

# 2022 SUSTAINABILITY REPORT



# U.N. SDG INDEX



## Major Focus: 7 — Affordable and Clean Energy

Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All

### Why Is This a Priority?

Our vision is to lead the transformation of the electric power industry toward a clean energy future. Southern California Edison (SCE) is committed to delivering 100% carbon-free power in terms of retail sales by 2045 in accordance with California law. We are also investing in and partnering across a multistakeholder landscape to advance electrification across the economy, which our analysis and that of others shows to be among the most cost-effective ways to reach economywide greenhouse gas (GHG) emissions-reduction targets.

### How We're Contributing

#### SDG Target 7.1: By 2030, ensure universal access to affordable, reliable and modern energy services

- SCE invests approximately \$6 billion in capital expenditures annually to support the clean energy transition through a modern and resilient electric grid
- SCE has the lowest system average rate of the three California investor-owned utilities and has a long history of cost management to support customer affordability
- SCE offers reduced energy bill programs to income-qualified customers, who make up nearly one-third of SCE customers
- SCE considers low-income customers and environmental and social justice (ESJ) communities when designing programs and incentives to connect customers with clean energy technologies
- SCE uses advanced analytics, including artificial intelligence and machine learning, to provide real-time insights into grid health to improve reliability

### Measuring Progress

We have set a goal to deliver 100% carbon-free power in terms of retail sales to SCE customers by 2045. In 2022, 45% of SCE's total delivered power came from carbon-free sources.



## Major Focus: 7 — Affordable and Clean Energy (Continued)

Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All

### Why Is This a Priority?

More Information

#### Part I

- [Accelerating a Clean Energy Transition to Address Climate Change](#)
- [Operating with Excellence](#)

#### Part II

- [Climate Change](#)
- [Customers](#)

#### Appendix

- [Sustainability Goals](#)

### How We're Contributing

#### SDG Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix

- SCE is required by state of California law to meet the following retail sales requirements for the power it delivers to customers:
  - By 2024 — 44% of power from Renewables Portfolio Standard (RPS)-eligible resources
  - By 2027 — 52% of power from RPS-eligible resources
  - By 2030 — 60% of power from RPS-eligible resources
  - By 2035 — 90% carbon-free power
  - By 2040 — 95% carbon-free power
  - By 2045 — 100% carbon-free power
- SCE is advocating, as part of an economywide approach, for California to go beyond the current 2030 goal of 60% RPS-eligible power delivered to customers and to reach 80% carbon-free power.
  - With more than 5,000 MW of energy storage installed or contracted, SCE has one of the largest energy-storage portfolios in the nation
  - Edison Energy<sup>1</sup> has advised on over 10,400 MW of renewable energy power purchase agreements, including 1,459 MW of executed deals in 2022
  - In 2022, SCE interconnected approximately 80,000 behind-the-meter, solar-only installations and 12,000 energy storage and solar paired systems to the grid

#### SDG Target 7.3: By 2030, double the global rate of improvement in energy efficiency

- Edison Energy partners with large organizations globally, including 26 of the Fortune 100, to identify solutions to help them reduce their carbon footprints and reach their own sustainability and cost goals
- Edison Energy's "Insights Platform" provides organizations with unique transparency and intelligence to better manage energy activities and performance
- In 2022, approximately 1,500 gigawatt hours of energy were saved through the more than 100 energy-efficiency programs that SCE offers; this translates into a reduction in GHG emissions of approximately 375,000 metric tons
- SCE serves customers entirely within the state of California, which is a leader in energy efficiency programming, reducing the need for new fossil-fuel burning generation assets. As a decoupled utility, SCE does not profit from the sale of each kilowatt-hour and is incentivized to help customers achieve efficiency in their energy use

<sup>1</sup> Edison Energy is not the same company as Southern California Edison, the utility, and Edison Energy is not regulated by the California Public Utilities Commission.



## Major Focus: 9 — Industry, Innovation and Infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

### Why Is This a Priority?

SCE's role to provide safe, reliable, affordable and clean power underpins the Southern California economy and fosters growth. It's imperative that the grid is resilient enough to withstand physical and cyber threats to ensure that businesses can continue to deliver goods and services to customers and innovate for the future

More Information

#### Part I

- [Accelerating a Clean Energy Transition to Address Climate Change](#)

#### Part II

- [Climate Change](#)

### How We're Contributing

**SDG Target 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all**

- Edison International's *Mind the Gap* policy paper, published in 2021, highlights the accelerated rate of annual GHG emissions reductions needed across the California economy to achieve the state's 2030 climate goals, outlining the policies needed to support utility infrastructure, among others
- SCE's *Reimagining the Grid* white paper, published in 2020, is a comprehensive assessment of the grid changes needed to support California's GHG emissions-reduction goals, while adapting to evolving customer and climate change-driven needs
- SCE is building the grid of the future to deliver 100% carbon-free power to customers by 2045, integrate distributed energy resources and other new technologies and services, and remain safe, reliable, affordable and resilient to climate change and cyber threats
- SCE is shifting its grid planning and capabilities from a systemwide-only focus to one that meets multiple objectives based on specific and localized needs, while also addressing systemwide needs
- SCE is increasing its use of drones to gather images in the field, as well as artificial intelligence and machine learning to drive automation and data integration
- In 2022, SCE installed approximately 1,400 circuit miles of covered conductor, installed or replaced approximately 370 fast-acting fuses, installed 15 sectionalizing devices and completed approximately 15 circuit miles of undergrounding to harden the grid against the threat of climate-change-driven wildfires
- The Smart Electric Power Alliance (SEPA) recognized SCE with a [2022 Utility Transformation Award](#), which recognizes specific projects, programs and others driving the utility industry's transformation to a modern, carbon-free energy future

### Measuring Progress

SCE invests approximately \$6 billion in capital expenditures annually to support the clean energy transition through a modern and resilient electric grid.



## Major Focus: 11 — Sustainable Cities and Communities

Make cities and human settlements inclusive, safe, resilient and sustainable

### Why Is This a Priority?

Significant electrification of transportation and buildings, coupled with advanced energy efficiency, is necessary to achieve California’s decarbonization goals. It also improves air quality in the communities most impacted by pollution and vulnerable to its effects. As California’s only investor-owned electric utility without a natural gas distribution business, SCE is uniquely positioned to advance electrification initiatives.

More Information

#### Part I

- [Accelerating a Clean Energy Transition to Address Climate Change](#)

#### Part II

- [Climate Change](#)
- [Environmental](#)

#### Appendix

- [Sustainability Goals](#)

### How We’re Contributing

#### SDG Target 11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

- SCE’s [Pathway 2045](#) identified a clean power and electrification-led strategy as the most affordable way to achieve economywide net-zero GHG emissions
- In 2022, we advocated in support of billions of dollars of federal funding for electric technologies that promote the transition to a decarbonized economy. We were particularly pleased to see the Inflation Reduction Act’s extension of federal tax credits to pre-owned electric vehicles (EVs), a provision for which SCE strongly advocated and modeled after an SCE program
- In 2022, SCE continued to execute on its \$436 million Charge Ready Light Duty program, which requires 50% of new charge port installations to be in state-designated disadvantaged communities
- SCE is electrifying its own fleet in line with [Pathway 2045](#) and has a robust building electrification portfolio, with more than 99% of its buildings and 79% of its total building square footage using electricity as the primary fuel source
- Edison International has invested in a range of companies that accelerate the transition to electric transportation

### Measuring Progress

We have set electrification goals related to investing in infrastructure to support SCE customer adoption of EVs, as well as electrifying SCE’s own vehicle fleet.



**Major Focus: 13 — Climate Action**  
 Take urgent action to combat climate change and its impacts

**Why Is This a Priority?**

We believe we have a responsibility to respond to the climate challenge by working toward mitigation, while adapting our business to climate change-driven effects. Through programs, investments, analysis and partnerships with key stakeholders, we're committed to doing our part.

**How We're Contributing**

**SDG Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries**

- In May 2022, SCE made public a climate adaptation vulnerability assessment (CAVA), which evaluates the potential long-term impacts of temperature, precipitation, sea-level rise and wildfire hazards on our infrastructure and operations; the assessment uses 10 California-endorsed Global Climate Models as the best representation of climatic patterns and a conservative, high-emissions global warming scenario to ground this assessment
- SCE has partnered with a range of organizations, including the American Red Cross and Climate Resolve, as well as government agencies to develop community resilience programs
- SCE continues to harden the electric grid to ensure safety, grid resiliency and system readiness for these growing climate change impacts; SCE met or exceeded nearly all of its wildfire mitigation goals in 2022

**Measuring Progress**

See goals outlined in SDGs 7, 9 and 11. In addition, Edison International is committed to achieving net-zero GHG emissions across Scopes 1, 2 and 3 by 2045.



**Major Focus: 13 — Climate Action (Continued)**  
 Take urgent action to combat climate change and its impacts

**Why Is This a Priority?**

More Information

**Part I**

- [Accelerating a Clean Energy Transition to Address Climate Change](#)

- [Operating with Excellence](#)

**Part II**

- [Climate Change](#)

- [Customers](#)

**Appendix**

- [Sustainability Goals](#)

**How We're Contributing**

**SDG Target 13.2: Integrate climate change measures into national policies, strategies and planning**

- Edison International partners with local, state and federal leaders to advance policies on climate change mitigation and adaptation, transportation and building electrification and innovation to advance clean energy technologies
- Edison International participates in national organizations and coalitions to advance policies addressing climate change and advancing clean energy, with a particular advocacy focus on electrification
- In early 2022, President Biden met with electric utility industry leadership, including Edison International President and CEO Pedro Pizarro, to discuss his climate agenda, which was later codified in the Inflation Reduction Act (IRA). The IRA's extension of federal tax credits to preowned EVs was a provision for which SCE strongly advocated and modeled after an SCE program
- Edison International's public policy engagement includes significant focus on influencing the policy agenda to help deliver the benefits of clean energy and electrification, especially affordability benefits for customers
- Edison International senior executives, including the president and CEO, hold leadership positions on external boards to advance the company's clean energy objectives
- SCE partners with the Greenlining Institute to convene the Clean Energy Access Working Group (CEAWG), consisting of key stakeholders to review clean energy-related policies, programs and projects targeting ESJ communities
- SCE is installing infrastructure to support EV charge ports to help businesses, local government and members of the public switch to electric transportation

**SDG Target 13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning**

- SCE sponsors the emPOWER program, which provides funding, training and other tools to community-based organizations for culturally appropriate and in-language education about the cost savings available from clean energy programs
- Edison International has partnered with the American Red Cross PrepareSoCal campaign since 2012 and was a founding partner
- To support SCE's CAVA, SCE launched a Climate Resilience Leadership Group (CRLG), a forum of community leaders working with SCE on a six-month engagement to collect local feedback from disadvantaged vulnerable communities. SCE is now working with CRLG members to determine how we can help them meaningfully build climate adaptation capacity