Elementary school in Inglewood, California. Volunteers built tiered gardens to help students make the connection between food science and the food they eat through hands-on learning in the garden.

"So many kids that live in the city don't have any sense of where food comes from," said Janet Clayton, senior vice president of Corporate Communications at Edison International and SCE. "We want them to connect the dots between how food is grown and how it ends up on our tables."



Read more:

[Students in Inglewood Receive the Gift of a Garden](#)
[Volunteers Help Bring Solar to Low-Income Homeowners](#)
[Giving Tuesday: Donations Can Help Power a Home](#)

Support for Safety/Emergency Preparedness

SCE's service territory is prone to fires and earthquakes, and as a leading corporate citizen in the region we have risen to the challenge to support programs focused on public safety, emergency preparedness and electrical safety.

American Red Cross – PrepareSoCal 2.0

PrepareSoCal is a three-year partnership between the American Red Cross and Edison, with Edison giving \$1.5 million over three years from 2015 to 2017, after an initial \$1.5 million was given as a founding partner. The campaign is a collaboration between three regions of the American Red Cross in Southern California to promote resiliency in the face of disaster by sharing life-saving tips, tools and training with families in some of our state's most vulnerable communities. This is particularly important in communities where income, education and English fluency are low. PrepareSoCal aims to develop volunteer resources and youth leadership across the region, with specific emphasis on designated communities, to support engagement and implementation of preparedness activities. The program aims to increase regional resilience through countywide readiness, disaster communications and public awareness initiatives.

One facet of the PrepareSoCal program is the **Home Fire Safety Campaign**. The Los Angeles County Fire Department estimates that in about 60 percent of house fire fatalities, the homes did not have working fire alarms. In a fire, residents have about two minutes to escape. Early notification from the shrill beep of a fire alarm may mean the difference between life and death. Edison supports the American Red Cross in the Home Fire Safety Campaign financially, with community outreach, and with employee volunteer hours. Edison employees volunteer to survey homes for vulnerable spots, install fire alarm devices and explain how to prepare evacuation plans in the resident's native languages, including Spanish, Chinese and Vietnamese.

Community Emergency Response Teams (CERTS)

In 2016, Edison funded the Morongo Basin Community Emergency Response Team, among several other regional CERT teams. CERT teams are support personnel who help professional first responders — firefighters or police — before, during and after a disaster. Edison's \$10,000 grant trained 60 adults and 16 teens to care for themselves, families, friends and neighbors in the event of a disaster. The Morongo Basin CERT team also educates their community — in 2016, they distributed emergency preparedness brochures to 3,000 local residents. Community-based emergency preparedness is particularly important in Morongo Basin where socioeconomic, demographic and topographic factors make residents even more vulnerable to disasters. With these factors in mind, the Morongo Basin CERT team has a significant role to play in the community, and Edison is proud to support it.



Read more:

[SCE Volunteers Install Free Smoke Alarms in Rosemead](#)
[Space Heater Electrical Safety Tips](#)
[What to Include in Your Outage Preparedness Kit](#)

U.S. Congresswoman Judy Chu (right) with Edison International VP Barbara Matthews (left) at a 2016 Emergency Preparedness event sponsored by Edison International.

Los Angeles' Olympic Bid

Edison International was a proud supporter of the bid to bring the Olympic and Paralympic Games back to Southern California. Los Angeles bid on a platform of sustainability, promising "new games for a new era," and hosting the games in Los Angeles would ensure that they are sustainable and relevant for future generations.

In its bid, Los Angeles focused on sustainability and fiscal responsibility. This means proposing existing facilities and civic spaces rather than building new infrastructure, and highlighting the city's unique geography and iconic backdrops.

Edison also supported the games in 1984 and 1932 when they were in Los Angeles. Edison and other utilities have a key role to play in the Olympic bid, as conservation, environmental protection and renewable energy are at the forefront of the planning process to ensure a sustainable games.

Read more:

[Supporting a New Games for a New Era](#)

San Onofre Nuclear Generating Station (SONGS)

Nuclear Plant Decommissioning

Guided by the principles of safety, stewardship and engagement, SCE continues preparations to decommission the San Onofre nuclear facility following the decision in June 2013 to retire the plant. Since the initial required submittals to the U.S. Nuclear Regulatory Commission (NRC), SCE has focused on state approvals needed to prepare the site for dismantlement and to ensure continued safe storage of the plant's used nuclear fuel.

In 2015, the California Coastal Commission approved a coastal development permit to expand dry storage of used nuclear fuel at San Onofre. Construction of the dry storage facility was underway in 2016.

San Onofre Nuclear Plant Community Outreach

The San Onofre Community Engagement Panel (CEP), established in 2014 to foster two-way communication between SCE and stakeholders, continued to host robust public discussions on decommissioning matters. Topics included new peer-reviewed research showing a reduced seismic risk offshore of Southern California, the environmental review process for decommissioning and continued safe storage of used nuclear fuel. A key emphasis continues to be working with community groups to join SCE in advocating for off-site storage of San Onofre's used nuclear fuel.

SCE continued to host hundreds of students and community members for walking tours of San Onofre, and continued to sponsor Decommissioning Education Fairs. In addition, tours of San Onofre were provided for several members of Congress who are advancing federal legislation needed to facilitate interim and permanent off-site storage of used nuclear fuel, as well as leaders of the California Energy Commission.

Read more:

[Decommissioning Work Progresses at San Onofre Nuclear Plant](#)



The Road Ahead

Today's customers are increasingly seeking choices in how they manage their energy. They are adopting distributed energy resources (DERs) — **rooftop solar, on-site energy storage, electric vehicles and energy management systems** — to achieve cost savings, cleaner energy, conservation and enhanced reliability. Over the next three years, SCE plans to invest more than \$2.1 billion in grid modernization to enable integration of these new technologies and to create a safe, clean, reliable and efficient grid.

Our modernization plans are transforming a one-directional system into a two-directional system through automation and communication to accommodate hundreds of thousands of DERs.

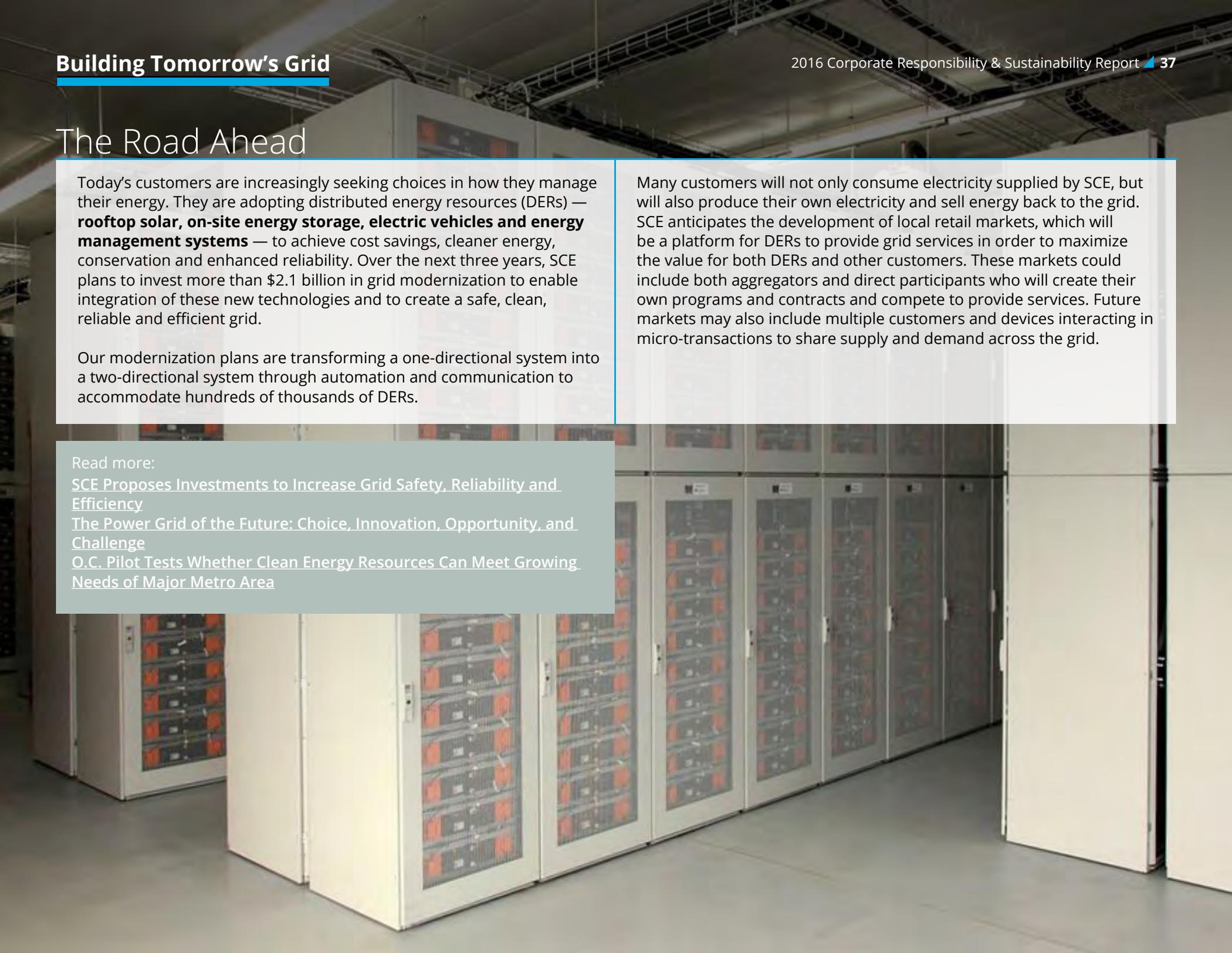
Many customers will not only consume electricity supplied by SCE, but will also produce their own electricity and sell energy back to the grid. SCE anticipates the development of local retail markets, which will be a platform for DERs to provide grid services in order to maximize the value for both DERs and other customers. These markets could include both aggregators and direct participants who will create their own programs and contracts and compete to provide services. Future markets may also include multiple customers and devices interacting in micro-transactions to share supply and demand across the grid.

Read more:

[SCE Proposes Investments to Increase Grid Safety, Reliability and Efficiency](#)

[The Power Grid of the Future: Choice, Innovation, Opportunity, and Challenge](#)

[O.C. Pilot Tests Whether Clean Energy Resources Can Meet Growing Needs of Major Metro Area](#)



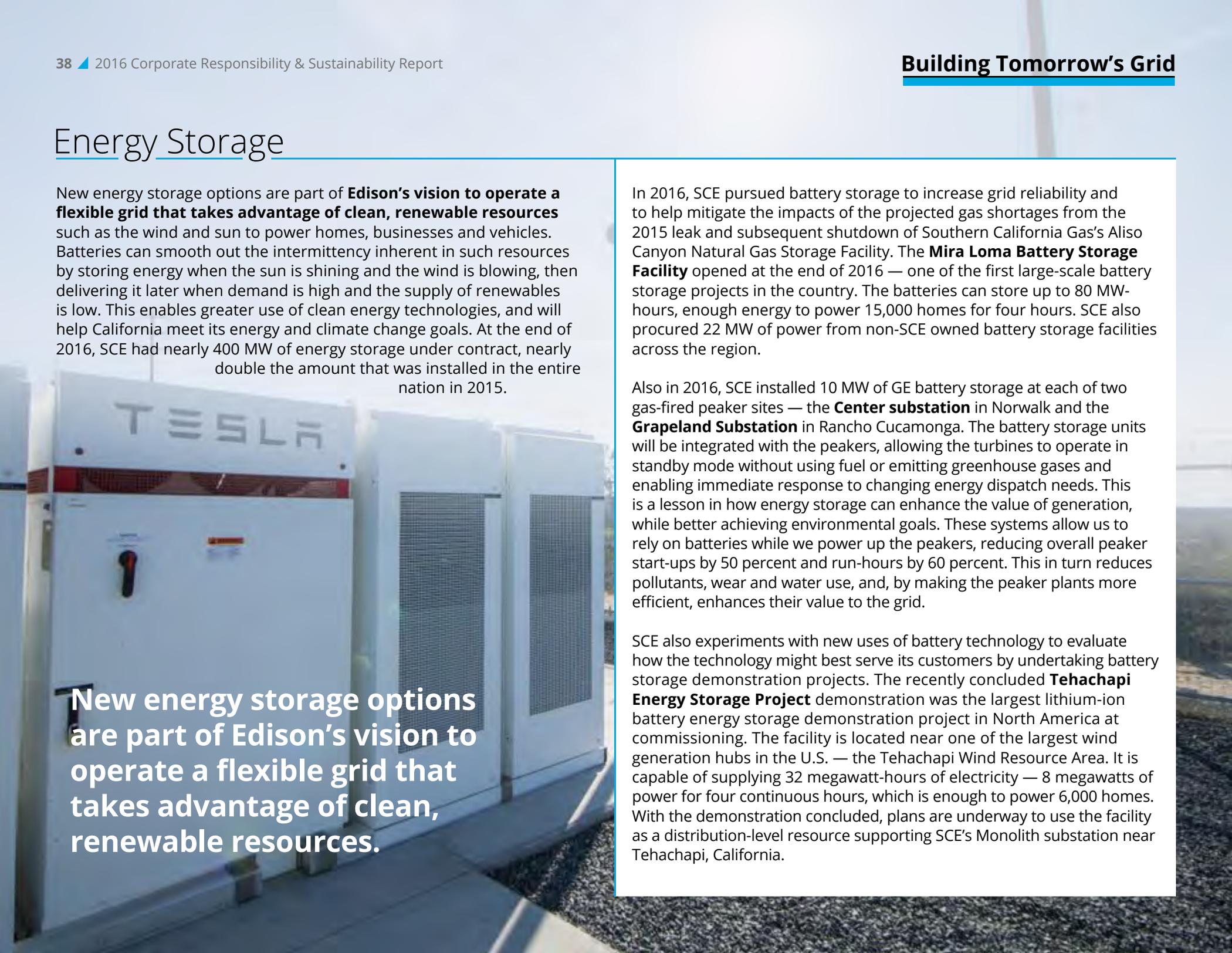
Energy Storage

New energy storage options are part of **Edison's vision to operate a flexible grid that takes advantage of clean, renewable resources** such as the wind and sun to power homes, businesses and vehicles. Batteries can smooth out the intermittency inherent in such resources by storing energy when the sun is shining and the wind is blowing, then delivering it later when demand is high and the supply of renewables is low. This enables greater use of clean energy technologies, and will help California meet its energy and climate change goals. At the end of 2016, SCE had nearly 400 MW of energy storage under contract, nearly double the amount that was installed in the entire nation in 2015.

In 2016, SCE pursued battery storage to increase grid reliability and to help mitigate the impacts of the projected gas shortages from the 2015 leak and subsequent shutdown of Southern California Gas's Aliso Canyon Natural Gas Storage Facility. The **Mira Loma Battery Storage Facility** opened at the end of 2016 — one of the first large-scale battery storage projects in the country. The batteries can store up to 80 MW-hours, enough energy to power 15,000 homes for four hours. SCE also procured 22 MW of power from non-SCE owned battery storage facilities across the region.

Also in 2016, SCE installed 10 MW of GE battery storage at each of two gas-fired peaker sites — the **Center Substation** in Norwalk and the **Grapeland Substation** in Rancho Cucamonga. The battery storage units will be integrated with the peakers, allowing the turbines to operate in standby mode without using fuel or emitting greenhouse gases and enabling immediate response to changing energy dispatch needs. This is a lesson in how energy storage can enhance the value of generation, while better achieving environmental goals. These systems allow us to rely on batteries while we power up the peakers, reducing overall peaker start-ups by 50 percent and run-hours by 60 percent. This in turn reduces pollutants, wear and water use, and, by making the peaker plants more efficient, enhances their value to the grid.

SCE also experiments with new uses of battery technology to evaluate how the technology might best serve its customers by undertaking battery storage demonstration projects. The recently concluded **Tehachapi Energy Storage Project** demonstration was the largest lithium-ion battery energy storage demonstration project in North America at commissioning. The facility is located near one of the largest wind generation hubs in the U.S. — the Tehachapi Wind Resource Area. It is capable of supplying 32 megawatt-hours of electricity — 8 megawatts of power for four continuous hours, which is enough to power 6,000 homes. With the demonstration concluded, plans are underway to use the facility as a distribution-level resource supporting SCE's Monolith substation near Tehachapi, California.



New energy storage options are part of Edison's vision to operate a flexible grid that takes advantage of clean, renewable resources.

Charge Ready

SCE's Charge Ready program is a **\$22 million pilot project** that seeks to accelerate the installation of EV charging stations and support the governor's environmental goal of having **1.5 million EVs on the road in California by 2025**.

The pilot officially launched on May 27, 2016. With a goal of installing **1,000 EV charge ports** across its service area, SCE is collaborating with cities, employers, apartment and condo complex owners, business site owners, campuses and other locations where people park their cars for four hours or more.



SCE will pay the cost of designing and installing the electric infrastructure for the charging stations. Customers will select a vendor and pay for the charging stations and their maintenance. Rebates provided by the program will be available to help defray some or all of the cost of buying and connecting the charging stations. In 2018, we plan to apply for approval to spend more than \$300 million to add as many as 30,000 electric vehicle charge ports over several years.

In January 2017, SCE filed an application at the California Public Utilities Commission laying out a path for using transportation electrification to help meet the state's goals. Our plan includes more than \$570 million in programs and infrastructure over five years to grow transportation electrification with an emphasis on goods movement, including medium- and heavy-duty trucks and port equipment. In 2018, SCE also expects to file an additional application aimed at accelerating light-duty electric vehicle adoption. These proposals will help SCE work towards achieving our share of California's 1.5 million electric vehicle target by 2025.

SCE is committed to electrifying our fleet. We have 6,100 vehicles, 644 of which are electrified. In 2016, nearly 18.7 percent of SCE's fleet budget went toward electric vehicles.



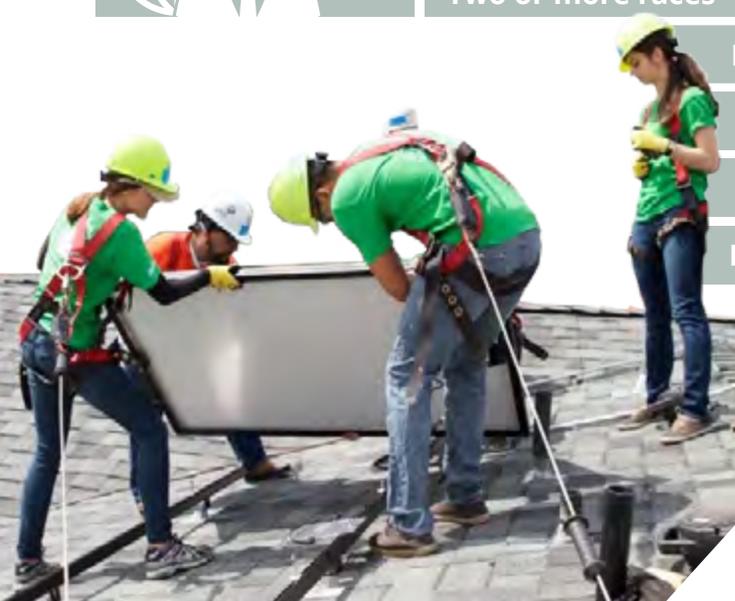
Read more:

- [Transportation Electrification Reducing Emissions, Driving Innovation](#)
- [SCE Charge Ready Among Electric Vehicle Programs Recognized By White House](#)
- [SCE Supports White House Action to Designate EV Charging Corridors](#)
- [Electric Cars Get a Boost During National Drive Electric Week](#)
- [Charge Ready program \(Edison.com\)](#)

Workforce Diversity

Consistent with our values of integrity, teamwork and respect, we recognize the importance of diversity in our communities. We seek to have our team reflect that diversity. We are committed to the inclusion of people regardless of their religion, race, ethnicity, age, gender, sexual orientation or any other facets that make us unique. We recognize that it is these differences that make us stronger as a company. In 2016, Edison endorsed two national initiatives focused on gender parity in compensation practices and corporate leadership. The company has committed to the White House Equal Pay Pledge and joined the Paradigm for Parity Coalition.

		12/31/2014	12/31/2015	12/31/2016
Full-time Employees (EIX)		13,699	12,777	12,390
Collective bargaining unit/union members (pct. of workforce)		29%	29%	33%
Workforce Diversity (pct. of workforce) 	White	43%	43%	43%
	African-American	8%	8%	7%
	Hispanic/Latino	31%	33%	33%
	Asian	13%	13%	13%
	American Indian/Alaskan Native	1%	1%	1%
	Pacific Islander/Native Hawaiian	<1%	<1%	<1%
	Two or more races	2%	2%	2%
Minorities as pct. of workforce		57%	57%	57%
Minorities as pct. of management		45%	44%	45%
Minorities as pct. of executives		30%	29%	31%
Females as pct. of workforce		32%	32%	30%
Females as pct. of management		31%	23%	23%
Females as pct. of executives		30%	30%	30%



Supplier Diversity

In 2016, SCE's Supplier Diversity initiatives resulted in women, minority, lesbian, gay, bisexual and transgender (LGBT) and disabled veteran-owned business enterprises (WMDVBE) spend of \$1.68 billion, or 44.7 percent of the company's total procurement spend. This was the **third straight year that SCE exceeded its aspirational goal of 40 percent** with diverse suppliers.

Supplier Diversity achievements included adding more than 100 new diverse firms to the company's supplier base and sponsoring five "Meet the Primes" match-making events, connecting nearly 350 diverse firms with 43 prime suppliers for subcontracting opportunities.

In addition, EDGE (Entrepreneurial Development, Growth and Education), SCE's supplier development initiative, had seven diverse firms participate in its Mentorship Program, and several were awarded contracts that all together totaled more than \$25 million.

- **\$1.68 billion in 2016 WMDVBE spend**
- **44.7 percent of company's total procurement spend**
- **3rd straight year exceeding 40 percent of total procurement spend**

Read more:

[Supplier Diversity & Development \(SCE.com\)](#)

[Diverse Businesses Thrive Through SCE's EDGE Mentorship Program](#)

[Energy Savings Help Hispanic Manufacturer Triple Business](#)

	2014	2015	2016
Tier 1: Prime Suppliers (\$ Millions)	\$1,200	\$1,400	\$1,680
Tier 2: Subcontractors (\$ Millions)	\$516	\$424	\$321



Edison International 2016 Awards & Recognition

(Recognition is for SCE unless otherwise noted)

- **American Indian Chamber of Commerce** – First-ever “Soaring with Eagles” honor for outstanding partners.
- **Asian Pacific Community Fund** – Corporate Partnership Award
- **California Hispanic Chamber of Commerce (CHCC)** – Corporate Advocate of the Year
- **Chartwell’s Best Practices Awards** – Gold Award, Outage Communications; Gold Award, People’s Choice
- **CPA-Zicklin Index of Corporate Political Disclosure and Accountability** – Edison International #2 among S&P 500 companies
- **Greater Riverside Hispanic Chamber of Commerce (GRHCC)** – Corporate Business Partner of the Year
- **Human Rights Campaign Corporate Equality Index** – 100% Score/ Best Places to Work for LGBT Equality
- **Meals on Wheels (West)** – 2016 Community Champion
- **Solar Electric Power Association (SEPA)** 2016 Utility Solar Rankings – #1 in total Annual MWs Installed (U.S.)
- **Southern California Minority Supplier Development Council (SCMSDC)** – Corporation of the Year
- **United States Hispanic Chamber of Commerce (USHCC)** – Million Dollar Club
- **20% by 2020 Women on Boards (Edison International)** – Honor Roll Company



Company	2014	2015	2016	Nat'l Avg.
Edison International Net Income (millions)	\$1,612	\$1,020	\$1,311	-
Edison International Basic Earnings per Share	\$4.95	\$3.13	\$4.02	-
Total Operating Revenue (millions)	\$13,413	\$11,524	\$11,869	-
Total Assets (millions)	\$49,734	\$50,229	\$51,319	-
Number of Customer Accounts	5,005,401	5,033,330	5,060,528	-
Total Number of Employees	13,699*	12,777	12,390	-
Women as pct. of Workforce	32%	32%	30%	-
Women as pct. of Management	31%	23%	23%	-
Women as pct. of Executive Positions	30%	30%	30%	-
Minorities as pct. of Workforce	57%	57%	57%	-
Minorities as pct. of Management	45%	44%	45%	-
Minorities as pct. of Executive Positions	30%	29%	30%	-
Safety: Employee OSHA Recordable Rate	2.27	2.34	1.92	1.61
Safety: Employee Lost Workday Case Rate	0.66	0.61	0.58	0.45
Safety: Employee DART Rate	0.92	0.93	0.80	0.85
Safety-related Internal Compliance Assessments and Audits	11	9	4	-
Ethics and Compliance Helpline contacts	1,259	1,351	1,274	-
Total Materials and Services Spend (billions)	-	\$4.4	\$3.7	-
Supplier Diversity Spend (billions)	-	\$1.83	\$1.68	-
Supplier Diversity Spend Rate	45.0%	42.9%	44.7%	-

Definitions

SAIFI – (System Average Interruption Frequency Index): The average number of interruptions that a customer would experience (often measured annually).

SAIDI – (System Average Interruption Duration Index): The average outage duration for each customer served (often measured annually).

MAIFI – (Momentary Average Interruption Frequency Index): The average number of momentary interruptions that a customer would experience (often measured annually).

CAIDI – Average outage duration any given customer would experience (Minutes)

CAIFI – Average Number of Interruptions per Customer Interrupted (Occurrences)

Corrections

*Revisions to metrics included in previous Reports. The correct Total Assets (Millions) for 2015 was \$50,229, not \$50,310. The correct Customer Demand Response (MW) for 2014 was 1,378, not 1,300.

Customers	2014	2015	2016	Nat'l Avg.
System Reliability: SAIFI (Interruptions)	0.86	0.86	0.99	-
System Reliability: SAIDI (Minutes)	92.20	100.15	109.98	-
System Reliability: MAIFI (Interruptions)	1.23	1.29	1.40	-
System Reliability: CAIDI (Minutes)	106.82	116.56	110.69	-
System Reliability: CAIFI (Occurrences)	1.73	1.70	1.79	-
Customer Energy Efficiency: GWh % of CPUC Goals	133%	155%	113%	-
Customer Energy Efficiency: MW % of CPUC Goals	121%	192%	107%	-
Customer Energy Efficiency (MW)	1,378	1,453	1,408	-
Customer Satisfaction: J.D. Power & Associates Survey Results - Electric Residential	662	676	682	680
Customer Satisfaction: J.D. Power & Associates Survey Results - Electric Business	671	678	763	715

Communities	2014	2015	2016	Nat'l Avg.
Community Investments: Pre-Tax earnings from Operations (Millions)	\$20.0	\$20.0	\$20.0	–
Community Investments: Pre-Tax earnings from Operations (percent)	1%	1%	1%	–
Employee & retiree volunteer hours	192,427	168,733	143,675	–
Contributions to nonprofits by employees (Millions)	\$2.6	\$2.4	\$2.1	–

Environment	2014	2015	2016	Nat'l Avg.
Renewables Portfolio Standard: Eligible Renewables	23.5%	24.3%	28.3%	–
CO2E Emissions from Owned Electricity Rate (lbs/MWh)	388	429	322	650
CO2E Emissions from Delivered Electricity Rate (lbs/MWh)	570	517	529	650
Scope 1 Emissions (million metric tons CO2E)	2.4	2.7	2.4	–
Scope 2 Emissions (million metric tons CO2E)	1.6	1.7	1.6	–
Scope 3 Emissions (million metric tons CO2E)	17.6	18.1	20.6	–
SF6 Emissions Rate	0.61%	2.77%	2.52%	–
SF6 Emissions (metric tons)	2.806	13.633	12.411	–
NOx Emissions Rate of UOG (lbs/MWh)	0.1	0.1	0.1	1.2
NOx Emissions from Power generation (metric tons)	166.2	179.4	157.7	–
SO2 Emissions Rate of UOG (lbs/MWh)	0.009	0.005	0.005	1.9
SO2 Emissions from Power generation (tons)	16.9	13.9	11.8	–
Amount of hazardous waste disposed (tons)	–	8,909	16,827	–
Universal waste generated and recycled (tons)	–	223	131	–
Agency inspections	233	463	473	–
Notices of Violation (NOV)	17	19	12	–
Inspections with No NOVs Issued (% of total inspections)	93%	96%	97%	–
Settlement, Fines and Penalties	\$3,550	\$600	\$3,003,218	–
Environmental-related Internal Compliance Assessments and Audits	6	6	2	–
Number of air permit noncompliance events with fine	–	1	2	–
Number of water permit noncompliance events with fine	–	0	2	–
Freshwater Withdrawal - Fossil Fuel Generation (million gallons)	–	848	703	–
Total acres of habitat protected, enhanced or restored that supports natural habitat and biodiversity as required for mitigation	–	2808	3206	–

Definitions

Scope 1: Emissions under the direct control of the company including Utility Owned Generation (UOG), Transportation, SF6 from T&D equipment
Scope 2: Indirect emissions required for business processes including Transmission losses, Facility energy use (electricity and natural gas)
Scope 3: Indirect emissions released as a consequence of the activities of the company including specified and unspecified power purchases.

Corrections

The metrics for Employee OSHA Recordable Rate and Employee Lost Workday Case Rate in the Scorecard of SCE's 2013 Corporate Responsibility Report have been revised. The correct Employee OSHA Recordable Rate for 2013 was 3.30, not 3.42. The correct Employee Lost Workday Case Rate for 2013 was 1.00, not 1.08. These revisions to 2013 metrics appear correctly in this year's Scorecard.

Disclosure Index (G4)

The following table provides the location (either within this report or in other publicly available sources) where Edison International publicly discloses information that aligns with the Global Reporting Initiative's fourth generation of sustainability reporting guidelines (otherwise known as G4). GRI's guidelines are a voluntary reporting framework used by organizations worldwide for sustainability reporting. In addition to applicable Standard Disclosures, the table includes applicable Electric Utility Sector guidelines. Learn more: globalreporting.org

G4 Indicator	Description	Location
Strategy and Analysis		
G4-1	Statement from the most senior decision-maker	CEO's Message, p. 4
G4-2	Description of key impacts, risks and opportunities	2016 Edison International Annual Report
Organizational Profile		
G4-3	Name of the organization	Company Overview, p. 2
G4-4	Primary brands, products and/or services	Company Overview, p. 2
G4-5	Location of organization's headquarters	Back Cover
G4-6	Countries in which the company has operations	2016 Edison International Form 10-K
G4-7	Nature of ownership and legal form	2016 Edison International Form 10-K
G4-8	Markets served	2016 Edison International Form 10-K
G4-9	Scale of the reporting organization	2016 Edison International Annual Report
G4-10	Total number of employees by employment contract and gender	Workforce Diversity, p. 41
G4-11	Total employees covered by collective bargaining agreements	Workforce Diversity, p. 41
G4-12	Describe the organization's supply chain	2015 SCE Supplier Diversity Annual Report SCE.com Supplier Diversity
G4-13	Significant changes in organization's size, structure, ownership or its supply chain	2016 Edison International Annual Report 2016 Edison International Form 10-K

G4 Indicator	Description	Location
Identified Material Aspects and Boundaries		
G4-17	Operational structure of the organization	2016 Edison International Form 10-K
G4-23	Significant changes from the previous reporting periods in the scope, boundary or measurement methods applied in the report	Scorecard (Corrections), p. 62-63
Report Profile		
G4-28	Reporting period	About This Report, p. 3
G4-29	Date of most recent previous report	About This Report, p. 3
G4-30	Reporting cycle	About This Report, p. 3
G4-31	Contact point for questions regarding the report	About This Report, p. 3
G4-32	Table identifying the location of the Standard Disclosures in the report	GRI Disclosure Index
Governance		
G4-34	Significant changes in organization's size, structure, ownership or its supply chain	Corporate Governance
G4-37	Stakeholder consultation process on economic, environmental and social topics	Edison International and Southern California Edison 2016 Joint Proxy Statement
G4-38	Composition of the highest governance body and its committees	Corporate Governance
G4-39	Indicate whether the chair of the highest governance body is an executive officer	Corporate Governance
G4-40	Process for determining the composition, qualifications and expertise of the members of the highest governance body	Corporate Governance
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided	Corporate Governance
G4-44	Processes for evaluating the highest governance body's own performance	Corporate Governance
G4-45	Board-level processes for identifying and managing risks and opportunities and frequency	Corporate Governance
G4-46	Board oversight of sustainability risk management	Edison International and Southern California Edison 2016 Joint Proxy Statement
G4-49	Mechanisms for shareholders and employees to provide recommendations to the highest governance body	Corporate Governance
G4-51	Linkage between compensation and the organization's performance	Corporate Governance
G4-52	Process for determining remuneration	Corporate Governance

G4 Indicator	Description	Location
G4-53	How stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable	Edison International and Southern California Edison 2016 Joint Proxy Statement
G4-56	Corporate mission and values, codes of conduct and principles	Company Overview, p. 3 Employee Code of Conduct
Ethics and Integrity		
G4-56	Organization's values, principles, standards and norms of behavior (codes of conduct and ethics)	Employee Code of Conduct
G4-57	Mechanisms for seeking advice on ethical and lawful behavior	Edison Employee Portal
G4-58	Mechanisms for reporting concerns about unethical or unlawful behavior	Edison Employee Portal
Economic		
G4-EC3	Coverage of the organization's defined benefit plan obligations	2016 Edison International Form 10-K
Environment: Emissions		
G4-EN15	Direct greenhouse gas emissions (Scope 1)	Scorecard, p. 45
G4-EN16	Indirect greenhouse gas emissions (Scope 2)	Scorecard, p. 45
G4-EN17	Other indirect greenhouse gas emissions (Scope 3)	Scorecard, p. 45
G4-EN18	Greenhouse gas emissions Intensity	Meeting Climate Commitments, p. 8
G4-EN19	Reduction of greenhouse gas emissions	Scorecard, p. 45
G4-EN20	Emissions of ozone-depleting substances	Scorecard, p. 45
G4-EN21	NOx, SOx and other significant air emissions by type and weight	Scorecard, p. 45
Environment: Effluents and Waste		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations	Scorecard, p. 45

G4 Indicator	Description	Location
Labor Practices and Decent Work		
G4-LA6	Rates of injury, occupational diseases, lost days, absenteeism and number of work-related fatalities by region	Employee Safety, p. 15 Scorecard, p. 45
G4-LA12	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group, membership and other indicators of diversity	At A Glance, p. 6
Society		
G4-SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions by country	<u>2016 Political Contributions and Expenditures</u>
Product Responsibility		
G4-PR5	Results of surveys measuring customer satisfaction	Customer-Centric Focus, p. 19
Electric Utility Sector Supplement		
G4-EU1	Installed capacity (MW)	<u>2016 Edison International Annual Report</u>
G4-EU3	Number of residential, industrial, institutional and commercial customer accounts	<u>2016 Edison International Financial & Statistical Report</u>
G4-EU4	Length of transmission and distribution lines	At A Glance, p. 6
Electric Utility Sector Supplement – Economic		
G4-DMA	Demand-side management programs	Cleaner Energy, Cleaner Environment p. 30-31
Electric Utility Sector Supplement – Product Responsibility		
G4-DMA	Programs, including those in partnership with government, to improve or maintain access to electricity and customer support services	Meeting Climate Commitments, p. 23
EU28	Power outage frequency	Customer Focus, p. 19
EU29	Average power outage duration	Customer Focus, p. 19

The tables above list the Global Reporting Initiative's standard disclosures for which Edison International provides information publicly. GRI disclosures not listed indicate that Edison International does not provide a public source for such information at this time.



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