# 2013

# Southern California Edison

# Corporate Responsibility Report











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# About This Report

This year's report reflects SCE's operations in 2013. Inside, we describe the company's progress in serving our customers, supporting our communities, partnering with our employees and protecting the environment.

Corporate responsibility remains 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 work together to demonstrate our shared values: committing to put safety first; to conduct ourselves with integrity; to encourage collaboration, to cultivate a diverse, 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@sce.com.** 

### **Our Values**

- Integrity
- Excellence
- Respect
- Continuous Improvement
- Teamwork

### **Our Operating Priorities**

- We operate safely
- We meet customer needs
- We value diversity
- We build productive partnerships
- We protect the environment
- We learn from experience and improve
- We grow the value of our business

### **Company Overview**

A subsidiary of **Edison International** (NYSE:EIX), Southern California Edison is an investor-owned utility and one of the nation's largest electric utilities, serving a population of nearly 14 million in a 50,000-square-mile service area within central, coastal and southern California.

### SCE At A Glance – 2013

5 Million (Approx.)	Customer Accounts
\$900 Million	Net Income
<b>\$12.5</b> Billion	Total Operating Revenue
\$46 Billion	Total Assets
87,397 Million Kilowatt-H	Total Electricity ours Sales
13,654	Full-Time Employees
13	Directors On SCE Board
10	Independent SCE Board Members
5	Ethnic Minority SCE Board Members
2	Female SCE Board Members





### Ron Litzinger President, SCE

Corporate Responsibility Report

# President's Message

The accelerating pace of change in the electric power industry is fundamentally altering the way electricity is generated, delivered and consumed. There are several long-term trends that we expect will continue to significantly influence the industry, such as public policy prioritizing environmental sustainability; technology and financing innovations facilitating energy conservation and self-generation; regulation supporting new forms of competition; and flattening demand for electricity.

California is at the vanguard of electric industry change. We have responded with concrete steps to prepare our company to meet the opportunities and challenges ahead as well as customers' expectations for more choices and greater control of their energy usage.

Southern California Edison's core mission remains what it has been since the company was founded: safely providing reliable and affordable electric service to our customers. Our employees continue to rely on the company's core values — Integrity, Excellence, Respect, Continuous Improvement and Teamwork — to deliver on that mission, even as we develop new business opportunities to adapt and thrive as the industry reshapes.

### **Decommissioning San Onofre**

Last June, we made the decision to close the San Onofre Nuclear Generating Station. This was not a decision made lightly. San Onofre produced clean and reliable baseload power for our customers for more than 40 years. Over those years, it employed thousands of dedicated men and women. But the process to gain regulatory approval to restart Unit 2 became a long and drawn-out affair, and we concluded that the continuing uncertainty was not in the best interest of our customers, our employees, our shareholders, and the need to plan for California's long-term energy needs. San Onofre's 2,200

megawatts of peak output was enough to reliably power 1.4 million homes and supplied about 19 percent of our region's electricity. Going forward, our focus is on two objectives: Planning for replacement resources required for grid reliability, and decommissioning San Onofre safely, efficiently, and as quickly as practical.

### Building the Next Generation Electric Grid

Delivering electricity is SCE's core business. More than five million customers depend on us 24/7/365. These customers have told us that they want cleaner air and water, a healthy environment, and an electric power system that supports those goals.

A central tenet of SCE's business strategy is that we should lead the transformation of the distribution system from one that is designed for one-way flows of electricity to an advanced and flexible system capable of two-way electrical flows. Such a system is needed to better facilitate distributed energy resources, such as rooftop solar, electric vehicles and energy storage, while maintaining safety, grid reliability and power quality.

Building this next-generation grid requires significant technical know-how and capital investment, something we are particularly well positioned to advance.

In September 2013, SCE launched its
Preferred Resources Pilot (PRP) in south
Orange County, Calif., to inform the clean
energy grid of the future by increasing the
overall use of preferred resources – energy
efficiency, demand response, renewable
resources and energy storage – and
determining their local grid-level impact.
The lessons learned from the PRP will be
applied to other grid areas to assist SCE's
efforts to maintain the highest level of
reliability and customer affordability while
reducing greenhouse gas emissions.

### **Focus on Continuous Improvement**

The foundation for growth and positioning SCE for the future is operational and service excellence. Our customers demand reliable service at a reasonable cost. This requires us to constantly become more efficient, to change our organizational habits and to increase productivity. We also must integrate new technologies that allow us to better manage the grid. Doing these

well permits us to better serve our customers and meet new forms of competition.

We have much to accomplish in 2014 and beyond to further strengthen our core business and prepare for the changes in our industry. I have confidence in the ability of our employees to execute our strategy and capitalize on the opportunities ahead.

This report illustrates SCE's multi-layered approach to corporate responsibility. As you read this year's report, we encourage you to share your feedback at CRreport@ sce.com. We welcome the engagement and dialogue with our customers, communities and stakeholders, and I thank you for your interest in our company.

Sincerely,

Ron Litzinger

**President, Southern California Edison** 

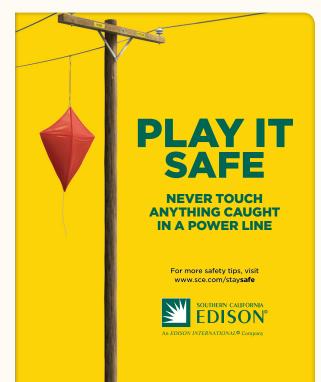
# Safety First

"We Operate Safely" is Southern California Edison's top priority. We put safety first in our workplaces and communities, and our goal is to achieve a zero-injury culture.

### **Public Safety**

SCE is committed to providing its customers with the information they need to keep themselves, their loved ones and their neighbors safe around electricity. The company continued its safety advertising campaign throughout 2013 in multiple languages (English, Spanish, Chinese,

Outdoor ad from SCE Public Safety campaign.



Khmer, Korean, Tagalog and Vietnamese) and through multiple media channels (TV, radio, print, online, out-of-home/outdoor) to help build and reinforce public awareness of safety around power lines. The campaign reached a broad audience, resulting in more than 1.8 billion advertising appearances.

SCE also used community forums (see "Strong Communities") to spread the message about safety around downed power lines with leaders from community-based organizations.

The company is working with local communities to improve first responders' awareness of electrical safety. In 2013, SCE conducted 102 Community Emergency Response Team sessions, educating more than 3,500 attendees about topics such as safely responding to downed power lines, SCE's process to restore electric service, and how to get involved in community emergency response efforts.

As part of the PrepareSoCal emergency preparedness campaign, organized by the American Red Cross in partnership with Edison International, more than 600 emergency and continuity planners from numerous businesses, government agencies, nonprofits and faith-based organizations participated in the 29th

annual Disaster Preparedness Academy at the Anaheim Convention Center in October 2013. Attendees received training on emergency preparedness, response and recovery.



SCE linemen team up with firefighters in public safety TV ads.

SCE offers "Worker Beware" safety training materials at no cost to construction, agricultural, tree trimming and other workers whose jobs may bring them in proximity to SCE power lines.

These materials — which include tip cards, posters, a DVD and a facilitator's guide — can help save lives. SCE mailed these training materials to more than 112,000 business owners in 2013.



Spent fuel pool at SONGS.

### **Nuclear Plant Safety**

Decommissioning the San Onofre Nuclear Generating Station safely, efficiently and as quickly as practical has been a priority since the company made the difficult decision to close the plant in June 2013. Employees began preparations to decommission Units 2 and 3 (Unit 1 operated from 1968 to 1992). SCE subsequently certified to the Nuclear Regulatory Commission that all fuel had been removed from both reactors and began a detailed planning process to safely dismantle the plant. The used nuclear fuel will continue to be stored safely in a concrete, steel-lined spent fuel pool until it is transferred to dry cask storage containers. SCE plans to complete this transfer to dry storage in 2019.

San Onofre already has 51 dry cask storage containers containing used fuel from Units 1, 2, and 3. The used fuel will be stored

safely on site until the federal government fulfills its contractual obligation to open a permanent spent fuel facility. Dry cask storage systems are designed to withstand various natural phenomena such as floods, projectiles from a tornado, seismic events, temperature extremes and lightning strikes.

The NRC has strict rules governing cleanup of radioactively contaminated plant systems and structures. Before major dismantlement of San Onofre begins (tentatively scheduled for early 2016), SCE will submit to the NRC a detailed decommissioning plan called a Post-Shutdown Decommissioning Activities Report. SCE has announced that safety, stewardship and engagement will serve as the company's guiding principles to make the San Onofre decommissioning a model for the industry. More information about the plans to decommission San Onofre can be found at www.songscommunity.com.

### **Employee Safety**

SCE's safety performance continued to improve in 2013. However, we didn't meet our most important goal: zero fatalities. Sadly, two of our co-workers lost their lives last year – one contractor and one employee. These and other events are reminders that many of our employees work in hazardous environments. We will

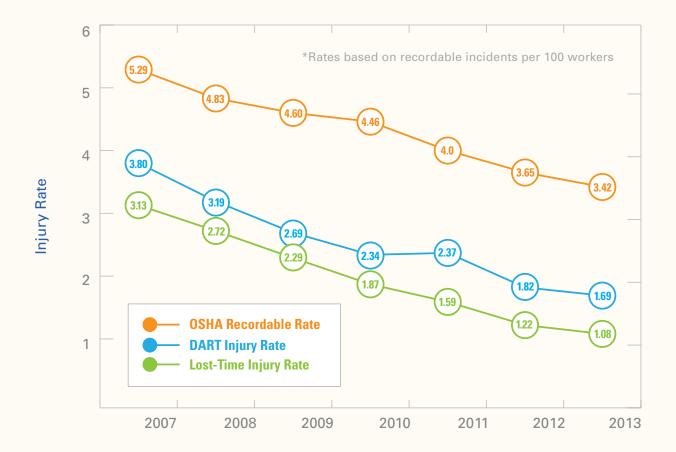
At SCE, we are committed to strengthening our safety culture to achieve an injury-free workplace. We aim to create and sustain a working environment where what matters most is:

- Having every employee leave the workplace unhurt
- Using work behaviors and practices that uncompromisingly protect the safety of everyone
- Caring for the safety of everyone
- Stopping work anytime unsafe conditions or behaviors are observed until the job can be completed safely

continue to investigate and learn from all safety incidents, and we will continue to implement initiatives to improve our safety culture. We can never be satisfied with our performance until everyone goes home safely at the end of the day.

### **OSHA and DART Rates**

In 2013, SCE continued to make progress in the two primary ways we measure our safety performance: 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 to cause an employee to lose time away from work, or that require the employee to be on restricted duty. Our performance in both categories improved in 2013 versus 2012. Our OSHA rate decreased by 6 percent, and our DART rate decreased 7 percent from 2012 levels.

### **Company-Wide Safety Initiatives**

In 2013, SCE introduced two new company-wide safety programs. Safety Observation encourages employees to have safety-focused conversations with colleagues, pointing out hazards as well as safe and unsafe behaviors. In the Close Call program, employees are encouraged to report incidents that could have resulted in an injury but didn't.

We have learned that companies which are leaders in safety performance have robust Safety Observation and Close Call programs for their employees. The programs identify leading indicators to increase safety, mitigate potential injury, and share information about potentially unsafe conditions/close calls which pose the risk of more serious consequences. By identifying hazards and correcting unsafe behaviors, our goal is to avoid future injuries.

### **Craft Driven Safety Program**

SCE's Transmission & Distribution organization launched the Craft Driven Safety Program (CDSP) in 2012 in partnership with the International Brotherhood of Electrical Workers Local 47. The program was conceptualized by the electrical "craft" employees who work directly with both energized and de-energized electrical equipment to improve safety performance, safety culture and morale.

In 2013, T&D's existing Safety Observation and Close Call efforts (similar to the company-wide versions), and its existing Lessons Learned meetings were enhanced and expanded. At the Lessons Learned meetings, craft employees lead discussions about any recent incidents, share common findings, share the importance of following fundamentals, and fully commit to safety. T&D also enhanced and expanded its physical therapeutic exercise program, customizing it by work function.

# **■** Electrical Reliability

Safely delivering reliable electricity is a top priority for SCE. We focus on continuous improvement to reduce both the number and duration of outages.

### **Reliability Performance**

System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI) are the metrics that help SCE monitor how well we are "keeping the lights on" for our customers. SAIDI tells us how long an average customer is without power, and SAIFI indicates how often they lose power during the year.

	2011	2012	2013
Average number of outages (occurrences)	0.91	0.86	0.88
Average time without power (minutes)	108.2	100.7	94.5

<sup>\*</sup> Does not include Major Event Days (MEDs), as defined by IEEE Standard 1366

In 2013, the average SCE customer experienced less than one sustained outage each year, and was without power for less than 1.6 hours, a fraction of the nearly 8,800 hours in a year. In the most recent Institute of Electrical and Electronics Engineers survey, which compares more than 100 utilities nationwide, SCE's 2013 SAIFI performance was in the top quartile, and its SAIDI performance missed the top quartile by less than 2 minutes. SCE is committed to striving for even greater service reliability for all of our customers.

# Nearly 1.5 Million utility poles in SCE's service territory

### **Distribution System Investments**

To develop a long-term trend of first-rate reliability, SCE has implemented a program to test distribution cable and substation equipment, such as transformers and circuit breakers, and to identify what equipment should be replaced prior to the end of its service life, in order to prevent outages and to enable quicker service restoration when outages do occur.

The company is making significant, costeffective investments in our distribution
system to improve reliability while
maintaining affordable rates. Among the
2013 accomplishments in its distribution
infrastructure replacement programs,
SCE replaced 355 conductor miles of aging
primary distribution cable, replaced 322
aging distribution capacitor banks, and
rehabilitated 298 circuits in the greatest
need of repair.



Linemen attend to one of SCE's nearly 1.5 million utility poles.

### **Pole Loading Program**

SCE's electrical grid utilizes nearly 1.5 million utility poles, with 70 percent of the poles jointly owned with other utilities. These poles undergo routine inspections, maintenance, and upgrades. This work will be accelerated as the company launches its system-wide Pole Loading Program (PLP) to assess every utility pole throughout our 50,000 square mile territory and bring the

115,000 +

miles of transmission lines in SCE's service territory poles up to specified standards, including safety standards that in some cases exceed minimum regulatory requirements.

SCE will focus first on the areas where risk of high winds and fire is greater.

Any poles requiring maintenance will be repaired or replaced. The program is part of our ongoing investment in ensuring reliable electric service.

In 2013, 16,337 distribution poles and 1,159 transmission poles were replaced as part of routine ongoing maintenance. In addition, pole loading calculations were performed on 5,000 poles as part of a 2012 General Rate Case (GRC) study, a contractor was selected to execute the PLP, and field tests were completed in anticipation of program assessments launching in January 2014.

### **Summer Readiness**

With the retirement of the San Onofre nuclear plant, SCE has worked to ensure that there is enough power for the hottest days of summer across our territory. That required accelerating transmission upgrades and sourcing new generation; for example, reconfiguring the existing 220-kV Barre-Ellis transmission line from two circuits to four, increasing the amount of electricity that the transmission lines can transport.



On the cybersecurity front lines: (I-to-r) SCE's Aleida Gonzalez and Chris Clarke.

### **Cybersecurity**

Cybersecurity is critical for ensuring safety, reliability and resiliency of the electric system; it has become increasingly important because the grid of the future is expected to be a plug-and-play infrastructure that provides for two-way power flows, and accommodates new technologies that may not be owned or operated by SCE.

SCE is going beyond compliance with federal cybersecurity requirements by incorporating military grade technology into our grid and actively engaging with government agencies to share information on threats and protection measures.

In November 2013, SCE participated in the North American Electric Reliability Corporation's (NERC's) second GridEx grid security exercise with 125 other utilities, government agencies, and private companies from across the U.S. and Canada. It was designed to measure the readiness of utilities and government agencies to respond to a cyber-attack. The two-day exercise put us through a series of simulated exercises that mimic what could happen during an actual cyber or physical attack on the electric grid. Exercises like this help to assess current command and communications plans, and identify areas for improvement.

### **Security for Facilities**

In the past several years, SCE corporate security has focused on deploying security measures to provide protections commensurate to the industry threats, such as theft of copper, tools and damage/ loss of company equipment. The April 2013 attack on a transmission substation located south of San Jose provided another type of potential threat our company faces. SCE drives a strategic approach to physical security by identifying the critical facilities and necessary protections to support the business objective of delivering safe and reliable power to SCE customers.

Activities from this strategic approach include:

- Documenting procedures and training personnel for the prompt reporting and response to events that occur on the electrical system, including acts of sabotage and terrorism.
- Deploying armed and unarmed security officers at appropriate locations.
- Working with appropriate law enforcement to ensure they understand the criticality of the facilities in their respective areas of jurisdiction.

# ■ Building a 21st Century Power Network

SCE is working to create a 21st century power network that can handle our electricity needs – one that includes rooftop solar, energy storage and other state-of-the-art energy technologies. Upgrades to the power network will allow SCE to incorporate more distributed energy resources, so that we can use clean energy without compromising safety and reliability.

The Irvine Smart Grid Demonstration is based at SCE's Advanced Technology Lab.



26,372

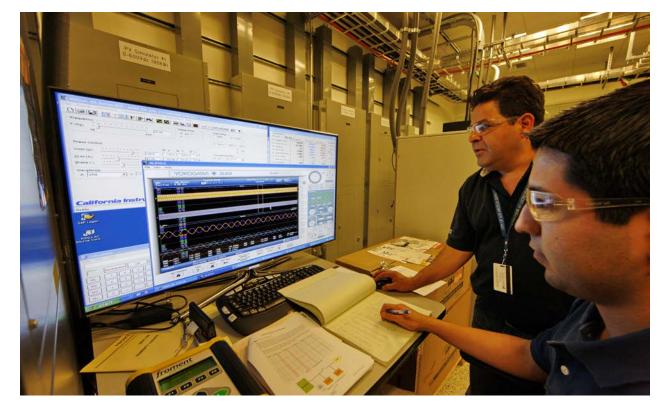
new solar customer interconnections, ranking second among utilities nationwide

The Irvine Smart Grid Demonstration (ISGD), co-funded by a U.S. Department of Energy grant, is evaluating new technologies to assess their role in the next generation of the electric grid.

Among the technologies being tested at ISGD are:

 A self-healing distribution circuit that automatically detects and isolates faults, to help reduce the number of utility customers affected by outages, and to enable faster repairs and service restoration.

- An advanced monitoring control system, designed to dynamically control capacitors to boost voltage only where and when it's needed.
   Smarter control of the distribution system helps save electricity.
- Advanced battery storage devices, which can inject or withdraw power from the grid at appropriate times to smooth out variations in load and generation output. This helps maintain the stability of a local distribution system as it incorporates power from intermittent sources (such as solar or wind power), or as it accommodates an influx of electric vehicles (see "Energy Storage," below).



SCE's Advanced Technology Lab is a hub for smart grid, energy storage and other research.

**As of December 31, 2013,** 

20,000 +

electric vehicles registered in SCE territory

### **Electricity: A Transportation Fuel More Customers are Choosing**

SCE estimates that customers registered about 20,000 plug-in electric vehicles (PEVs) by year-end 2013, a 140 percent increase year over year. SCE has continued to work closely with stakeholder groups and the cities we serve to be plug-in ready: Virtually all of the 180 cities in SCE's service territory are committed to helping their residents by streamlining permitting processes for any electricity upgrades and building charging infrastructure.

In August 2013, SCE released a white paper analyzing insights collected from its PEV readiness efforts, entitled, "Charged Up: Southern California Edison's Key Learnings about Electric Vehicles, Our Customers and Grid Reliability."



SCE's Electric Vehicle Tech Center tests technologies like plug-in hybrids and fast chargers.

### Among the paper's key findings:

- SCE's approach to managing PEV-grid impact through its regular infrastructure upgrade and maintenance schedule appears to meet customer needs. Less than 1 percent of the nearly 400 upgrades since 2010 to circuits serving PEV customers were because of the PEV's additional power demands.
- It's better for grid reliability and neighborhood circuits when EV drivers program their charging to be complete by a specific time. By doing so, they randomize the start time of their charging, which prevents a large number of vehicles from coming online at the same time.
- When customers visit SCE's PEV website, their most popular first stop is a tool that helps estimate charging costs. Customers also click to find out more about public charging station locations, watch videos on PEVs, and read background materials on environmental benefits and home electric infrastructure requirements.
- Multi-unit residents may face complex challenges: Fewer than 5 percent of building owners or condominium associations are even considering installing the necessary infrastructure.

At the time of the report's publication, about 10 percent of national EV sales and leases occurred in SCE territory, giving the company broad experience to share with other utilities, the auto industry, and other stakeholders.

### **Investing in Energy Storage**

SCE is currently supporting several ongoing energy storage demonstrations and pilots, including and beyond ISGD (see above). SCE's Tehachapi Energy Storage Project is evaluating a utility-scale, lithium-ion battery system to improve transmission grid performance and integration of large-scale, variable energy resources such as wind and solar.

SCE is also deploying distributed energy storage systems on SCE's distribution circuits throughout the region, including residential energy storage units and a larger energy storage system that is part of a load shifting project for commercial customers. All together, SCE's energy storage research covers every point along the power delivery value chain – transmission, distribution substation, workplace, neighborhood and individual residences.

In addition, SCE's Advanced Technology group works closely with major battery manufacturers to evaluate their products.

SCE has performed a significant number of battery tests throughout the last 15 years to characterize the performance and lifetime of each vendor's technology.

In October 2013, the California Public Utilities Commission (CPUC) unanimously approved a mandate that requires the state's three investor-owned utilities to add 1.3 gigawatts of energy storage to their grids by the end of 2020. SCE has submitted an application seeking approval of its plan, which includes efforts to increase the number of batteries, thermal energy storage and other forms of energy capture-and-release technologies on the grid.

### **Improving Outage Response**

SCE completed the deployment of five million new SmartConnect™ smart meters for households and small businesses in 2012. In 2013, SCE began integrating data from the smart meters' outage notifications into our existing Outage Management System to help us improve our outage response.

The meters provide nearly real-time information to our Grid Operations team when customers lose their power or when their power is restored. This information is also provided to SCE.com's Outage Map, so customers can see outage size and location online.

The smart meter functionality also allows SCE to perform over-the-air voltage reads at an individual customer level. SCE extended this voltage read capability to our Customer Call Center representatives in February 2014 to provide a better customer experience.

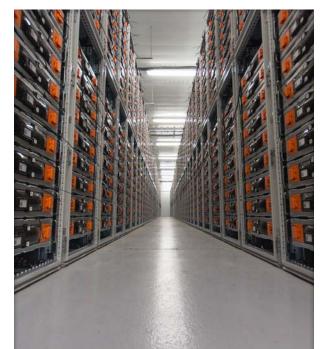
# California: At the Vanguard of Developing the Next Generation Grid

In October 2013, California Governor Jerry Brown signed AB 327 into law, a bill that addresses several topics important to developing the next generation grid and distributed energy resources. The CPUC is the agency responsible for implementing the new law and has open dockets to address many of the provisions, which include:

- Rate regulation: AB 327 provides a path for the CPUC to amend the complex, tiered rate structure for residential customers to ensure more equitable distribution of electricity costs through fair rates and regulations.
- Renewable resources: Because of AB 327, the Commission can now create programs to advance the development of renewable resources beyond the 33 percent state goal.

- Net metering: AB 327 extends the
  Net Energy Metering program and
  authorizes the CPUC to develop new
  rules for how customers are paid for
  power they export to the grid and how
  they pay their share of maintaining the
  grid. All electricity customers, even
  solar users, use the power network,
  so everyone should pay for it.
- Distribution resource plan:
   AB 327 requires the utilities to submit a distribution resource plan to the CPUC in June 2015 that details how utilities are working to make clean, distributed energy resources more feasible options for homes and businesses.

SCE's Tehachapi Energy Storage Project.



# **Empowered Customers**

### **Customer Engagement and Social Media**

SCE continues to inform and engage customers through Twitter, Facebook, Instagram and other social media channels on important issues such as electrical safety, managing their bills, outage information and energy efficiency.

SCE's Facebook site gained 21,000 new followers in 2013 and reached an average of 801,000 people each month. SCE's Instagram account, where SCE employees and customers share photos and related information to increase customer engagement, grew by more than 1,300 percent and posted 323 photos of relevant information.



SCE's Facebook site reached an average of 801,000 people each month in 2013

### **Social Media**

### **Twitter**

**7,980** 

**New Followers** in 2013

**189%** 

### **Facebook**

1 21k

**New Followers** in 2013

↑ 801k

People reached each month in 2013

### Instagram

**1300%** 

**New Followers** in 2013

New photos of relevant information

SCE's Twitter account (@SCE) showed strong growth in 2013. Customers have used it as a resource, especially for outage and emergency communications. The account grew by 7,980 followers in 2013, an 89 percent increase. The value was illustrated in August 2013 when 120,000 customers lost power in Visalia, Calif., and @SCE became a primary source of information. The constant stream of information from @SCE and personalized engagement with customers filled a need that SCE was well positioned to deliver. There were more than 1,000 mentions overnight from customers and 995 new followers. SCE's social media team earned a PR News "Icon" Award for Crisis Communication for its actions during the outage.

### **Energy Affordability**

For families who may be struggling to pay their bills, SCE offers CPUC-authorized programs to customers with qualifying incomes. The California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs offer ongoing bill support. The Energy Savings Assistance (ESA) Program can help save money over time by covering the cost and installation of efficient new appliances.

As of December 2013, more than 1.3 million SCE customer accounts — more than one quarter of SCE's customer base — were enrolled in CARE, and more than 25,000 households were participating in FERA. More than 69,000 homes made use of the ESA program, saving more than 31 million kilowatt-hours and reducing demand by 12,596 kW in the process.

Through Edison International'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. In 2013, our employees, customers and Edison International shareholders donated more than \$1.5 million, which assisted 14,131 households.

# Offering Customers Options to Save Energy and Money

In 2013, SCE partnered with customers to deliver 1,744 GWh in energy savings (124 percent of the goal established by the CPUC) and 193 MW of long-term peak demand reduction (106 percent of goal). These energy efficiency savings helped to prevent the release of roughly 490,000 metric tons of greenhouse gas (GHG) emissions into the atmosphere, which is equivalent to removing 102,000 cars from the road for an entire year, and supports the state's GHG reduction goals.

Over the past five years, our customers have saved more than 8.3 billion kWh of electricity by participating in our energy-efficiency programs. These savings are enough to power nearly 1.2 million California homes for an entire year. At the same time, they have reduced GHG emissions by nearly 3.6 million metric tons — the equivalent of removing 743,000 cars from California's roads.

In 2013, SCE's portfolio of demand response programs included more than 1,200 MW in eligible resources to reduce electricity use any time it was needed. We have more than 19,000 businesses and 650,000 households that participate in our demand response programs.

One popular SCE demand response program, the Summer Discount Plan, lets participants earn up to \$200 in bill credits over the summer by allowing SCE to remotely turn off (or "cycle") their air conditioner as needed. Customers can

**SCE** customers saved

8.3 Billion

kWh via energy efficiency over the last five years

choose their incentive level by deciding how often — and for how long — they permit us to cycle their air conditioner during SDP events. In 2013, more than 25,000 new enrollments pushed total participation to more than 316,000 customer accounts, resulting in 41.53 MW of energy savings.

On any weekday when electricity demand is relatively high, SCE can call a Save Power Days "event" between 2 to 6 p.m. asking customers to conserve electricity. All SCE customers enrolled in Save Power Days can 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.). SCE customers who own a compatible communicating thermostat can earn an additional \$0.50, for a total of \$1.25, for every kilowatt hour saved.

A continuing study by SCE is examining the use of programmable, communicating

300,000

homes participated in SCE's 2013
Save Power Day events



Lowering shades is one way to save energy when SCE calls a Save Power Day.

thermostat technology paired with SCE's Save Power Days demand response program. SCE partnered with technology companies Alarm.com, EnergyHub, and Nest Labs to conduct the research.

Approximately 2,800 customers enrolled in the study during Summer 2013, when SCE called five Save Power Days events. The study resulted in more than 20 MWh of energy reduction over the course of those five events, according to third party validation. The average savings was about 3.0 kWh per household, or about 0.75 kilowatts per hour – which would translate into an average bill credit of about \$45-50 during an average season.

Overall, approximately 300,000 homes in SCE territory participated in each of 2013's Save Power Days events, resulting in about 25 MW in total energy savings.

### **Statewide Energy Saving Initiatives**

SCE continued its participation in Energy Upgrade California™, a state initiative to help communities meet state and local energy and climate action goals. It encourages Californians to reduce demand on the electricity grid, make informed energy management choices at home and work, and conserve natural resources. It is supported by an alliance of the CPUC, the California Energy

In 2013, SCE customers installed

147.5 MW

of solar power with incentives from the California Solar Initiative

Commission, utilities, regional energy networks, local governments, businesses, and nonprofits. Funding comes from customers of the state's three investorowned utilities (IOUs) under the auspices of the CPUC. SCE's share is 33.45 percent; in 2013, SCE's customers provided \$1.75 million to the initiative.

Flex Alert is another statewide initiative funded by customers of the state's IOUs. A Flex Alert is an urgent call to cut back on electricity and shift demand to off-peak hours (after 6 pm). Flex Alerts inform consumers about how and when to conserve electricity. The media effort is critical to achieve high levels of conservation during heat waves and other challenging grid conditions. SCE's contribution is 60 percent – \$6 million in 2013 – since there is a greater demand in its territory during the hot

summer months. SCE supplemented the statewide media effort with local outreach using community and faith-based organizations. An incremental \$175,000 was utilized to fund the local activity.

### **Growing Solar**

One key to meeting customers' energy needs is using multiple sources of energy, and solar is one of those critical sources.

According to the Solar Electric Power Association, SCE ranked second among utilities nationwide in 2013 for the number of new solar customer interconnections, bringing 26,372 customer systems into the grid. That's a new solar customer interconnection every 20 minutes.

The California Solar Initiative (CSI) is a ratepayer-funded program that pays an incentive to customers who install photovoltaic or solar thermal systems on their homes or businesses. In 2013, SCE paid customers to install 15,120 distributed generation solar projects for 147.5 MW. Since the CSI's inception in 2007 through the end of 2013, SCE has paid customers for a total of 45,326 projects; the system total of these projects is 474.2 MW.

SCE regularly offers workshops for homeowners, businesses, government and nonprofit customers. In 2013, we conducted 12 commercial workshops, six contractor classes, 27 homeowner solar classes, 19 solar connection events, and four solar thermal trainings. The classes and events provide attendees with a high-level overview of the CSI program, how to go solar, and how to determine whether going solar is right for their home, business, or organization.

### **Customer Satisfaction**

Among large utilities in the West, SCE was ranked fifth in customer satisfaction by residential customers (same as the previous year) and seventh by Business customers (down from fourth the previous year), according to the J.D. Power and Associates 2014 Residential and 2014 Business Electric Utility Customer Satisfaction Studies. The drop in business customer ranking is attributed to SCE maintaining its satisfaction level while comparable utilities improved their scores.

# Healthy Environment

California is a national leader in designing policies that enhance environmental sustainability. SCE is committed to protecting the environment; we know that protecting and responsibly managing the natural resources entrusted to our care are vital to the environment and the quality of life in the communities we serve.

Volunteers plant trees at Amigos de los Rios event funded in part by Edison International.



In 2013, SCE delivered

1.06 Million

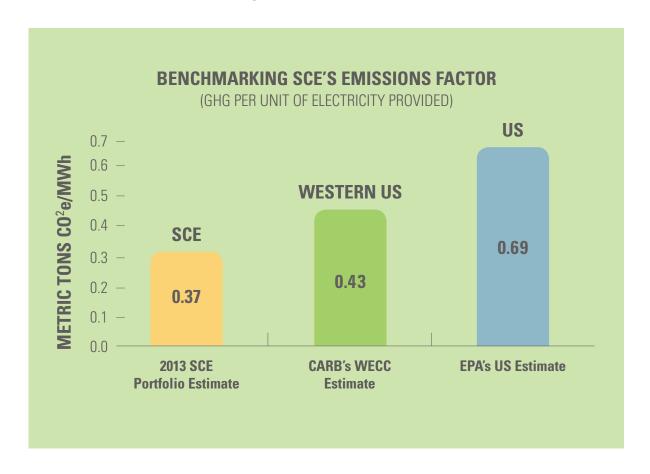
MWh of solar energy to customers from owned and purchased sources

### **Global Climate Change**

SCE believes that addressing global climate change is an important issue. We support the state's efforts to reduce greenhouse (GHG) emissions and are committed to meeting our obligations under the California Global Warming Solutions Act. In addition, we welcome the opportunity to work with the U.S. Environmental Protection Agency, the administration and Congress to develop federal policies that would align with California's programs and reduce GHGs without adversely affecting our ability to provide reliable and affordable electricity to our customers.

Corporate Responsibility Report

Since 2012, SCE has produced a comprehensive accounting of its GHG emissions. SCE's GHG intensity per unit of electricity served remains well below the estimated national and western U.S. averages.



### **Four Corners Power Plant**

In December 2013, SCE completed the sale of its 48 percent interest in Units 4 and 5 of the Four Corners Power Plant to Arizona Public Service Company (APS). Approval for the sale had been granted in 2012 by the CPUC and the Arizona Corporation Commission. With the completion of the sale, SCE no longer owns any coal-fired generation. The sale has been incorporated into long-term reliability planning, and SCE will be buying power that will be significantly lower in GHG emissions.



SCE-supported solar carport project in Long Beach

### **Renewable Energy**

California has a number of policies to promote renewable energy. In 2013, renewable energy resources made up 21.6 percent of the electricity SCE delivered to customers, including:

- 16,061,796 MWh purchased to meet the state's renewable energy goals
- 381,912 MWh of hydropower energy (SCE-owned and purchased from other providers)
- 1,037,020 MWh of solar energy (SCE-owned and purchased)
- 7,518,081 MWh of wind energy (purchased)
- 6,640,784 MWh of geothermal energy (purchased)
- 483,999 MWh of biopower energy (purchased)

### **Transmission Projects For Renewable Energy**

Meeting the state's renewable energy goals means SCE must build new high-voltage transmission lines or upgrade existing lines.

- SCE completed construction in 2013 on the 153-mile Devers-Colorado River (DCR) and 35-mile Eldorado-Ivanpah (EITP) Transmission Projects. The EITP project can now deliver up to 1,400 MW of power from renewable and traditional generating sources, and DCR can accommodate up to 2,300 MW, once the West of Devers upgrade is completed.
- SCE is building the 173-mile Tehachapi Renewable Transmission Project Segments
  4-11, part of the nation's largest transmission project devoted primarily to
  renewable energy. It will deliver up to 4,500 MW of power to California's grid —
  enough to power 3 million homes.
- SCE's Coolwater-Lugo Transmission Project and the West of Devers
   Upgrade Project have been filed for licensing. If approved, they will add
   up to 1,000 and 3,200 MW, respectively, of additional transmission capacity for
   future, renewable generation being developed in Riverside and San Bernardino
   counties and the Imperial Valley.

Some of the Red Bluff Substation Project will help SCE connect future renewable power projects in eastern Riverside County to our transmission grid.



### **Solar Decathlon**

The ABC Green Home, the certified, net-zero energy home created by SCE and *Green Homebuilder* magazine, was showcased at the U.S. Department of Energy's 2013 Solar Decathlon.

At the close of the Decathlon, the ABC Green Home received the Innovative House of the Year award presented by The Greater Sales & Marketing Council and Building Industry Association at the SOCAL Awards.

In collaboration with Habitat for Humanity, plans are in place to replicate an exact model of the ABC Green Home in 2014 to provide a residence for the family of a disabled veteran.

A biennial event, the Solar Decathlon challenges 20 student teams to design, build and operate solar-powered houses that are cost-effective, energy efficient and attractive.

Edison International was a Sustaining Sponsor of the 2013 Solar Decathlon. The event aims to educate students and the public about the benefits of cleanenergy products and designs, demonstrate the comfort and affordability of living in homes that combine energy efficiency with renewable energy systems, and help prepare students to enter our nation's clean-energy workforce.



The ABC Green Home, created by SCE and Green Homebuilder magazine, at the 2013 Solar Decathlon.

### **Amigos de los Rios**

A 2013 grant of \$50,000 by SCE's parent company, Edison International, to the nonprofit Amigos de los Rios helped fund an event where more than 200 volunteers planted 150 trees at a local park in the city of South Gate. SCE donated the trees from its Auberry Tree Farm near Shaver Lake in the Central Sierras. SCE has partnered with Amigos de los Rios for ten years to help the group's efforts to protect and restore green spaces such as parks and trails in East Los Angeles County. SCE supports tree planting and healthy forest activities,

Water-related usage consumes nearly

20%

of California's electricity

Source: California Energy Commission, www.energy.ca.gov/research/iaw/ water.html doing our part to offset global deforestation that contributes to more than 25 percent of worldwide GHG emissions each year.

### **Hydropower and Water Use**

In a normal year, SCE's hydropower systems generate enough emission-free electricity to power approximately 640,000 homes (~4,400,000 MWh). Ongoing severe drought conditions in California directly impact SCE hydropower operations and how SCE customers are doing business – especially agricultural customers.

During this unprecedented drought, SCE will continue to safely operate our hydropower systems in a manner that considers fish and wildlife, water for downstream users, and recreational opportunities. SCE is in communication with various federal and state agencies (CPUC, CEC, CAISO and FERC) on the forecasted impacts of the drought on our hydropower operations. SCE is also in communication with federal and state agencies on the status of our reservoirs and our forecasted water supplies for various downstream uses and fish and wildlife habitat.

Water-related energy use in agricultural, commercial, industrial, and residential sectors consumes nearly 20 percent of the state's electricity. Therefore, reducing

water consumption will not only support state-wide water conservation efforts, but will also help reduce electricity usage in California. For SCE's customers, water conveyance, treatment, and irrigation contribute to a significant amount of energy usage, which is increasing with the drought as water deliveries are curtailed and water agencies need to pump more groundwater.

SCE offers energy efficiency and demand response programs that can lower energy consumption and manage costs for customers. Those programs are available at http://www.sce.com/water.

### **Water Efficiency at SCE Facilities**

SCE has been reducing our water use through appropriate facility management across the service territory. At SCE's General Office buildings, we are using recycled/reclaimed water to meet our landscape irrigation needs. Additionally, over the past several years, SCE has installed drought-tolerant landscapes at various SCE sites. Each of these sites had a minimum of 60 percent water reduction.

SCE has performed facilities upgrades to ensure new construction standards are met, including installing low-flush toilets, auto/low-flow faucets, and low-flow shower heads. All major building

renovations and new construction projects are targeted to attain LEED (Leadership in Energy and Environmental Design) certification from the U.S. Green Building Council.

Other SCE facilities employ even more sophisticated methods to save water. For example, operations at our Mountainview power plant in Redlands use water that is unfit for drinking, so it doesn't go to waste. Approximately 50 percent of the water needed to run this water-cooled power plant is non-drinkable wastewater from the City of Redlands. The remainder is non-drinkable water from an underground aquifer.

In addition, the Mountainview onsite water treatment system allows the plant to recover and recycle 80 percent of the water that is used by the cooling process. The remaining percentage is treated and transported into the ocean as harmless salt water.



SCE's Mountainview power plant recovers and recycles 80 percent of the water used in its cooling process.



Members of SCE's Latinos for Engagement, Advancement & Development (LEAD) employee resource group, (I-r) Hector Aguilar, Jeannine Villasenor, Chris Rivas and Kaylen Malley.

# **■** First-Rate Workforce

SCE's employees are the company's most important asset. A healthy, diverse and well-trained workforce is essential to achieving operational and service excellence.

### **Workforce Diversity**

Our ability to attract and retain a diverse workforce allows us to leverage their unique experiences, better reflect the communities we serve, and raise cross-cultural awareness that benefits both the company and its customers. This is particularly important as about one

# **Workforce Statistics**

		12/31/2011	12/31/2012	12/31/2013
Full-tin	ne employees	18,057	16,515	13,654
	ive bargaining unit/union ers (pct. of workforce)	31%	30%	29%
	White	46%	46%	43%
Ę.	African-American	8%	8%	8%
iversi orce)	Hispanic/Latino	29%	29%	31%
orce D workf	Asian	13%	13%	14%
SCE Workforce Diversity (pct. of workforce)	American Indian/ Alaskan Native	1%	1%	1%
SCE	Pacific Islander/ Native Hawaiian	< 1%	< 1%	< 1%
	Two or more races	2%	2%	2%
Minoriti	ies as pct. of workforce	54%	54%	57%
Minoriti	ies as pct. of management	50%	51%	53%
Female	s as pct. of workforce	31%	32%	33%
Female	s as pct. of management	33%	34%	34%
	employees eligible e in 10 years	33%	35%	33%





Roundtable, an SCE employee resource group, teams up with Girls Inc. of Orange County to change the lives of girls through STEM programs.

third of our employees are eligible to retire in the next 10 years, and a younger generation enters the SCE workforce. In 2013:

- 64 percent of our new hires were ethnic minorities
- 44 percent of our elected officers were ethnic minorities or women
- 38 percent of our board of directors were ethnic minorities or women

The diverse mix of employees has steadily grown over time. For example, the percentage of nonwhite employees has increased from 49 percent in 2006 to 57 percent in 2013.

With an ever-changing canvas to our employee population, SCE has taken steps to include learning modules on diversity and inclusion in all leadership training programs. Leadership assessments were also conducted for all executives, managers and

supervisors in 2013. Part of the assessment included a section that confirmed leaders' commitment to lead an organization that is diverse and inclusive.

Talent recruiters have been trained to work with hiring managers to ensure that all qualified candidates are considered for positions at SCE.

### **Employee Resource Groups**

There are currently 14 Employee Resource Groups (ERGs) at SCE, representing a range of cultures, generations, ethnic groups, sexual orientations, and those focused on issues such as employee safety and the environment. ERGs are a committed group of employees, volunteering to dedicate their time outside of work hours to promote and embrace diversity and inclusion within the company.

Some ERGs host signature celebrations focusing on cultural events or workplace issues to promote awareness, while also raising money for nonprofits aligned with their mission and purpose.

In October 2013, SCE was recognized as one of the top 10 companies for employee resource groups at the 2013 National ERG Summit in National Harbor, Md. In partnership with California State University-Fullerton, and the University



Mario Ang, member of SCE's FilBarkada employee resource group, with relief supplies for victims of the Philippines' Typhoon Haiyan.

of California-Riverside, Upward Synergy conducted a study to identify the best companies for ERGs in 2013. Companies were evaluated for their support of ERGs, as well as best practices and innovation. SCE ranked fifth out of the 10 companies recognized.

> 57% of SCE's workforce are ethnic minorities

### **Ethics and Compliance**

Our long-term success rests on our employees accepting personal accountability for living the company values and complying with company policies and applicable laws, rules and regulations. At SCE, compliance is not just honoring the letter of the law, but also working to live up to the spirit of the law.

Our Ethics and Compliance Code defines expectations of ethical behavior in specific workplace situations and helps employees find additional guidance when needed to address any questions and concerns. SCE assures compliance with the Ethics and Compliance Code through required annual employee training. In 2013, 99 percent of our non-represented employees certified their compliance with our Ethics and Compliance Code, and 99 percent of non-management employees completed Ethics and Compliance training.

SCE expects all company leaders to set an ethical tone and solicit employee feedback. Leadership training helps managers and supervisors foster a culture of trust and accountability in their workgroups.

### **Edison HelpLine (1-800-877-7089)**

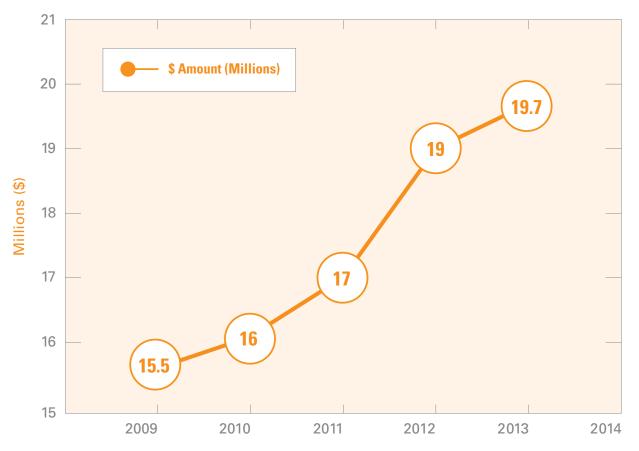
Our employees are encouraged to raise issues, seek advice, and report ethics, compliance, employee relations, work environment or non-emergency security concerns so they may be addressed promptly. In addition to discussing and resolving issues with their managers or supervisors, employees may report online or call the Edison HelpLine. When using the helpline, employees can choose to identify themselves or remain anonymous. SCE absolutely prohibits retaliation.

In 2013, our Edison HelpLine received 1,412 contacts, of which 71 percent reported Ethics and Compliance Code concerns (such as discrimination, sexual harassment, or conflict of interest), and 18 percent sought advice on matters related to employment, conflicts of interest or misuse of company resources.

As of December 31, 2013, 44 percent of all contacts were assigned for investigation. Of the concerns investigated and closed, 22 percent were substantiated. At year-end, all concerns in 2013 were not fully settled and will continue being handled in 2014. Total contacts rose 26 percent and the rate of anonymous reporting decreased by 3 percent from 2012.

# Strong Communities

The company and its employees invest time and money in the neighborhoods we serve to help build strong communities, and SCE partners with our communities to create new opportunities for growth. We know that we are only as strong as the people we serve.



Shareholder contributions to Edison International's community investment funding

**Edison International employees donated** 

\$2.9 Millior

to charitable causes in 2013

### **Community Investment**

Over the past five years, Edison International's annual community investment funding from shareholders has been increasing steadily from \$15.5 million in 2009 to \$19.7 million in 2013. Since the company's target for giving is 1 percent of pre-tax earnings from operations, this increase corresponds to SCE's steady growth. Customer funds are not used for community investment.

### **Employee Volunteerism**

On any given Saturday, southern, central and coastal Californians are likely to see groups of Edison International employees in their green T-shirts volunteering in their communities. SCE's culture of giving back drives our corporate philanthropic efforts. For generations, our employees have embraced this culture of giving and have contributed their time and money to a variety of nonprofit organizations and social causes that benefit children, the elderly, veterans, the disabled, and low-income families.

In 2013, our employees raised \$2.9 million through employee-initiated fundraising drives and our annual Employee Contributions Campaign, an inspirational tradition that allows employees to make personal contributions to nonprofits and schools.

Edison International employees also volunteered 281,112 hours, worth an estimated \$6.2 million, to a variety of community projects. These activities ranged from company-wide events with the California State Parks Foundation and the Orange County Regional Food Bank to our annual Season of Service campaign, which encourages employees to volunteer with local nonprofits.



Edison International employees contributed an estimated \$6.2 million worth of volunteer hours in 2013.

In 2013,

281,112

hours of volunteer work by Edison International employees and retirees During our fifth annual Season of Service, employees were encouraged to volunteer in a number of activities sponsored by our various Employee Resources Groups (ERGs) and that benefit multiple nonprofits in our service territory. At the end of the campaign, each of our 14 ERGs had the option of designating a \$5,000 corporate contribution grant to a partnering nonprofit organization that is aligned with our corporate giving priority areas (Education, Environment, Engagement, Public Safety & Preparedness).



Edison Scholars for 2013 included (I-r): Jasmine Esparza, Jeff Wettstein, Chika Okonkwo and Alexander Chan.

### **Edison Scholars**

In 2013, 30 high school graduates received \$40,000 college scholarships through the Edison Scholars Program, which offers scholarships to underserved students desiring higher education in the science, technology, engineering, and math (STEM) fields. It helps fill a need for STEM professionals to preserve our country's leadership in science and technology and supports our company's workforce development.

The Edison Scholars Program is administered by Scholarship America, an organization focused on mobilizing scholarship and educational support to make post-secondary studies possible for all students.

### **Supplier Diversity**

In the last 35 years, SCE has spent \$13 billion with diverse firms as part of its Supplier Diversity program. Since 2009, SCE's spending

with diverse business enterprises (DBEs) has increased 97 percent and continues to exceed the CPUC target of 21.5 percent. In 2011, SCE President Ron Litzinger set an aspirational goal of 40 percent spending with DBE firms by 2016. SCE exceeded that goal in 2013 — well ahead of the targeted year — resulting in 41 percent of its procurement spend with over 800 diverse businesses.

In addition, SCE encourages its prime suppliers to subcontract a portion of all contracts valued at \$250,000 and above to womanowned, minority, service-disabled veteran business enterprises (WMDVBE). In 2013, spend with diverse subcontractors — Tier 2 suppliers — grew to \$542 million (37.8 percent of total spend), nearly a 10 percent increase from 2012. This increase is attributed to SCE's targeted activities to increase subcontracting spend with diverse firms.

# **SCE Supplier Diversity Spend**

	2011	2012	2013
Tier 1 Suppliers (\$ millions)	\$970	\$1.0 B	\$894
Tier 2 Suppliers (\$ millions)	\$428	\$498	\$542

SCE strives to expand diversity spend beyond ethnicity and gender. We will continue identifying and expanding our footprint in other diverse and underserved communities. In 2013, SCE became a corporate member of the National Gay and Lesbian Chamber of Commerce.

In the last 35 years,

\$13 Billion

spent with diverse firms through SCE's Supplier Diversity program

### **SONGS Community Outreach**

Since the decision to shut down the San Onofre Nuclear Generating Station (SONGS) in June 2013, SCE's outreach has focused on helping public officials and the community understand the decommissioning process and the steps the company will be taking to ensure we proceed in a manner that protects the health and safety of the public while engaging the community.

In 2014, The SONGS Community
Engagement Panel (CEP) was created by
the SONGS co-owners as a volunteer, nonregulatory body to enhance and foster open
communication, public involvement and
education on SONGS decommissioning
activities. It is intended to serve as a conduit
for public information and encourage
community involvement and communication
with the SONGS co-owners on matters
related to SONGS decommissioning.

### **Community Forums and Speakers Bureau**

SCE hosts community forums to provide helpful information about our programs and initiatives to leaders of community-based organizations and nonprofits who then share the information with their constituents. During these day-long events, almost 450 organizations benefitted from presentations by SCE representatives on: electrical safety; Edison International's philanthropic grant programs; and income-qualified programs such as California Alternate Rates for Energy, Family Electric Rate Assistance and our Energy Assistance Fund.

Throughout the year, SCE hosted seven "Helping our Customers Succeed" Community Forums targeting the Latino, African American, Native American, and Pacific Islander populations. These Forums provide a wealth of information on programs and services available to customers, businesses, and non-profit organizations. This strategy builds program awareness at a grassroots and community level where many income-qualified households may connect.

SCE's Speakers' Bureau is a labor of love. Employee volunteers speak to various audiences across our service territory to make presentations that educate customers and community groups on electrical safety, energy efficiency, SCE customer programs and other important topics. Because our communities are diverse, the presentations are made in multiple languages. In 2013, our Speakers' Bureau ambassadors made 300 presentations.



The SONGS Community Engagement Panel fosters open communication, as well as public involvement and education about the plant's decommissioning.

Company	2011	2012	2013	National Average
Safety: Employee OSHA Recordable Rate	4	3.65	3.42	_
Safety: Employee Lost Workday Case Rate	1.59	1.22	1.08	_
Safety-related Internal Compliance Assessments and Audits	5	8	11	_
Women in the Workforce	31%	32%	33%	31%
Minorities in the Workforce	54%	54%	57%	27%
Women in Management	33%	34%	34%	_
Ethnic Diversity in management	50%	51%	53%	_
Supplier Diversity Spend rate	33.7%	38.2%	41%	40%
Ethics and Compliance Helpline contacts	n/a	1,172	1,412	_
Edison International Net Income (millions)	(\$37)	(\$183)	\$915	_
Edison International Basic Earnings per Share	(\$0.11)	(\$0.56)	2.81	_

Customers	2011	2012	2013	National Average
Customer Satisfaction: J.D. Power & Associates Survey Results - Electric Residential	650	655	667	639
Customer Satisfaction: J.D. Power & Associates Survey Results - Electric Business	661	679	670	647
System Reliability: SAIFI (Interruptions)	0.91	0.86	0.88	1.08
System Reliability: SAIDI (Minutes)	108.2	100.7	94.48	126
System Reliability: MAIFI (Interruptions)	1.36	1.35	1.18	_

Communities	2011	2012	2013	National Average
Employee & retiree volunteer hours	250,000	240,000	281,112	_
Contributions to nonprofits by employees (millions)	\$4.2	\$3.9	\$2.9	_
Community Investments: Pre-Tax earnings from Operations (millions)	\$17.0	\$19.2	\$19.7	_



Environment	2011	2012	2013	Nat. Avg.
Customer Energy Efficiency: GWh % of CPUC Goals	166%	160%	124%	-
Customer Energy Efficiency: MW % of CPUC Goals	142%	132%	106%	
Customer Demand Response (MW)	-	1,300	1,200	
Renewables Portfolio Standard: Eligible Renewables	20.8%	20.6%	21.6%	
CO2e Emissions from Owned Electricity Rate (lbs/MWh)	397	753	777	1216
CO2e Emissions from Delivered Electricity Rate (lbs/MWh)	517	705	805	1216
Scope 1 Emissions (million metric tons CO2e)	6.3	7.2	6.2	
Scope 2 Emissions (million metric tons CO2e)	1.0	1.5	2.0	
Scope 3 Emissions (million metric tons CO2e)	12.4	16.9	21.6	
SF6 Emissions Rate	0.90%	0.64%	0.62%	
SF6 Emissions (metric tons)	3.247	2.463	2.621	
NOx Emissions Rate of UOG (lbs/MWh)	0.660	1.160	1.30	1.10
NOx Emissions from Power generation (metric tons)	13811.69	35723.6	9997.8	
SO2 Emissions Rate of UOG (lbs/MWh)	0.250	0.370	0.420	2.10
SO2 Emissions from Power generation (tons)	4186.95	10123.3	3213.3	
Hazardous waste (tons)	-	-	29,328.04	
Agency inspections	304	459	474	
Notices of Violation (NOV)	31	54	15	
Inspections with No NOVs Issued (% of total inspections)	90%	88%	97%	-
Settlement, Fines and Penalties	\$19,900	\$2,000,600	\$10,785	
Environmental-related Internal Compliance Assessments and Audits	5	10	9	

The metrics displayed here were selected as indicators of economic, environmental and social performance by the California Utility Sustainability Partnership (CUSP), comprised of representatives from the state's investor-owned utilities.

### Corrections

The Scorecard in the SCE's 2012 Corporate Responsibility & Sustainability Report listed incorrect figures for Employee Lost Workday Case Rate for the years 2011 and 2012. The correct rate for 2011 was 1.59, not 2.37. The correct rate for 2012 was 1.22, not 1.82. The rates appear correctly in this year's Scorecard.

### **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 power purchases, unspecified power purchases
- 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).

## ABOUT THIS REPORT / FORWARD LOOKING STATEMENTS

### **DISCLOSURES**

This report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements reflect Southern California Edison's current expectations and projections about future events based on Southern California Edison's knowledge of present facts and circumstances and assumptions about future events and include any statement that does not directly relate to a historical or current fact. In this report and elsewhere, the words "expects," "believes," "anticipates," "estimates," "projects," "intends," "plans," "probable," "may," "will," "could," "would," "should," and variations of such words and similar expressions, or discussions of strategy or of plans, are intended to identify forward-looking statements. Such statements necessarily involve risks and uncertainties that could cause actual results to differ materially from those anticipated.

Some of the risks and uncertainties that could cause actual results to differ materially from those anticipated are discussed under the heading "Risk Factors" and "Management's Discussion and Analysis" in Southern California Edison's 2013 Form 10-K and subsequent reports filed with the Securities and Exchange Commission and available on www.edison.com. These forward-looking statements represent our expectations only as of the date of this report, and Southern California Edison assumes no duty to update them to reflect new information, events or circumstances.

