



2009 financial & statistical report



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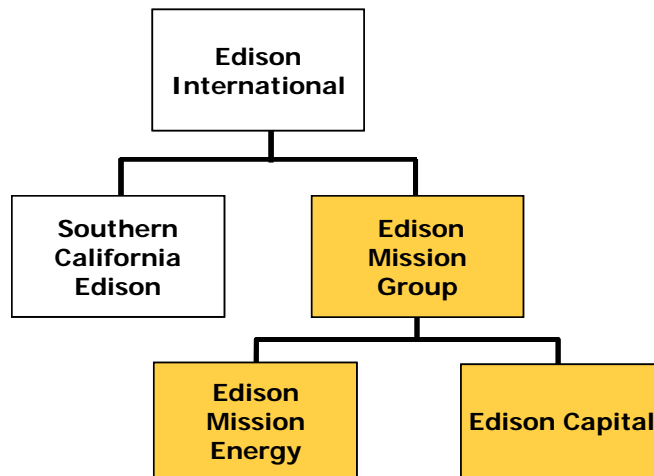
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## Cautionary Statement

This Financial and Statistical Report and the statements and statistics contained herein have been assembled for informative purposes and are not intended to induce, or for use in connection with, any sale or purchase of securities. Under no circumstances is this report or any part of its contents to be considered a prospectus, or an offer to sell, or the solicitation of an offer to buy, any securities.

Edison International's non-utility subsidiaries are not the same company as Southern California Edison (SCE), the utility, and are not regulated by the California Public Utilities Commission. SCE's customers do not have to purchase these companies' products in order to continue to receive quality regulated services from SCE.

Readers are urged to read this entire Financial & Statistical Report, including the information incorporated by reference, as well as the Annual Reports on Form 10-K filed by Edison International with the U. S. Securities & Exchange Commission. These reports are available on our website: [www.edisoninvestor.com](http://www.edisoninvestor.com). These filings also provide additional information on historical and other factual data contained in this presentation.



## Corporate Profiles

### *Edison International*

Edison International, through its subsidiaries, is a generator and distributor of electric power and an investor in infrastructure and energy assets, including renewable energy. The company operates in regulated and competitive markets with power generation capacity of approximately 11,269 megawatts. Headquartered in Rosemead, California, Edison International is the parent company of a regulated electric utility and a competitive power generation business with combined assets totaling almost \$41 billion as of December 31, 2009.

### *Southern California Edison*

Southern California Edison is one of the nation's largest investor-owned electric utilities, serving more than 13 million people in a 50,000 square-mile area of central, coastal and southern California excluding the City of Los Angeles and certain other cities. Based in Rosemead, California, the utility has been providing electric service in the region for 124 years.

### *Edison Mission Group*

Edison Mission Group is the holding company for its principal wholly-owned subsidiaries, Edison Mission Energy (EME) and Edison Capital.

### *Edison Mission Energy*

Edison Mission Energy is a holding company whose subsidiaries and affiliates are engaged in the business of developing, acquiring, owning or leasing, operating and selling energy and capacity from independent power production facilities. EME also conducts hedging and energy trading activities in competitive power markets through its Edison Mission Marketing & Trading, Inc. subsidiary. As of December 31, 2009, EME's subsidiaries and affiliates owned or leased interests in 39 operating projects with an aggregate net physical capacity of 11,269 MW of which EME's pro rata share was 10,072 MW. At December 31, 2009, EME's subsidiaries and affiliates also owned two wind projects under construction totaling 390 MW of net generating capacity.

### *Edison Capital*

Edison Capital has investments in energy and infrastructure projects and airplane leases. Edison Capital also has investments in affordable housing projects located throughout the United States. At the present time, no new investments are expected to be made by Edison Capital.

# Edison International Consolidated Earnings

## Earnings (Loss) (in millions)

### Attributable to Edison International

Year Ended December 31,

	2009	2008	2007
<b>Reconciliation of Core Earnings to Basic Earnings (Loss)</b>			
Core Earnings			
Southern California Edison Company	\$ 874	\$ 732	\$ 676
Edison Mission Group	222	561	560
Edison International (parent) and other	(32)	(29)	(19)
EIX core earnings	<u>\$ 1,064</u>	<u>\$ 1,264</u>	<u>\$ 1,217</u>
Non-core items			
SCE – Regulatory items	\$ 46	\$ (49)	\$ 31
EMG – Early debt retirements	—	—	(148)
EMG – Discontinued operations	(7)	—	(2)
Global tax settlement:			
SCE	306	—	—
EMG	(610)	—	—
EIX	50	—	—
Total non-core items	<u>(215)</u>	<u>(49)</u>	<u>(119)</u>
EIX basic earnings	<u><u>\$ 849</u></u>	<u><u>\$ 1,215</u></u>	<u><u>\$ 1,098</u></u>
<b>Basic Earnings (Loss)</b>			
Southern California Edison Company	\$ 1,226	\$ 683	\$ 707
Edison Mission Group	(388)	561	412
Edison International (parent) and other	18	(29)	(19)
EIX earnings from continuing operations	<u>856</u>	<u>1,215</u>	<u>1,100</u>
EIX loss from discontinued operations	<u>(7)</u>	<u>—</u>	<u>(2)</u>
EIX basic earnings	<u><u>\$ 849</u></u>	<u><u>\$ 1,215</u></u>	<u><u>\$ 1,098</u></u>
<b>Reconciliation of Core Earnings Per Share to Basic Earnings Per Share</b>			
Core Earnings <sup>1</sup>			
Southern California Edison Company	\$ 2.68	\$ 2.25	\$ 2.07
Edison Mission Group	0.68	1.72	1.72
Edison International (parent) and other	(0.11)	(0.13)	(0.10)
EIX core earnings	<u>\$ 3.25</u>	<u>\$ 3.84</u>	<u>\$ 3.69</u>
Non-core items:			
SCE – Regulatory items	\$ 0.14	\$ (0.15)	\$ 0.10
EMG – Early debt retirements	—	—	(0.45)
EMG – Discontinued operations	(0.02)	—	(0.01)
Global tax settlement:			
SCE	0.94	—	—
EMG	(1.87)	—	—
EIX	0.15	—	—
Total non-core items	<u>(0.66)</u>	<u>(0.15)</u>	<u>(0.36)</u>
EIX basic earnings	<u><u>\$ 2.59</u></u>	<u><u>\$ 3.69</u></u>	<u><u>\$ 3.33</u></u>
<b>Basic Earnings (Loss) per common share</b>			
Southern California Edison Company	\$ 3.76	\$ 2.10	\$ 2.17
Edison Mission Group	(1.19)	1.72	1.27
Edison International (parent) and other	0.04	(0.13)	(0.10)
EIX earnings from continuing operations	<u>2.61</u>	<u>3.69</u>	<u>3.34</u>
EIX loss from discontinued operations	<u>(0.02)</u>	<u>—</u>	<u>(0.01)</u>
EIX basic earnings	<u><u>\$ 2.59</u></u>	<u><u>\$ 3.69</u></u>	<u><u>\$ 3.33</u></u>
EIX diluted earnings	<u><u>\$ 2.58</u></u>	<u><u>\$ 3.68</u></u>	<u><u>\$ 3.31</u></u>

<sup>1</sup> Core earnings is a non-GAAP financial measure that excludes discontinued operations and other non-core items and is reconciled to basic earnings.

# Security Credit Ratings

As of April 12, 2010

	Fitch	Moody's	Standard and Poors
SCE Senior Secured	A+	A1	A
SCE Senior Unsecured	A	A3	BBB+
SCE Preferred Stock	BBB+	Baa2	BBB-
SCE Commercial Paper	F1	P-2	A-2
EME Senior Unsecured	B-	B2	B-
MWG LLC Senior Secured	BB	Ba1/Review down	B+
Homer City Funding LLC	BBB-	Ba2	B+

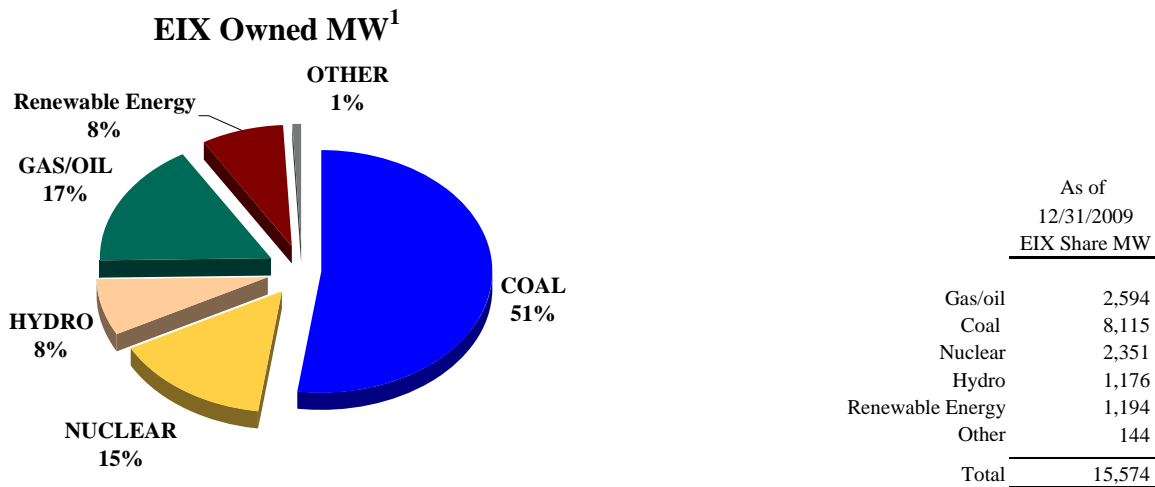
# Highlights

As of December 31, or  
Year Ended December 31,

	2009	2008	2007
<b>Edison International</b>			
Basic earnings per share	\$ 2.59	\$ 3.69	\$ 3.33
Diluted earnings per share	\$ 2.58	\$ 3.68	\$ 3.31
Net income (millions)	\$ 849	\$ 1,215	\$ 1,098
Income from continuing operations	\$ 856	\$ 1,215	\$ 1,100
Book value per share	\$ 30.21	\$ 29.21	\$ 25.92
<b>Southern California Edison</b>			
Basic earnings per Edison International common share	\$ 3.76	\$ 2.10	\$ 2.17
Net income available for common stock (millions)	\$ 1,226	\$ 683	\$ 707
Ratemaking rate of return on common equity — authorized	11.5%	11.5%	11.6%
Kilowatt-hour sales (millions)	91,717	98,577	97,688
Peak demand in megawatts (MW) <sup>1</sup>	22,112	22,020	23,303
Generating capacity resources (MW) <sup>2</sup>	9,167	9,245	9,217
Energy efficiency savings (kilowatt-hours, in millions)	1,683	1,691	1,635
Customers (thousands)	4,884	4,866	4,851
Employees	17,348	16,344	15,442
<b>Edison Mission Group</b>			
Basic earnings per Edison International common share	\$ (1.21)	\$ 1.72	\$ 1.26
Income from continuing operations (millions)	\$ (388)	\$ 561	\$ 412
Net income (millions)	\$ (395)	\$ 561	\$ 410
Equity (millions)	\$ 2,715	\$ 3,240	\$ 2,396
Generating capacity (MW)	10,072	9,849	9,453
Employees	1,843	1,889	1,793

<sup>1</sup> Includes all of the load on transmission and distribution systems. Peak demand is served by SCE's generating capacity resources, CDWR allocated contracts, transitional capacity contracts & spot market purchases.

<sup>2</sup> Includes SCE owned resources and purchases/exchanges. Excludes CDWR allocated contracts starting in 2001 and transitional capacity contracts.

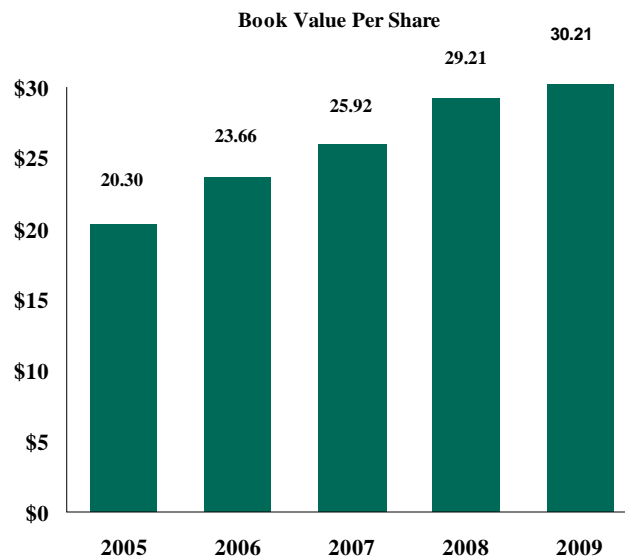
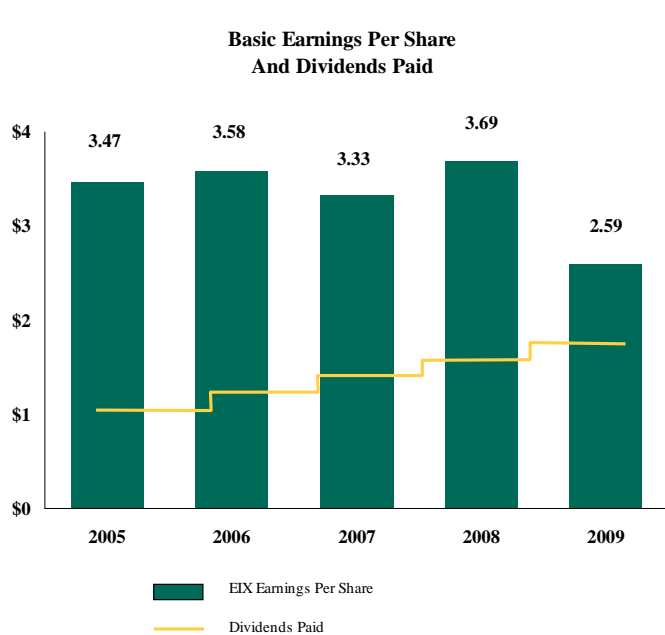


<sup>1</sup> See the 2009 EIX 10-K "Properties - Existing Power Plants" and "Properties" sections for additional information.

# Edison International Consolidated Per-Share Data – Common Stock

Year Ended December 31,	2009	2008	2007	2006	2005
Basic earnings per share	\$ 2.59	\$ 3.69	\$ 3.33	\$ 3.58	\$ 3.47
Diluted earnings per share	\$ 2.58	\$ 3.68	\$ 3.31	\$ 3.57	\$ 3.45
Dividends per share:					
Paid	\$ 1.240	\$ 1.220	\$ 1.160	\$ 1.080	\$ 1.000
Declared	\$ 1.245	\$ 1.225	\$ 1.175	\$ 1.100	\$ 1.020
Year-ended data:					
Dividend rate	\$ 1.26	\$ 1.24	\$ 1.22	\$ 1.16	\$ 1.08
Dividend yield (paid)	3.6%	3.8%	2.2%	2.4%	2.3%
Dividends payout ratio (paid)	47.9%	33.1%	34.8%	30.2%	28.8%
Book value per share	\$ 30.21	\$ 29.21	\$ 25.92	\$ 23.66	\$ 20.30
Market price/book value ratio	1.2x	1.1x	2.1x	1.9x	2.1x
Price/earnings ratio	13.4x	8.7x	16.0x	12.7x	12.6x
Total shareholder return:					
Appreciation and dividends paid	12.5%	(38.0)%	19.9%	7.0%	39.6%
Price: <sup>1</sup>					
High	\$ 36.72	\$ 55.70	\$ 60.26	\$ 47.15	\$ 49.16
Low	\$ 23.09	\$ 26.73	\$ 42.76	\$ 37.90	\$ 30.43
Year-end	\$ 34.78	\$ 32.12	\$ 53.37	\$ 45.48	\$ 43.61
Common shares outstanding (thousands)	325,811	325,811	325,811	325,811	325,811
Weighted-average shares of common stock outstanding (thousands)	325,811	325,811	325,811	325,811	325,811

<sup>1</sup> Stock price high and low reflect daily trading activity.



# Edison International Consolidated Balance Sheet

(In millions)

December 31,

	2009	2008	2007
<b>Assets</b>			
Cash and equivalents	\$ 1,673	\$ 3,916	\$ 1,441
Short-term investments	10	7	81
Receivables, less allowances of \$53, \$39 and \$34 for uncollectible accounts at respective dates	1,017	1,006	1,033
Accrued unbilled revenue	347	328	370
Inventory	533	553	432
Derivative assets	357	327	109
Restricted cash	69	3	3
Margin and collateral deposits	125	105	121
Regulatory assets	120	605	197
Deferred income taxes	3	104	167
Other current assets	176	399	290
<b>Total current assets</b>	<b>4,430</b>	<b>7,353</b>	<b>4,244</b>
Competitive power generation and other property - less accumulated depreciation of \$2,231, \$2,019 and \$1,765 at respective dates	5,147	5,374	4,906
Nuclear decommissioning trusts	3,140	2,524	3,378
Investments in partnerships and unconsolidated subsidiaries	216	229	272
Investments in leveraged leases	160	2,467	2,473
Other investments	91	89	96
<b>Total investments and other assets</b>	<b>8,754</b>	<b>10,683</b>	<b>11,125</b>
Utility plant, at original cost:			
Transmission and distribution	22,214	20,006	18,940
Generation	2,667	1,819	1,767
Accumulated depreciation	(5,921)	(5,570)	(5,174)
Construction work in progress	2,701	2,454	1,693
Nuclear fuel, at amortized cost	305	260	177
<b>Total utility plant</b>	<b>21,966</b>	<b>18,969</b>	<b>17,403</b>
Derivative assets	268	244	122
Restricted deposits	43	43	48
Rent payments in excess of levelized rent expense under plant operating leases	1,038	878	716
Regulatory assets	4,139	5,414	2,721
Other long-term assets	806	1,031	1,144
<b>Total long-term assets</b>	<b>6,294</b>	<b>7,610</b>	<b>4,751</b>
<b>Total assets</b>	<b>\$ 41,444</b>	<b>\$ 44,615</b>	<b>\$ 37,523</b>



## Edison International Consolidated Balance Sheet

(In millions, except share amounts)

December 31,	2009	2008	2007
<b>Liabilities and Equity</b>			
Short-term debt	\$ 85	\$ 2,143	\$ 500
Current portion of long-term debt	377	174	18
Accounts payable	1,123	1,031	979
Accrued taxes	186	590	49
Accrued interest	196	187	160
Customer deposits	238	228	219
Book overdrafts	224	224	212
Derivative liabilities	107	178	125
Regulatory liabilities	367	1,111	1,019
Other current liabilities	884	831	975
<b>Total current liabilities</b>	<b>3,787</b>	<b>6,697</b>	<b>4,256</b>
Long-term debt	10,437	10,950	9,016
Deferred income taxes	4,334	5,717	5,196
Deferred investment tax credits	102	109	114
Customer advances	119	137	155
Derivative liabilities	529	776	101
Pensions and benefits	2,061	2,860	1,089
Asset retirement obligations	3,241	3,042	2,892
Regulatory liabilities	3,328	2,481	3,433
Other deferred credits and other long-term liabilities	2,500	1,137	1,617
<b>Total deferred credits and other liabilities</b>	<b>16,214</b>	<b>16,259</b>	<b>14,597</b>
<b>Total liabilities</b>	<b>30,438</b>	<b>33,906</b>	<b>27,869</b>
Commitments and contingencies			
Common stock, no par value (800,000,000 shares authorized; 325,811,206 shares issued and outstanding at each date)	2,304	2,272	2,225
Accumulated other comprehensive income (loss)	37	167	(92)
Retained earnings	7,500	7,078	6,311
<b>Total Edison International's common shareholders' equity</b>	<b>9,841</b>	<b>9,517</b>	<b>8,444</b>
Noncontrolling interests	258	285	295
Preferred and preference stock of utility not subject to mandatory redemption	907	907	915
<b>Total equity</b>	<b>11,006</b>	<b>10,709</b>	<b>9,654</b>
<b>Total liabilities and equity</b>	<b>\$ 41,444</b>	<b>\$ 44,615</b>	<b>\$ 37,523</b>

## Edison International Estimated Commitments for 2010 – 2014 And Thereafter<sup>1</sup>

(In millions)

As of December 31, 2009	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Long-term debt maturities and interest	\$ 20,092	\$ 1,017	\$ 1,347	\$ 2,809	\$ 14,919
Operating lease obligations	15,524	1,132	2,215	2,184	9,993
Capital lease obligations	235	8	11	13	203
Purchase obligations:					
Capital improvements	441	441	—	—	—
Turbine commitments	485	463	22	—	—
Fuel supply contracts	2,316	637	797	291	591
Purchased-power capacity payments	6,837	395	1,024	1,384	4,034
Gas and coal transportation payments	456	252	160	17	27
Other contractual obligations	281	89	139	39	14
Employee benefit plans contributions	153	153	—	—	—
<b>Total</b>	<b>\$ 46,820</b>	<b>\$ 4,587</b>	<b>\$ 5,715</b>	<b>\$ 6,737</b>	<b>\$ 29,781</b>

<sup>1</sup> See the 2009 EIX 10-K "Contractual Obligations" section for additional information.

# Edison International Consolidated Statements of Income

(In millions, except per-share data)

Year Ended December 31,

	2009	2008	2007
Electric utility	\$ 9,959	\$ 11,246	\$ 10,231
Competitive power generation	2,374	2,808	2,575
Financial services and other	28	58	62
<b>Total operating revenue</b>	<b>12,361</b>	<b>14,112</b>	<b>12,868</b>
Fuel	1,517	2,147	1,875
Purchased power	2,751	3,845	3,235
Operations and maintenance	4,387	4,288	4,065
Depreciation, decommissioning and amortization	1,418	1,313	1,181
Lease terminations and other	890	(44)	3
<b>Total operating expenses</b>	<b>10,963</b>	<b>11,549</b>	<b>10,359</b>
<b>Operating income</b>	<b>1,398</b>	<b>2,563</b>	<b>2,509</b>
Interest and dividend income	32	62	154
Equity in income from partnerships and unconsolidated subsidiaries — net	42	31	79
Other income	171	113	95
Interest expense — net of amounts capitalized	(732)	(700)	(752)
Other expenses	(57)	(125)	(45)
Loss on early extinguishment of debt	—	—	(241)
<b>Income from continuing operations before income taxes</b>	<b>854</b>	<b>1,944</b>	<b>1,799</b>
Income tax expense (benefit)	(98)	596	492
<b>Income from continuing operations</b>	<b>952</b>	<b>1,348</b>	<b>1,307</b>
Loss from discontinued operations — net of tax	(7)	—	(2)
<b>Net Income</b>	<b>945</b>	<b>1,348</b>	<b>1,305</b>
Less: Net income attributable to noncontrolling interests	96	133	207
<b>Net income attributable to Edison International common shareholders</b>	<b>\$ 849</b>	<b>\$ 1,215</b>	<b>\$ 1,098</b>
Amounts attributable to Edison International common shareholders:			
<b>Income from continuing operations, net of tax</b>	<b>\$ 856</b>	<b>\$ 1,215</b>	<b>\$ 1,100</b>
Loss from discontinued operations, net of tax	(7)	—	(2)
<b>Net income attributable to Edison International common shareholders</b>	<b>\$ 849</b>	<b>\$ 1,215</b>	<b>\$ 1,098</b>
Basic earnings per common share attributable to Edison International common shareholders:			
Weighted-average shares of common stock outstanding	326	326	326
Continuing operations	\$ 2.61	\$ 3.69	\$ 3.34
Discontinued operations	(0.02)	—	(0.01)
<b>Total</b>	<b>\$ 2.59</b>	<b>\$ 3.69</b>	<b>\$ 3.33</b>
<b>Diluted earnings per common share attributable to Edison International common shareholders:</b>			
Weighted-average shares of common stock outstanding, including effect of dilutive securities	327	329	331
Continuing operations	\$ 2.60	\$ 3.68	\$ 3.32
Discontinued operations	(0.02)	—	(0.01)
<b>Total</b>	<b>\$ 2.58</b>	<b>\$ 3.68</b>	<b>\$ 3.31</b>
Dividends declared per common share	\$ 1.245	\$ 1.225	\$ 1.175

## Edison International Business Segments<sup>1</sup>

(In millions)	Electric Utility	Competitive Power Generation	Financial Services and Other	Parent and Other	Edison International
<i>Year Ended December 31, 2009</i>					
Operating revenue	\$ 9,965	\$ 2,377	\$ 22	\$ (3)	\$ 12,361
Depreciation, decommissioning, and amortization	1,178	236	3	1	1,418
Interest and dividend income	11	19	11	(9)	32
Equity in income (loss) from partnerships and unconsolidated subsidiaries — net	—	100	(11)	(47)	42
Interest expense — net of amounts capitalized	420	296	10	6	732
Income tax expense (benefit) — continuing operations	249	10	(294)	(63)	(98)
Income (loss) from continuing operations	1,371	207	(598)	(28)	952
Net income (loss) attributable to common shareholders	1,226	203	(598)	18	849
Total assets	32,474	8,521	1,022	(573)	41,444
Capital expenditures	2,999	283	—	—	3,282

<sup>1</sup> See the 2009 EIX 10-K Note 16 - "Business Segments" section for additional information.

# Edison International Consolidated Statements of Cash Flows

(In millions)

Year Ended December 31,

	2009	2008	2007
<b>Cash flows from operating activities:</b>			
Net income	\$ 945	\$ 1,348	\$ 1,305
Loss from discontinued operations	7	—	2
Income from continuing operations	952	1,348	1,307
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation, decommissioning and amortization	1,418	1,313	1,181
Regulatory impacts of net nuclear decommissioning trust earnings (reflected in accumulated depreciation)	158	(10)	143
Other amortization	120	106	111
Lease terminations and other	888	(44)	3
Stock-based compensation	22	34	37
Equity in income from partnerships and unconsolidated subsidiaries — net	(42)	(31)	(75)
Distributions and dividends from unconsolidated entities	31	(8)	33
Deferred income taxes and investment tax credits	(1,457)	207	(39)
Income from leveraged leases	(14)	(51)	(49)
Loss on early extinguishment for debt	—	—	241
Changes in operating assets and liabilities:			
Receivables	80	128	8
Inventory	20	(114)	(41)
Restricted cash	(69)	—	—
Margin and collateral deposits - net of collateral received	30	(19)	75
Other current assets	202	(48)	(147)
Rent payments in excess of levelized rent expense	(160)	(162)	(160)
Accounts payable	152	(176)	28
Accrued taxes	(402)	340	47
Book overdrafts	—	16	72
Other current liabilities	31	(39)	(30)
Derivative assets and liabilities - net	(581)	849	(193)
Regulatory assets and liabilities - net	1,457	(2,946)	679
Other assets	62	224	(180)
Other liabilities	154	1,344	195
Operating cash flows from discontinued operations	(7)	—	(2)
<b>Net cash provided by operating activities</b>	<b>3,045</b>	<b>2,261</b>	<b>3,244</b>
<b>Cash flows from financing activities:</b>			
Long-term debt issued	939	2,632	2,930
Premiums paid on extinguishment of debt and long-term debt issuance costs	(25)	(21)	(241)
Long-term debt repaid	(1,044)	(295)	(3,215)
Bonds repurchased	(219)	(212)	(37)
Preferred stock redeemed	—	(7)	—
Rate reduction notes repaid	—	—	(246)
Short-term debt financing — net	(2,058)	1,643	500
Cash contributions from noncontrolling interests	2	12	—
Stock-based compensation - net	(3)	(26)	(84)
Dividends and distributions to noncontrolling interests	(117)	(170)	(157)
Dividends paid	(404)	(397)	(378)
<b>Net cash provided (used) by financing activities</b>	<b>(2,929)</b>	<b>3,159</b>	<b>(928)</b>
<b>Cash flows from investing activities:</b>			
Capital expenditures	(3,282)	(2,824)	(2,826)
Purchase of interest of acquired companies	(22)	(19)	(33)
Proceeds from termination of leases	1,420	—	—
Proceeds from sale of property and interests in projects	7	113	2
Proceeds from sale of nuclear decommissioning trust investments	2,217	3,130	3,697
Purchase of nuclear decommissioning trust investments and other	(2,416)	(3,137)	(3,830)
Proceeds from partnerships and unconsolidated subsidiaries, net of investment	11	65	42
Maturities and sales of short-term investments	4	96	9,953
Purchase of short-term investments	(7)	(22)	(9,476)
Restricted cash	4	4	99
Investments in other assets	(295)	(351)	(298)
<b>Net cash used by investing activities</b>	<b>(2,359)</b>	<b>(2,945)</b>	<b>(2,670)</b>
<b>Net increase (decrease) in cash and equivalents</b>	<b>(2,243)</b>	<b>2,475</b>	<b>(354)</b>
Cash and equivalents, beginning of year	3,916	1,441	1,795
Cash and equivalents, end of year	<b>\$ 1,673</b>	<b>\$ 3,916</b>	<b>\$ 1,441</b>

# Edison International Consolidated Income Tax Schedules<sup>1</sup>

(In millions)

*Year Ended December 31,*

	<b>2009</b>	2008	2007
The components of income tax expense (benefit) by location of taxing jurisdiction are:			
Current:			
Federal	<b>\$ 1,211</b>	\$ 183	\$ 359
State	<b>361</b>	80	95
Foreign	<u>—</u>	<u>—</u>	<u>—</u>
Subtotal Current	<u><b>1,572</b></u>	<u>263</u>	<u>454</u>
Deferred:			
Federal	<b>(1,638)</b>	307	57
State	<b>(32)</b>	26	(19)
Subtotal Deferred	<u><b>(1,670)</b></u>	<u>333</u>	<u>38</u>
Total continuing operations	<b>(98)</b>	596	492
Discontinued operations	<b>(2)</b>	5	5
Total	<u><b>\$ (100)</b></u>	<u>\$ 601</u>	<u>\$ 497</u>

The federal statutory income tax rate is reconciled to the effective tax rate from continuing operations as follows:

<i>Year Ended December 31,</i>	<b>2009</b>	2008	2007
Federal statutory rate	<b>35.0%</b>	35.0%	35.0%
State tax — net of federal benefit	<b>6.4</b>	4.2	4.1
Property-related	<b>(7.6)</b>	(3.2)	(0.2)
Housing and production credits	<b>(8.4)</b>	(3.1)	(2.9)
Tax reserve adjustments	<b>2.4</b>	0.7	(3.5)
Global tax settlement	<b>(42.5)</b>	—	—
Other	<b>1.8</b>	(0.7)	(1.6)
Effective tax rate	<u><b>(12.9)%</b></u>	<u>32.9%</u>	<u>30.9%</u>

<sup>1</sup> See the 2009 EIX 10-K Note 4 - "Income Taxes" section for additional information.

## Edison International Consolidated Statements of Retained Earnings

(In millions)

Year Ended December 31,

	2009	2008	2007
Balance at beginning of year	\$ 7,078	\$ 6,311	\$ 5,551
Net income	849	1,215	1,098
Adoption of accounting guidance for uncertainty in income taxes	—	—	250
Common stock dividends declared	(406)	(399)	(383)
Stock-based compensation - net	(12)	(36)	(130)
Noncash stock-based compensation and other	(9)	(13)	(7)
Change in classification of shares purchased to settle performance shares	—	—	(68)
<b>Balance at end of year</b>	<b>\$ 7,500</b>	<b>\$ 7,078</b>	<b>\$ 6,311</b>

## Preferred and Preference Stock Not Subject to Mandatory Redemption

(In millions, except per-share amounts)

December 31,

	Shares Outstanding	Redemption Price Per Share	2009	2008
<b>SCE:</b>				
Cumulative preferred and preference stock not subject to mandatory redemption				
\$25 par value:				
4.08% Series <sup>1</sup>	650,000	\$25.50	\$ 16	\$ 16
4.24% Series	1,200,000	25.80	30	30
4.32% Series	1,653,429	28.75	41	41
4.78% Series	1,296,769	25.80	33	33
Preference stock				
No par value:				
5.349% Series A	4,000,000	100.00	400	400
6.125% Series B	2,000,000	100.00	200	200
6.000% Series C	2,000,000	100.00	200	200
Less issuance cost			(13)	(13)
<b>Total</b>			<b>\$ 907</b>	<b>\$ 907</b>

<sup>1</sup> In January 2008, SCE repurchased and retired 350,000 shares of 4.08% cumulative preferred stock at a price of \$19.50 per share.

## Available Credit Lines<sup>1</sup>

(In millions)

December 31,

	2009	2008	2007
Edison International (parent) (due 2013)	\$ 1,341	\$ 1,188	\$ 1,500
Southern California Edison (\$2.4b due 2013; \$500m due 2010) <sup>2</sup>	2,882	385	1,770
Edison Mission Energy, due 2012	463	59	507
Midwest Generation, due 2012	497	20	497
<b>Total</b>	<b>\$ 5,183</b>	<b>\$ 1,652</b>	<b>\$ 4,274</b>

<sup>1</sup> See the 2009 EIX 10-K "Liquidity and Capital Resources" sections for additional information.

<sup>2</sup> \$500 million credit facility extended to 2013 on March 5, 2010.

## Edison International Consolidated Short-Term Debt

(In millions)	2009	2008	2007
December 31,			
Edison International	\$ 85	\$ 250	\$ —
Southern California Edison	—	1,893	500
Edison International Total Consolidated Short-term Debt	<u>\$ 85</u>	<u>\$ 2,143</u>	<u>\$ 500</u>

## Five-Year Long-Term Debt Maturities and Sinking Fund Requirements<sup>1</sup>

(In millions)	2010	2011	2012	2013	2014
Southern California Edison	\$ 250	\$ —	\$ —	\$ —	\$ 1,050
Edison Mission Energy	37	36	40	545	48
Edison Capital	90	—	—	—	—
Edison International	—	—	—	—	—
Intercompany debt	—	—	—	—	—
Total	<u>\$ 377</u>	<u>\$ 36</u>	<u>\$ 40</u>	<u>\$ 545</u>	<u>\$ 1,098</u>

<sup>1</sup> Includes recourse and non-recourse long-term debt as of December 31, 2009.

## Edison International Consolidated Long-Term Debt

(In millions)						(In millions)							
Year	Series	Due Date	Interest Rate	First Call Date	Dec. 31, 2009	Dec. 31, 2008	Year	Series	Due Date	Interest Rate	First Call Date	Dec. 31, 2009	Dec. 31, 2008
<b>Southern California Edison Company</b>						<b>Pollution control indebtedness:</b>							
<b>Long-term debt:</b>						<b>Four Corners Generating Station</b>							
<b>First and refunding mortgage bonds</b>						1999 Series A <sup>2</sup>							
2004	Series 2004A	01/15/14	5.000%	N/A	\$ 300	\$ 300	2005	Series A-B <sup>3</sup>	04/01/29	5.125%	04/01/09	\$ 56	\$ 56
2004	Series 2004B	01/15/34	6.000%	N/A	525	525	2005	Series A-B <sup>3</sup>	04/01/29	3.550% <sup>4</sup>	04/01/10	203	203
2004	Series 2004F	04/01/15	4.650%	N/A	300	300	<b>Huntington Beach Generating Station</b>						
2004	Series 2004G	04/01/35	5.750%	N/A	350	350	1999	Series D <sup>2</sup>	09/01/15	5.200%	09/01/09	8	8
2005	Series 2005A	01/15/16	5.000%	N/A	400	400	<b>Mohave Generating Station</b>						
2005	Series 2005B	01/15/36	5.550%	N/A	250	250	2000	Series A-C	06/01/31	Variable <sup>4</sup>	— <sup>7</sup>	75	75
2005	Series 2005E	07/15/35	5.350%	N/A	350	350	<b>Palo Verde Nuclear Generating Station</b>						
2006	Series 2006A	02/01/36	5.625%	N/A	350	350	2000	Series A-B <sup>2</sup>	06/01/35	Variable <sup>4</sup>	— <sup>7</sup>	144	144
2006	Series 2006B	02/02/09	Variable	N/A	—	150	<b>San Onofre Nuclear Generating Station</b>						
2006	Series 2006E	01/15/37	5.550%	N/A	400	400	1999	Series A-B <sup>2</sup>	09/01/29	5.450%	09/01/09	100	100
2008	Series 2008A	02/01/38	5.950%	N/A	600	600	1999	Series C <sup>2</sup>	09/01/31	5.550%	09/01/09	30	30
2008	Series 2008B	08/15/18	5.500%	N/A	400	400	2005	Series A-C	08/01/35	Variable <sup>4</sup>	— <sup>7</sup>	249	249
2008	Series 2008C	03/15/14	5.750%	N/A	500	500	2006	Series A-B <sup>3</sup>	04/01/28	4.100% <sup>4</sup>	04/01/13	196	196
2009	Series 2009A	03/15/39	6.050%	N/A	500	—	2006	Series C-D <sup>3</sup>	11/01/33	4.250% <sup>4</sup>	11/01/16	135	135
2009	Series 2009B	09/15/14	4.150%	N/A	250	—	<b>Subtotal</b>						
Subtotal					<u>5,475</u>	<u>4,875</u>	<u>1,196</u>						
<b>Other</b>						Total SCE principal amount outstanding							
1999	Notes	04/01/29	6.650%	N/A	300	300	Less: bonds repurchased <sup>6</sup>						
2000	Notes	01/15/10	7.625%	N/A	250	250	(468) (249)						
N/A	Other obligation <sup>1</sup>	08/01/53	5.060%	N/A	7	7	Less: current portion of long-term debt						
Subtotal					<u>557</u>	<u>557</u>	(250) (150)						
						Less: unamortized discount — net							
						(20) (17)							
						<b>SCE long-term debt</b>							
						<u>\$ 6,490</u>							
						<u>\$ 6,212</u>							

<sup>1</sup> Fort Irwin acquisition debt, not a publicly traded security.

<sup>2</sup> Insured.

<sup>3</sup> Secured by SCE's first and refunding mortgage bonds, but payment of interest and principal guaranteed by bond insurance.

<sup>4</sup> Subject to remarketing.

<sup>5</sup> Secured by first and refunding mortgage bonds.

<sup>6</sup> Repurchase of Series 2005 A-C bonds.

<sup>7</sup> Callable at any time.

# Edison International Consolidated Long-Term Debt (Continued)

(In millions)

Year	Series	Interest Rate <sup>1</sup>	First Call Date	Dec. 31, 2009	Dec. 31, 2008
<b>Edison Mission Energy</b>					
<b>Recourse long-term debt:</b>					
EME (parent only)					
Senior Notes, net					
	due 2009	7.73%	N/A	\$ —	\$ 13
	due 2013	7.50%	N/A	500	500
	due 2016	7.75%	N/A	500	500
	due 2017	7.00%	N/A	1,200	1,200
	due 2019	7.20%	N/A	800	800
	due 2027	7.63%	N/A	700	700
	Credit Agreement due 2012	Various	N/A	—	376
<b>Non-recourse long-term debt:</b>					
EME CP Holdings Co.					
	Note Purchase Agreement due 2015	7.31%	N/A	61	67
Midwest Generation					
	\$500 million Credit Facility due 2012	Various	N/A	—	475
Viento Funding II, Inc.					
	Term Loan due 2016	Various	N/A	178	—
Other					
		Various	N/A	27	31
Subtotal				3,966	4,662
Less current maturities of long-term obligations				37	24
Total				\$ 3,929	\$ 4,638
<b>Edison Capital</b>					
<b>Recourse long-term debt:</b>					
	Medium term notes, due 2010	7.44%	N/A	\$ 41	\$ 38
	Medium term notes, due 2015	7.25%	N/A	48	43
	Affordable housing mortgage guarantee, due 2028	6.27%	N/A	1	1
<b>Non-recourse amortizing debt:</b>					
	Affordable housing mortgages, due various	Various	N/A	18	18
Edison Capital total principal amount outstanding				108	100
Less current portion of long-term debt				90	—
Edison Capital long-term debt				\$ 18	\$ 100
EIX total consolidated long-term debt				\$ 10,437	\$ 10,950

<sup>1</sup> Interest rates may vary based on debt agreements.

## **CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC)**

<http://www.cpuc.ca.gov/puc>

The CPUC has authority over, among other things, retail rates, securities issues, depreciation practices, and plant additions. The CPUC is composed of five members appointed by the Governor for staggered six-year terms.

## **CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CALISO)**

<http://www.caiso.com/>

The California ISO is a nonprofit public benefit corporation charged with operating the majority of California's high-voltage wholesale power grid. Balancing the demand for electricity with an equal supply of megawatts, the ISO is the impartial link between power plants and the utilities that serve more than 30 million consumers. The ISO provides equal access to the grid for all qualified users and strategically plans for the transmission needs of this vital infrastructure.

## **CALIFORNIA ENERGY COMMISSION (CEC)**

<http://www.energy.ca.gov>

The CEC licenses thermal power plants with a capacity of 50 MW or greater and develops electricity demand forecasts covering a 20-year time horizon. The CEC also coordinates a variety of research and development projects, sets appliance and building efficiency standards, and maintains a statewide plan in case of an energy shortage.

## **FEDERAL ENERGY REGULATORY COMMISSION (FERC)**

<http://www.ferc.gov>

SCE's rates to recover the costs of its transmission facilities are subject to regulation by the FERC. The FERC also regulates certain other matters, including accounting and the acquisition and disposition of jurisdictional property. This includes licensing of hydroelectric power projects as well as SCE's involvement in the transmission and wholesale sales of electric energy in interstate commerce.

## **NUCLEAR REGULATORY COMMISSION (NRC)**

<http://www.nrc.gov/>

The Nuclear Regulatory Commission regulates and licenses all nuclear facilities in the United States. Its purpose is to ensure compliance with public health and safety, environmental quality, national security, and antitrust laws.

## **PJM**

<http://www.pjm.com>

PJM Interconnection is a regional transmission organization (RTO) that coordinates the movement of wholesale electricity in all or parts of 13 states and the District of Columbia.

## **PENNSYLVANIA ENVIRONMENTAL PROTECTION AGENCY**

<http://www.depweb.state.pa.us>

The Department of Environmental Protection's mission is to protect Pennsylvania's air, land and water from pollution and to provide for the health and safety of its citizens through a cleaner environment. We will work as partners with individuals, organizations, governments and businesses to prevent pollution and restore our natural resources.

## **ILLINOIS ENVIRONMENTAL PROTECTION AGENCY**

<http://www.epa.state.il.us>

The mission of the Illinois EPA is to safeguard environmental quality, consistent with the social and economic needs of the State, so as to protect health, welfare, property and the quality of life.



*Southern  
California Edison*



## SCE Consolidated Balance Sheet

(In millions)

<i>December 31,</i>	<b>2009</b>	2008	2007
<b>Assets</b>			
Cash and equivalents	<b>\$ 462</b>	\$ 1,611	\$ 252
Short-term investments	<b>9</b>	3	—
Receivables, less allowances of \$53, \$39 and \$34 for uncollectible accounts at respective dates	<b>719</b>	703	725
Accrued unbilled revenue	<b>347</b>	328	370
Inventory	<b>337</b>	365	283
Derivative assets	<b>160</b>	157	53
Regulatory assets	<b>120</b>	605	197
Deferred income taxes	<b>78</b>	147	146
Other current assets	<b>97</b>	283	223
Total current assets	<b>2,329</b>	4,202	2,249
Nonutility property — less accumulated depreciation of \$744, \$765 and \$701 at respective dates	<b>324</b>	953	1,000
Nuclear decommissioning trusts	<b>3,140</b>	2,524	3,378
Other investments	<b>67</b>	68	69
Total investments and other assets	<b>3,531</b>	3,545	4,447
Utility plant, at original cost:			
Transmission and distribution	<b>22,214</b>	20,006	18,940
Generation	<b>2,667</b>	1,819	1,767
Accumulated depreciation	<b>(5,921)</b>	(5,570)	(5,174)
Construction work in progress	<b>2,701</b>	2,454	1,693
Nuclear fuel, at amortized cost	<b>305</b>	260	177
Total utility plant	<b>21,966</b>	18,969	17,403
Derivative assets	<b>187</b>	74	28
Regulatory assets	<b>4,139</b>	5,414	2,721
Other long-term assets	<b>322</b>	364	629
Total long-term assets	<b>4,648</b>	5,852	3,378
Total assets	<b>\$ 32,474</b>	\$ 32,568	\$ 27,477

## SCE Operating and Financial Ratios

<i>Year Ended December 31,</i>	<b>2009</b>	2008	2007
<b>Percent of operating revenue:</b>			
Fuel	<b>7.2%</b>	12.4%	11.7%
Purchased power	<b>27.6</b>	34.2	31.6
Other operating expenses and maintenance	<b>31.7</b>	26.8	27.7
Depreciation, decommissioning and amortization	<b>11.8</b>	9.9	9.9
Property and other taxes	<b>2.5</b>	2.0	2.1
Operating expenses (before income taxes)	<b>80.8</b>	85.3	83.0
Taxes on operating income	<b>2.5</b>	3.0	3.3
Operating income	<b>16.7</b>	11.7	13.7
Total	<b>100.0%</b>	100.0%	100.0%
<b>Capital structure (at year-end):</b>			
Common shareholder's equity	<b>49.3%</b>	47.2%	50.9%
Preferred stock	<b>6.1%</b>	6.7%	7.6%
Long-term debt	<b>44.6%</b>	46.1%	41.5%
Rate of return on common equity	<b>17.3%</b>	10.7%	12.0%

## SCE Consolidated Balance Sheet

(In millions, except share amounts)  
December 31,

	2009	2008	2007
<b>Liabilities and Equity</b>			
Short-term debt	\$ —	\$ 1,893	\$ 500
Current portion of long-term debt	250	150	—
Accounts payable	1,058	948	914
Accrued taxes	9	340	42
Accrued interest	162	153	126
Customer deposits	238	227	218
Book overdrafts	224	224	204
Derivative liabilities	102	156	97
Regulatory liabilities	367	1,111	1,019
Other current liabilities	637	572	590
<b>Total current liabilities</b>	<b>3,047</b>	<b>5,774</b>	<b>3,710</b>
Long-term debt	6,490	6,212	5,081
Deferred income taxes	3,651	2,918	2,556
Deferred investment tax credits	97	101	105
Customer advances	119	137	155
Derivative liabilities	496	738	13
Pensions and benefits	1,681	2,485	786
Asset retirement obligations	3,198	3,007	2,877
Regulatory liabilities	3,328	2,481	3,433
Other deferred credits and other long-term liabilities	1,652	902	1,158
<b>Total deferred credits and other liabilities</b>	<b>14,222</b>	<b>12,769</b>	<b>11,083</b>
<b>Total liabilities</b>	<b>23,759</b>	<b>24,755</b>	<b>19,874</b>
<b>Commitments and contingencies</b>			
Common stock, no par value (560,000,000 shares authorized; 434,888,104 shares issued and outstanding at each date)	2,168	2,168	2,168
Additional paid-in capital	551	532	507
Accumulated other comprehensive loss	(19)	(14)	(15)
Retained earnings	4,746	3,827	3,568
<b>Total common shareholder's equity</b>	<b>7,446</b>	<b>6,513</b>	<b>6,228</b>
Preferred and preference stock not subject to mandatory redemption	920	920	929
Noncontrolling interests	349	380	446
<b>Total equity</b>	<b>8,715</b>	<b>7,813</b>	<b>7,603</b>
<b>Total liabilities and equity</b>	<b>\$ 32,474</b>	<b>\$ 32,568</b>	<b>\$ 27,477</b>

## SCE Estimated Commitments for 2010 – 2014 And Thereafter<sup>1</sup>

(In millions)

As of December 31, 2009	Total	Less than 1			More than
		year	1 to 3 years	3 to 5 years	5 years
Long-term debt maturities and interest	\$ 13,487	\$ 604	\$ 708	\$ 1,716	\$ 10,459
Operating lease obligations	12,076	779	1,550	1,557	8,190
Capital lease obligations	235	8	11	13	203
Purchase obligations					
Fuel supply contract payments	1,384	180	322	291	591
Purchased-power capacity payments	6,837	395	1,024	1,384	4,034
Other commitments	45	6	12	13	14
Employee benefit plans contributions	124	124	—	—	—
<b>Total</b>	<b>\$ 34,188</b>	<b>\$ 2,096</b>	<b>\$ 3,627</b>	<b>\$ 4,974</b>	<b>\$ 23,491</b>

<sup>1</sup> See the 2009 SCE 10-K Item 7 - "Contractual Obligations and Contingencies" section for additional information.

# SCE Consolidated Statements of Income

(In millions)	2009	2008	2007
<i>Year Ended December 31,</i>			
<b>Operating revenue</b>	<b>\$ 9,965</b>	<b>\$ 11,248</b>	<b>\$ 10,233</b>
Fuel	721	1,400	1,191
Purchased power	2,751	3,845	3,235
Operation and maintenance	3,154	3,013	2,838
Depreciation, decommissioning and amortization	1,178	1,114	1,011
Property and other taxes	244	232	217
Gain on sale of assets	(1)	(9)	—
<b>Total operating expenses</b>	<b>8,047</b>	<b>9,595</b>	<b>8,492</b>
<b>Operating income</b>	<b>1,918</b>	<b>1,653</b>	<b>1,741</b>
Interest income	11	22	44
Other income	160	101	89
Interest expense — net of amounts capitalized	(420)	(407)	(429)
Other expenses	(49)	(123)	(45)
<b>Income before income taxes</b>	<b>1,620</b>	<b>1,246</b>	<b>1,400</b>
Income tax expense	249	342	337
<b>Net income</b>	<b>1,371</b>	<b>904</b>	<b>1,063</b>
Less: Net income attributable to noncontrolling interests	94	170	305
Dividends on preferred and preference stock not subject to mandatory redemption	51	51	51
<b>Net income available for common stock</b>	<b>\$ 1,226</b>	<b>\$ 683</b>	<b>\$ 707</b>

## SCE Results of Operations<sup>1</sup>

(In millions)	2009			2008			2007		
<i>Year Ended December 31,</i>	Utility Earnings Activities	Utility Cost Recovery Activities	Total Consolidated	Utility Earnings Activities	Utility Cost Recovery Activities	Total Consolidated	Utility Earnings Activities	Utility Cost Recovery Activities	Total Consolidated
<b>Operating revenue</b>	<b>\$ 5,242</b>	<b>\$ 4,723</b>	<b>\$ 9,965</b>	<b>\$ 4,728</b>	<b>\$ 6,520</b>	<b>\$ 11,248</b>	<b>\$ 4,439</b>	<b>\$ 5,794</b>	<b>\$ 10,233</b>
Fuel and purchased power	—	3,472	3,472	—	5,245	5,245	—	4,426	4,426
Operations and maintenance	2,091	1,063	3,154	2,031	982	3,013	1,877	961	2,838
Depreciation, decommissioning and amortization	1,113	65	1,178	1,033	81	1,114	938	73	1,011
Property taxes and other	240	4	244	225	7	232	209	8	217
Gain on sale of assets	—	(1)	(1)	—	(9)	(9)	—	—	—
<b>Total operating expenses</b>	<b>3,444</b>	<b>4,603</b>	<b>8,047</b>	<b>3,289</b>	<b>6,306</b>	<b>9,595</b>	<b>3,024</b>	<b>5,468</b>	<b>8,492</b>
<b>Operating income</b>	<b>1,798</b>	<b>120</b>	<b>1,918</b>	<b>1,439</b>	<b>214</b>	<b>1,653</b>	<b>1,415</b>	<b>326</b>	<b>1,741</b>
Net interest expense and other	(297)	(1)	(298)	(415)	8	(407)	(359)	18	(341)
Income before income taxes	1,501	119	1,620	1,024	222	1,246	1,056	344	1,400
Income tax expense	224	25	249	290	52	342	298	39	337
<b>Net income</b>	<b>1,277</b>	<b>94</b>	<b>1,371</b>	<b>734</b>	<b>170</b>	<b>904</b>	<b>758</b>	<b>305</b>	<b>1,063</b>
Net income attributable to noncontrolling interest	—	94	94	—	170	170	—	305	305
Dividends on preferred and preference stock not subject to mandatory redemption	51	—	51	51	—	51	51	—	51
<b>Net income available for common stock</b>	<b>\$ 1,226</b>	<b>\$ —</b>	<b>\$ 1,226</b>	<b>\$ 683</b>	<b>\$ —</b>	<b>\$ 683</b>	<b>\$ 707</b>	<b>\$ —</b>	<b>\$ 707</b>
Core Earnings			\$ 874			\$ 732			\$ 676
Non-Core Earnings:									
Regulatory items			46			(49)			31
Global tax settlement			306			—			—
<b>Total SCE GAAP Earnings</b>			<b>\$ 1,226</b>			<b>\$ 683</b>			<b>\$ 707</b>

<sup>1</sup> See the 2009 SCE 10-K Item 7 - "Electric Utility Results of Operations" section for additional information.

## SCE Consolidated Statements of Cash Flows

(In millions)			
Year Ended December 31,	2009	2008	2007
<b>Cash flows from operating activities:</b>			
Net income	\$ 1,371	\$ 904	\$ 1,063
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation, decommissioning and amortization	1,178	1,114	1,011
Regulatory impacts of net nuclear decommissioning trust earnings (reflected in accumulated depreciation)	158	(10)	143
Other amortization	109	97	95
Stock-based compensation	13	18	18
Deferred income taxes and investment tax credits	574	131	(111)
Changes in operating assets and liabilities:			
Receivables	(9)	14	214
Inventory	28	(74)	(51)
Margin and collateral deposits - net of collateral received	63	(16)	6
Other current assets	149	(35)	(201)
Accounts payable	43	(127)	42
Accrued taxes	(331)	298	61
Book overdrafts	—	20	64
Other current liabilities	26	(18)	(12)
Derivative assets and liabilities - net	(413)	634	(87)
Regulatory assets and liabilities - net	1,457	(2,946)	679
Other assets	48	275	(156)
Other liabilities	(395)	1,343	195
Net cash provided by operating activities	<u>4,069</u>	<u>1,622</u>	<u>2,973</u>
<b>Cash flows from financing activities:</b>			
Long-term debt issued	750	1,500	—
Long-term debt issuance costs	(11)	(20)	(1)
Long-term debt repaid	(154)	(3)	(207)
Bonds repurchased	(219)	(212)	(37)
Preferred stock redeemed	—	(7)	—
Rate reduction notes repaid	—	—	(246)
Short-term debt financing - net	(1,893)	1,393	500
Stock-based compensation - net	4	(15)	(51)
Distributions to noncontrolling interest	(125)	(236)	(210)
Dividends paid	(351)	(376)	(186)
Net cash provided (used) by financing activities	<u>(1,999)</u>	<u>2,024</u>	<u>(438)</u>
<b>Cash flows from investing activities:</b>			
Capital expenditures	(2,999)	(2,267)	(2,286)
Proceeds from sale of nuclear decommissioning trust investments	2,217	3,130	3,697
Purchases of nuclear decommissioning trust investments and other	(2,416)	(3,137)	(3,830)
Sale of short-term investments	1	—	7,069
Purchases of short-term investments	(7)	(3)	(7,069)
Restricted cash	—	—	56
Customer advances for construction and other investments	(15)	(10)	(3)
Net cash used by investing activities	<u>(3,219)</u>	<u>(2,287)</u>	<u>(2,366)</u>
Net increase (decrease) in cash and equivalents	<u>(1,149)</u>	<u>1,359</u>	<u>169</u>
Cash and equivalents, beginning of year	<u>1,611</u>	<u>252</u>	<u>83</u>
Cash and equivalents, end of year	<u>\$ 462</u>	<u>\$ 1,611</u>	<u>\$ 252</u>

## SCE Consolidated Statements of Retained Earnings

(In millions)			
Year Ended December 31,	2009	2008	2007
Balance at beginning of year	\$ 3,827	\$ 3,568	\$ 2,910
Net income	1,277	734	758
Adoption of accounting guidance for uncertainty in income taxes	—	—	213
Dividends declared on common stock	(300)	(400)	(100)
Dividends declared on preferred and preference stock not subject to mandatory redemption	(51)	(51)	(51)
Stock-based compensation - net	(3)	(19)	(79)
Noncash stock-based compensation and other	(4)	(5)	(5)
Change in classification of shares purchased to settle performance shares	—	—	(78)
<b>Balance at end of year</b>	<u>\$ 4,746</u>	<u>\$ 3,827</u>	<u>\$ 3,568</u>

## SCE Energy Costs

Year Ended December 31,	2009	2008	2007
<b>Average cost (cents/kwh):</b>			
Peakers	5.53	10.44	7.99 <sup>1</sup>
Nuclear	0.56	0.53	0.50
Coal	1.59	1.77	1.53
Gas-fired CCGT	2.85	5.91	4.89
<b>Purchased power:</b>			
<b>Other power producers:</b>			
Cogeneration	5.96	9.83	9.60
Biomass	9.17	9.31	8.91
Small hydro	8.92	9.68	6.05
Wind	6.37	8.84	7.80
Geothermal	7.80	8.83	7.98
Solar	13.93	16.48	16.33
Average cost – other power producers	7.18	9.62	9.04
Average cost – all sources <sup>2,3</sup>	5.18	7.36	6.90 <sup>1</sup>
<b>Fuel consumption (in thousands):</b>			
Gas (mcf)	94	111	95
Coal (ton)	3,022	2,703	2,750
Gas-fired CCGT (mcf)	40,821	46,816	43,765
Peakers (mcf)	126	199	341 <sup>1</sup>

<sup>1</sup> Includes energy incurred during initial testing of power plant.

<sup>2</sup> Excludes miscellaneous prior period adjustments.

<sup>3</sup> Excludes ISO/other sales. Includes firm purchased power and CDWR energy purchases (Years 2007, 2008 and 2009 cents per kwh, of 9.49, 8.87 and 6.55 respectively, for CWDR).

CCGT = Combined-cycle gas turbine

## Regulatory Assets

(In millions) December 31,	2009	2008	2007
<b>Current:</b>			
Regulatory balancing accounts	\$ 94	\$ 455	\$ 99
Energy derivatives	25	138	71
Other	1	12	27
	<u>120</u>	<u>605</u>	<u>197</u>
<b>Long-term:</b>			
Regulatory balancing accounts	43	29	15
Deferred income taxes - net	1,561	1,337	1,110
ARO	—	224	—
Unamortized nuclear investment - net	340	375	405
Nuclear-related ARO investment - net	258	278	297
Unamortized coal plant investment - net	73	79	94
Unamortized loss on reacquired debt	287	309	331
Pensions and other postretirement benefits	1,014	1,882	231
Energy derivatives	357	723	70
Environmental remediation	36	40	64
Other	170	138	104
	<u>4,139</u>	<u>5,414</u>	<u>2,721</u>
<b>Total</b>	<b>\$ 4,259</b>	<b>\$ 6,019</b>	<b>\$ 2,918</b>

## Regulatory Liabilities

(In millions) December 31,	2009	2008	2007
<b>Current:</b>			
Regulatory balancing accounts	\$ 363	\$ 1,068	\$ 967
Other	4	43	52
	<u>367</u>	<u>1,111</u>	<u>1,019</u>
<b>Long-term:</b>			
Regulatory balancing accounts	642	43	—
ARO	171	—	793
Costs of removal	2,515	2,368	2,230
SFAS No. 158 pensions and other postretirement benefits	—	—	308
Energy derivatives	—	—	27
Employee benefits plans	—	70	75
	<u>3,328</u>	<u>2,481</u>	<u>3,433</u>
<b>Total</b>	<b>\$ 3,695</b>	<b>\$ 3,592</b>	<b>\$ 4,452</b>

# SCE Kilowatt-Hour Sales<sup>1</sup>

Year Ended December 31,	2009	2008	2007
<b>Class of service — millions of kWh:</b>			
Residential	30,063	30,745	29,943
Commercial	40,076	41,978	41,447
Industrial	8,524	9,658	9,929
Public authorities	5,687	5,931	6,001
Agricultural and other	1,499	1,496	1,485
Resale	5,868	8,769	8,883
<b>Total kilowatt-hour sales</b>	<b>91,717</b>	<b>98,577</b>	<b>97,688</b>
<b>Class of service — percent:</b>			
Residential	32.8%	31.2%	30.7%
Commercial	43.7	42.6	42.4
Industrial	9.3	9.8	10.2
Public authorities	6.2	6.0	6.1
Agricultural and other	1.6	1.5	1.5
Resale	6.4	8.9	9.1
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

<sup>1</sup> Includes direct access customers.

# SCE Customers

Year Ended December 31,	2009	2008	2007	2006	2005	2004
<b>Customers:</b>						
Residential	4,262,966	4,247,603	4,234,674	4,205,495	4,146,123	4,086,531
Commercial	539,270	535,790	532,734	523,304	510,626	495,584
Industrial	12,244	13,243	13,909	14,289	15,118	17,380
Public authorities	46,902	47,193	47,289	47,166	46,885	46,749
Agricultural	22,315	22,414	22,325	22,140	22,203	22,251
Railroads and railways	67	58	56	58	55	50
Interdepartmental	23	23	23	22	24	24
<b>Total</b>	<b>4,883,787</b>	<b>4,866,324</b>	<b>4,851,010</b>	<b>4,812,474</b>	<b>4,741,034</b>	<b>4,668,569</b>
Number of new connections	32,145	46,048	67,002	87,708	83,979	77,437

# SCE Operating Revenue<sup>1</sup>

Year Ended December 31,	2009	2008	2007
<b>Class of service (in millions):</b>			
Residential	\$ 3,929	\$ 3,783	\$ 3,760
Commercial	4,237	4,203	4,143
Industrial	592	664	681
Public authorities	584	575	568
Agricultural	142	133	132
Other	7	7	7
Resale	184	580	489
Sales of electric energy	9,675	9,945	9,780
Other operating revenue	315	383	421
Deferred revenue <sup>2</sup>	(244)	510	(347)
Revenue from variable interest entities	219	410	379
<b>Total operating revenue</b>	<b>\$ 9,965</b>	<b>\$ 11,248</b>	<b>\$ 10,233</b>
<b>Class of service (in percents):</b>			
Residential	39.4%	33.6%	36.7%
Commercial	42.5	37.4	40.5
Industrial	5.9	5.9	6.7
Public authorities	5.9	5.1	5.6
Agricultural	1.4	1.2	1.3
Other	0.1	0.1	0.1
Resale	1.8	5.2	4.8
Sales of electric energy	97.0	88.5	95.6
Other operating revenue	3.2	3.4	4.1
Deferred revenue <sup>2</sup>	(2.4)	4.5	(3.4)
Revenue from variable interest entities	2.2	3.6	3.7
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

<sup>1</sup> Does not include energy revenue from direct access customers.

<sup>2</sup> In accordance with accounting standards for rate-regulated enterprises, amounts currently authorized in rates for recovery of costs to be incurred in the future are not considered as revenue until the associated costs are incurred.

## SCE Generating Capacity Resources (Summer Effective Rating)

As of December 31, 2009

Station	Location	No. of Units	Type	Entered Operation	Ownership Interest	SCE-Owned Capacity (Megawatts)
<b>Gas and oil:</b>						
Pebble Beach	Santa Catalina Island, CA	7	Diesel	1958-1995	100%	9
						9
<b>Nuclear:</b>						
San Onofre	San Diego, CA	2	PWR	1983, 1984	78%	1,682
Palo Verde <sup>1</sup>	Maricopa, AZ	3	PWR	1986-1988	16%	612
						2,293
<b>Coal:</b>						
Four Corners <sup>1</sup>	San Juan, NM	2	Boiler	1969-1970	48%	720
Off-System Losses <sup>2</sup>						(22)
						698
<b>Gas-fired:</b>						
Mountainview	San Bernardino, CA	2	CCGT	2005	100%	969
SCE peakers	Norwalk, Ontario, Rancho Cucamonga, Stanton (CA)	4	GT	2007	100%	176
						1,145
<b>Hydroelectric:</b>						
Northern region:	Fresno, Madera (CA)	23	Storage and Run-of-the-River	1913-1987	100%	1,000
Eastern region:	Inyo, Kern, Los Angeles, Mono, San Bernardino, Tulare (CA)	53	Storage and Run-of-the-River	1893-1999	100%	153
						1,153
<b>Renewable:</b>						
Solar PV Program	Fontana, CA	1		2008	100%	2
						2
<b>Total</b>						<b>5,300</b>

<sup>1</sup> Operated by Arizona Public Service.

<sup>2</sup> Represents a constant value of line loss from Four Corners.

CCGT= Combined-cycle gas turbine

GT= Gas turbine

PWR = Pressurized water reactor

## SCE Sources of Generating Electricity (Summer Effective Rating)

As of December 31, 2009

Plant	Seller	Initial Year of Purchase Under Current Contract	Point of Delivery	Total Capacity (Megawatts)
<b>Purchases (other utilities):</b>				
<b>System (firm purchase/interchange):</b>				
Hoover — SCE	Western Area Power Admin.	1987	Mead substation	234
Off-System Losses				—
				234
<b>Other area resources:</b>				
MWD, Hoover to SCE	MWD	1987	Mead Substation	209
MWD, Parker to SCE	MWD	1987	Whipple Tap	59
USDOE, Parker/Davis	Department of Defense, Edwards AFB	2001	Blythe substation	18
USDOE, Parker/Davis	Department of Defense, March AFB	2004	Blythe substation	5
				291
<b>Total other utility purchases</b>				<b>526</b>
<b>Purchases (other power producers):</b>				
Cogeneration				1,700
Biomass				166
Small hydro				24
Wind				210
Geothermal				892
Solar				346
<b>Total other power producers</b>				<b>3,338</b>
<b>Total sources of generating electricity</b>				<b>3,864</b>



# SCE Operating Statistics

Year Ended December 31,

	2009		2008		2007		2006		2005		2004	
	MW	%	MW	%	MW	%	MW	%	MW	%	MW	%
<b>SCE generating capacity resources (MW) — summer effective rating:</b>												
<b>SCE owned:</b>												
Oil and gas (Catalina)	9	0.1%	9	0.1%	9	0.1%	9	0.1%	9	0.1%	9	0.1%
Nuclear	2,293	25.0	2,294	24.8	2,294	24.9	2,294	24.8	2,215	21.0	2,215	22.2
Coal	698	7.6	698	7.6	698	7.6	688	7.4	1,573	14.9	1,573	15.4
Hydro	1,153	12.6	1,153	12.5	1,153	12.5	1,153	12.4	1,153	11.0	1,153	11.3
Gas-fired CCGT / GT <sup>1</sup>	1,145	12.5	1,145	12.4	1,145	12.4	969	10.5	484	4.6	—	—
Solar	2	—	—	—	—	—	—	—	—	—	—	—
<b>SCE Sources of Generating Electricity</b>												
<b>Purchases:</b>												
Other utilities <sup>2</sup>	526	5.7	609	6.6	609	6.7	820	8.9	1,667	15.8	1,667	16.3
<b>Other power producers:</b>												
Cogeneration	1,700	18.6	1,676	18.1	1,682	18.2	1,720	18.6	1,730	16.4	1,724	16.9
Biomass	166	1.8	152	1.6	152	1.6	156	1.7	179	1.7	203	2.0
Small hydro	24	0.3	45	0.5	45	0.5	40	0.4	34	0.3	42	0.4
Wind	210	2.3	206	2.2	197	2.1	184	2.0	231	2.2	270	2.7
Geothermal	892	9.7	903	9.8	878	9.5	869	9.4	901	8.6	939	9.2
Solar	346	3.8	355	3.8	355	3.9	355	3.8	360	3.4	360	3.5
<b>Total</b>	<b>9,164</b>	<b>100.0%</b>	<b>9,245</b>	<b>100.0%</b>	<b>9,217</b>	<b>100.0%</b>	<b>9,257</b>	<b>100.0%</b>	<b>10,536</b>	<b>100.0%</b>	<b>10,155</b>	<b>100.0%</b>
<b>SCE total energy requirement (millions of kWh):</b>												
<b>SCE owned:</b>												
Nuclear	16,966	20.1%	16,659	19.4%	17,687	21.0%	13,979	16.9%	17,886	22.7%	15,724	20.0%
Coal	5,513	6.5	4,959	5.8	4,914	5.8	5,631	6.8	11,237	14.3	10,789	13.7
Hydro	3,637	4.3	2,424	2.8	2,278	2.7	5,038	6.1	5,089	6.5	3,525	4.5
Oil (Catalina)	29	—	31	—	31	—	32	—	31	—	31	—
Peakers GT <sup>1</sup>	9	—	18	—	31	—	—	—	—	—	—	—
Gas-fired CCGT <sup>1</sup>	5,766	6.8	6,698	7.8	6,347	7.5	4,933	6.0	327	0.4	—	—
<b>Purchased power:<sup>3</sup></b>												
Firm <sup>4</sup>	6,484	7.7	16,135	18.8	13,975	16.6	13,108	15.8	12,234	15.5	8,346	10.6
Economy/other <sup>5</sup>	(57)	(0.1)	(249)	(0.3)	(550)	(0.7)	(95)	(0.1)	(293)	(0.4)	(1,806)	(2.3)
<b>Other power producers:<sup>3</sup></b>												
Cogeneration	11,585	13.7	11,805	13.7	12,435	14.8	12,486	15.1	13,529	17.2	13,830	17.6
Biomass	1,212	1.4	1,204	1.4	1,253	1.6	1,428	1.7	1,371	1.7	1,467	1.9
Small hydro	137	0.2	182	0.2	197	0.2	352	0.4	320	0.4	243	0.3
Wind	3,084	3.7	2,359	2.7	2,385	2.8	2,226	2.7	2,229	2.8	2,376	3.0
Geothermal	7,655	9.1	7,758	9.0	7,570	9.0	7,484	9.0	7,855	10.0	7,862	10.0
Solar	864	1.0	715	0.8	663	0.8	612	0.7	610	0.8	741	0.9
<b>CDWR - ISO<sup>3</sup></b>	<b>21,492</b>	<b>25.6%</b>	<b>15,350</b>	<b>17.9%</b>	<b>15,065</b>	<b>17.9%</b>	<b>15,614</b>	<b>18.9%</b>	<b>6,347</b>	<b>8.1%</b>	<b>15,610</b>	<b>19.8%</b>
<b>Total<sup>6</sup></b>	<b>84,376</b>	<b>100.0%</b>	<b>86,048</b>	<b>100.0%</b>	<b>84,281</b>	<b>100.0%</b>	<b>82,828</b>	<b>100.0%</b>	<b>78,772</b>	<b>100.0%</b>	<b>78,738</b>	<b>100.0%</b>
Area peak demand (MW)	22,112		22,020		23,303		22,889		21,934		20,762	
Annual area system load factor (%)	53.4		55.6		52.2		52.7		52.3		55.1	

<sup>1</sup> CCGT = Combined-cycle gas turbine; GT = Gas turbine

<sup>2</sup> Includes system and unit purchases and net interchange. Excludes public power utilities.

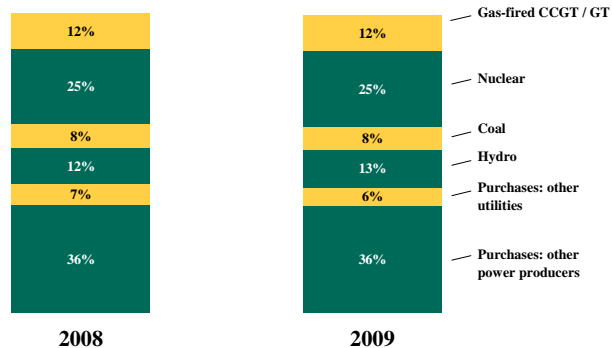
<sup>3</sup> Calculated consistent with the accrual basis of accounting.

<sup>4</sup> Includes bilateral and long term contracts.

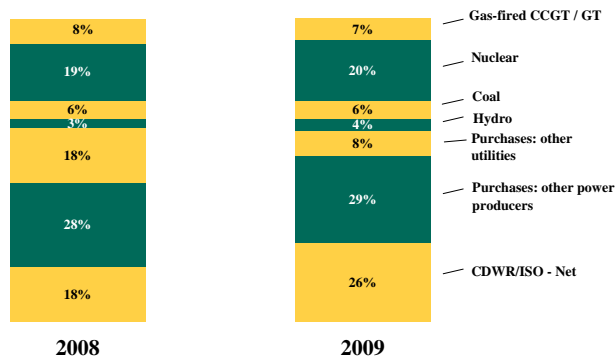
<sup>5</sup> Includes economy energy, exchange energy, fringe energy and net interchange.

<sup>6</sup> Excludes direct access and resale customer requirements. Includes generation line losses.

Southern California Edison  
Generating Capacity Resource Mix



Southern California Edison  
Total Energy Requirement



## Line Items With Variable Interest Entities (VIE) Activity on SCE's Consolidated Balance Sheet

(In millions)	Electric Utility	VIEs	Eliminations	SCE
<b>Balance sheet items as of December 31, 2009:</b>				
Cash and equivalents	\$ 370	\$ 92	\$ —	\$ 462
Accounts receivable — net	689	62	(32)	719
Inventory	321	16	—	337
Other current assets	94	3	—	97
Nonutility property — net of accumulated depreciation	71	253	—	324
Other long-term assets	318	4	—	322
<b>Total assets</b>	<b>\$ 32,076</b>	<b>\$ 430</b>	<b>\$ (32)</b>	<b>\$ 32,474</b>
Accounts payable	1,031	59	(32)	1,058
Other current liabilities	632	5	—	637
Asset retirement obligations	3,181	17	—	3,198
Noncontrolling interest	—	349	—	349
<b>Total liabilities and equity</b>	<b>\$ 32,076</b>	<b>\$ 430</b>	<b>\$ (32)</b>	<b>\$ 32,474</b>
<b>Balance sheet items as of December 31, 2008:</b>				
Cash and equivalents	\$ 1,522	\$ 89	\$ —	\$ 1,611
Accounts receivable — net	679	63	(39)	703
Inventory	346	19	—	365
Other current assets	279	4	—	283
Nonutility property — net of accumulated depreciation	671	282	—	953
Other long-term assets	363	1	—	364
<b>Total assets</b>	<b>\$ 32,149</b>	<b>\$ 458</b>	<b>\$ (39)</b>	<b>\$ 32,568</b>
Accounts payable	\$ 926	\$ 61	\$ (39)	\$ 948
Other current liabilities	570	2	—	572
Asset retirement obligations	2,992	15	—	3,007
Noncontrolling interest	—	380	—	380
<b>Total liabilities and equity</b>	<b>\$ 32,149</b>	<b>\$ 458</b>	<b>\$ (39)</b>	<b>\$ 32,568</b>

## Line Items With Variable Interest Entities (VIE) Activity on SCE's Income Statement

(In millions)	Electric Utility	VIEs	Eliminations <sup>1</sup>	SCE
<b>Income statement items for the Year-Ended December 31, 2009:</b>				
Operating revenue	\$ 9,746	\$ 589	\$ (370)	\$ 9,965
Fuel	353	368	—	721
Purchased power	3,121	—	(370)	2,751
Operation and maintenance	3,060	94	—	3,154
Depreciation, decommissioning and amortization	1,145	33	—	1,178
Property and other taxes	244	—	—	244
Gain on sale of assets	(1)	—	—	(1)
<b>Total operating expenses</b>	<b>7,922</b>	<b>495</b>	<b>(370)</b>	<b>8,047</b>
Operating income	1,824	94	—	1,918
Interest income	11	—	—	11
Other income	160	—	—	160
Interest expense — net of amounts capitalized	(420)	—	—	(420)
Other expenses	(49)	—	—	(49)
Income before income taxes	1,526	94	—	1,620
Income tax expense	249	—	—	249
<b>Net income</b>	<b>1,277</b>	<b>94</b>	<b>—</b>	<b>1,371</b>
Less: Net income attributable to noncontrolling interest	—	94	—	94
Dividends on preferred and preference stock not subject to mandatory redemption	51	—	—	51
<b>Net income available for common stock</b>	<b>\$ 1,226</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1,226</b>
<b>Income statement items for the Year-Ended December 31, 2008:</b>				
Operating revenue	\$ 10,838	\$ 1,102	\$ (692)	\$ 11,248
Fuel	587	813	—	1,400
Purchased power	4,537	—	(692)	3,845
Operation and maintenance	2,923	90	—	3,013
Depreciation, decommissioning and amortization	1,080	34	—	1,114
Property and other taxes	232	—	—	232
Gain on sale of assets	(9)	—	—	(9)
<b>Total operating expenses</b>	<b>9,350</b>	<b>937</b>	<b>(692)</b>	<b>9,595</b>
Operating income	1,488	165	—	1,653
Interest income	19	3	—	22
Other income	99	2	—	101
Interest expense — net of amounts capitalized	(407)	—	—	(407)
Other expenses	(123)	—	—	(123)
Income before income taxes	1,076	170	—	1,246
Income tax expense	342	—	—	342
<b>Net income</b>	<b>734</b>	<b>170</b>	<b>—</b>	<b>904</b>
Less: Net income attributable to noncontrolling interest	—	170	—	170
Dividends on preferred and preference stock not subject to mandatory redemption	51	—	—	51
<b>Net income available for common stock</b>	<b>\$ 683</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 683</b>

<sup>1</sup> VIE segment operating revenue includes sales to the electric utility segment, which is eliminated in operating revenue and purchased power in the consolidated statements of income.

## SCE System Rate Base<sup>1</sup>

(In millions)

Year Ended December 31,

	2009	2008	2007	2006	2005
<b>Fixed capital:</b>					
Plant in service	\$ 29,461	\$ 27,834	\$ 26,487	\$ 25,252	\$ 23,661
Property held for future use	55	26	16	11	4
<b>Total fixed capital</b>	<b>29,516</b>	<b>27,860</b>	<b>26,503</b>	<b>25,263</b>	<b>23,665</b>
Adjustments	(89)	(98)	(102)	(87)	(68)
<b>Working capital</b>	<b>197</b>	<b>(83)</b>	<b>(98)</b>	<b>(101)</b>	<b>110</b>
<b>Reserves:</b>					
Depreciation	(13,975)	(13,488)	(12,950)	(12,640)	(12,416)
Accumulated deferred income taxes	(1,749)	(1,641)	(1,533)	(1,496)	(1,413)
Other	(115)	(111)	(101)	(103)	(98)
<b>Total reserves</b>	<b>(15,839)</b>	<b>(15,240)</b>	<b>(14,584)</b>	<b>(14,239)</b>	<b>(13,927)</b>
<b>System rate base<sup>2</sup></b>	<b>\$ 13,785</b>	<b>\$ 12,439</b>	<b>\$ 11,719</b>	<b>\$ 10,836</b>	<b>\$ 9,780</b>
FERC Incentive Rate Base	\$ 359	\$ 202	\$ —	\$ —	\$ —
<b>System rate base (including FERC incentive)<sup>2</sup></b>	<b>\$ 14,143</b>	<b>\$ 12,641</b>	<b>\$ 11,719</b>	<b>\$ 10,836</b>	<b>\$ 9,780</b>

<sup>1</sup> Weighted-average depreciated book costs, excluding amounts spent, but remaining in work-in-progress.

<sup>2</sup> System rate base for 2005-2008 includes Mountainview generation facility, which was constructed and in-service beginning 2005.

## Detail of SCE Utility Plant - Net

(In millions)

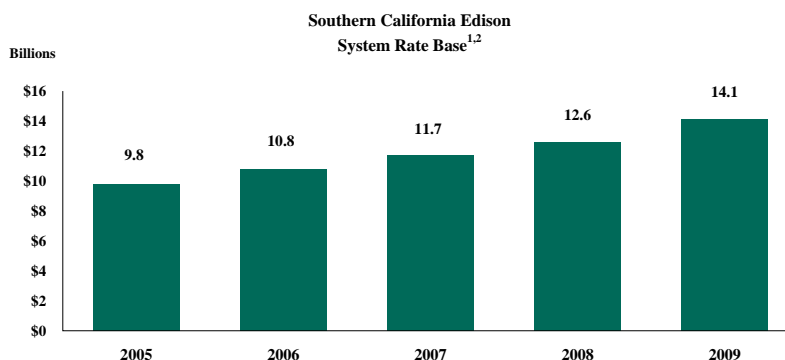
December 31,

	2009	2008	2007
<b>Generation:</b>			
Nuclear <sup>1</sup>	\$ 706	\$ 741	\$ 716
Hydro	484	486	492
Steam	91	97	96
Mohave regulatory asset	71	75	93
Generation general and intangible	159	57	59
Generation-related transmission	77	62	54
Other	842	286	263
<b>Total generation</b>	<b>2,429</b>	<b>1,804</b>	<b>1,773</b>
Distribution	10,834	10,001	9,612
Transmission	4,405	3,649	3,628
T&D general and intangible	1,678	1,229	1,003
Gas and water (Catalina)	21	22	15
Construction work in progress <sup>1</sup>	2,704	2,454	1,693
Nuclear fuel	305	260	177
Total utility plant — net (unadjusted)	22,377	19,419	17,901
Less: amounts classified as regulatory assets <sup>2</sup>			
Nuclear regulatory asset	340	375	405
Mohave regulatory asset	71	75	93
Total utility plant — net — as shown in Annual Report	<b>\$ 21,966</b>	<b>\$ 18,969</b>	<b>\$ 17,403</b>

<sup>1</sup> Includes nuclear plant and regulatory asset.

<sup>2</sup> Nuclear plant assets and related depreciation were reclassified as regulatory assets in 1998. A portion of the Mohave plant assets and related depreciation were reclassified as a regulatory asset in 2002.

In 2005, all Mohave plant assets and related depreciation were reclassified as regulatory assets.



<sup>1</sup> Weighted-average depreciated book costs excluding amounts spent, but remaining in work-in-progress.

<sup>2</sup> Years 2005-2008 include Mountainview generating facility.

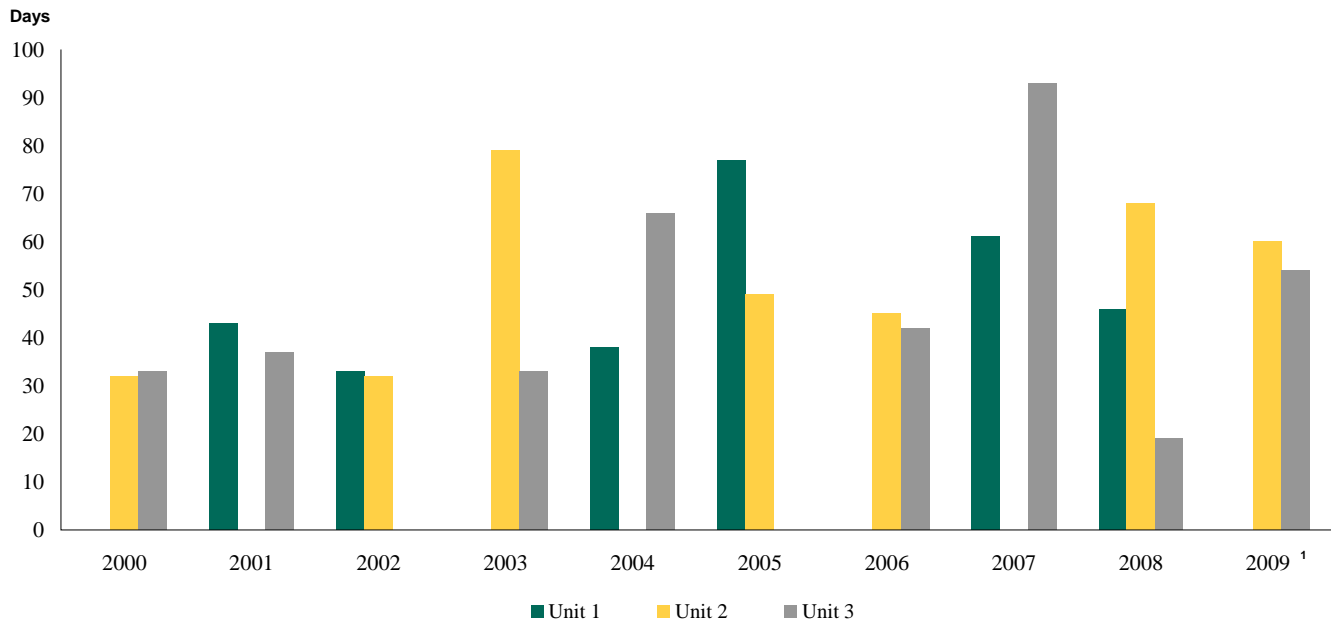
## Palo Verde Plant Facts

	Unit 1	Unit 2	Unit 3
Commercial operation	02/01/86	09/19/86	01/20/88
Net plant capacity (MW) <sup>1</sup>	1,311	1,314	1,312 <sup>2</sup>
2009 net generation (MWh) <sup>1</sup>	11,589,723	9,509,522	9,562,606
2009 capacity factor (CF)	100.9%	82.6%	83.2%
Lifetime net CF through 2009 (%)	75.8%	82.3%	82.2%
Last refueling outage	10/04/08-11/19/08	10/03/09-12/02/09	04/04/09-05/28/09
Last refueling outage days	46	60	54

<sup>1</sup> Capacity and generation are reported at the 100% level. SCE's share is 15.8%.

<sup>2</sup> The unit was rerated effective January 1, 2009, as a result of Unit 3's power uprate modifications and Steam Generator replacement.

## Palo Verde Refueling History



<sup>1</sup> Unit 3's 2007 refueling outage began in 2007 (93 days) and ended in 2008 (19 days), only 2008 outage days are reflected in the Unit 3 bar for 2008.

## Palo Verde Annual Capacity Factors

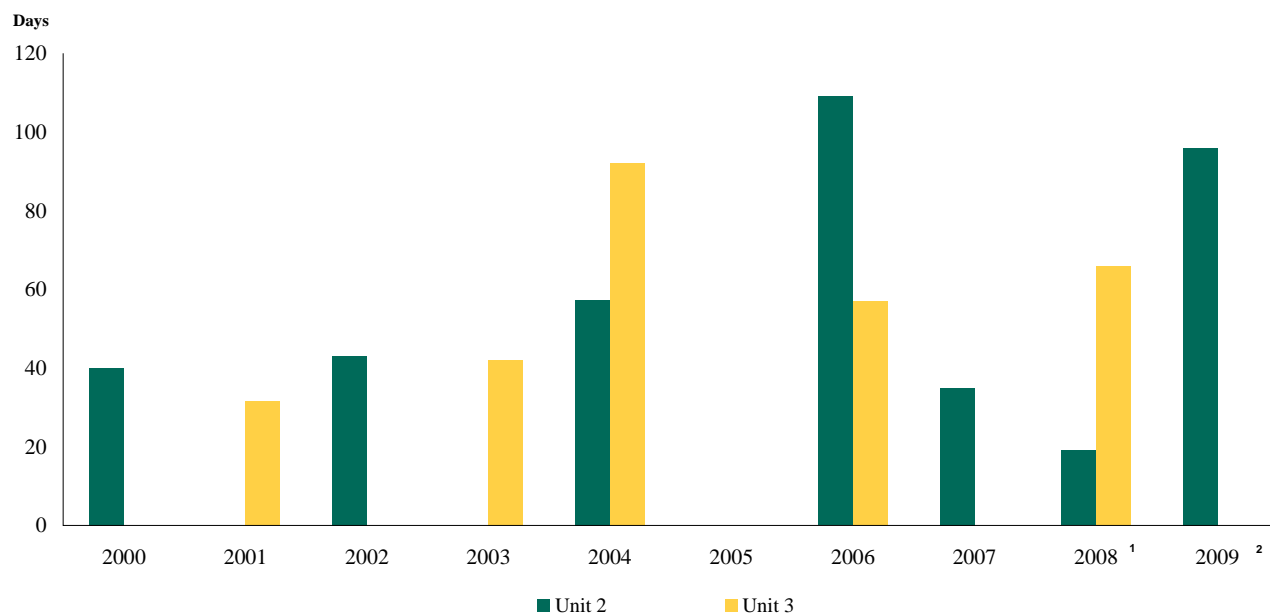
Year	Unit 1	Unit 2	Unit 3
1996	81%	87%	100%
1997	99%	86%	87%
1998	88%	102%	88%
1999	89%	90%	100%
2000	100%	87%	90%
2001	88%	93%	84%
2002	89%	92%	102%
2003	97%	78%	87%
2004	85%	91%	75%
2005	66%	82%	84%
2006	42%	85%	86%
2007	77%	95%	64%
2008	86%	75%	92%
2009	101%	83%	83%

## San Onofre Plant Facts

	Unit 2	Unit 3
Commercial operation	08/08/83	04/01/84
Net plant capacity (MW) <sup>1</sup>	1,070	1,080
2009 net generation (MWh) <sup>1</sup>	5,664,381	9,834,563
2009 net capacity factor (CF)	60.4%	104.0%
Lifetime net CF through 2009	81.0%	81.0%
Last refueling outage	Commenced 9/27/09	10/12/08-12/18/08
Last refueling outage days	Ongoing	66

<sup>1</sup> Capacity and generation are reported at the 100% level for each unit. Effective December 29, 2006, SCE's share increased to 78.21%.

## San Onofre Refueling History



<sup>1</sup> Unit 2's refueling outage began in 2007 (35 days) and ended in 2008 (19 days) - only 2008 outage days are reflected in the Unit 2 bar for 2008.

<sup>2</sup> Unit 2's refueling outage began in 2009 (96 days) and is ongoing in 2010 as of publication date - only 2009 outage days are reflected in the Unit 2 bar for 2009.

## San Onofre Annual Capacity Factors

Year	Unit 2	Unit 3
1997	71%	72%
1998	90%	96%
1999	88%	89%
2000	91%	102%
2001	101%	60%
2002	91%	101%
2003	104%	91%
2004	86%	74%
2005	95%	100%
2006	72%	72%
2007	89%	94%
2008	94%	69%
2009	60%	104%

## Jointly Owned Utility Projects

(In millions )

As of December 31, 2009

	Investment in Facility	Accumulated Depreciation and Amortization	Ownership Interest
<b>Transmission systems:</b>			
Eldorado	\$ 73	\$ 13	60%
Pacific Intertie	182	62	50%
<b>Generating stations:</b>			
Four Corners Units 4 and 5 (coal)	580	477	48%
Mohave (coal)	351	303	56%
Palo Verde (nuclear)	1,858	1,527	16%
San Onofre (nuclear)	5,131	4,075	78%
<b>Total</b>	<b>\$ 8,175</b>	<b>\$ 6,457</b>	

*Competitive  
Businesses*



## EME Adjusted Operating Income – by Project<sup>1</sup>

(In millions)

Year Ended December 31,

	2009	2008	2007
Midwest Generation plants	\$ 340	\$ 688	\$ 583
Homer City facilities	186	202	221
Renewable energy projects	53	60	31
Energy trading	49	164	142
Big 4 projects	46	87	147
Sunrise	37	24	33
Doga	8	8	14
March Point	11	—	—
Westside projects	4	9	11
Other projects	9	13	13
Other operating income (expense)	—	(31)	(6)
	<u>743</u>	<u>1,224</u>	<u>1,189</u>
Corporate administrative and general	(163)	(172)	(169)
Corporate depreciation and amortization	(15)	(12)	(8)
<b>AOI</b>	<b>565</b>	<b>1,040</b>	<b>1,012</b>
Less:			
Equity in earnings of unconsolidated affiliates	100	122	200
Dividend income from projects	12	10	12
Production tax credits	56	44	29
Other income, net	5	12	6
Net loss attributable to noncontrolling interest	3	—	1
<b>Operating Income</b>	<b>\$ 389</b>	<b>\$ 852</b>	<b>\$ 764</b>

<sup>1</sup> See the 2009 EME 10-K Item 7 - "Results of Operations" section for additional information.

## Capital Expenditures<sup>1</sup>

(In millions)

Year Ended December 31,	2009 Expected	2009 Actual	2010	2011	2012
Midwest Generation Plants					
Plant capital expenditures	\$ 65	\$ 54	\$ 72	\$ 79	\$ 10
Environmental expenditures	48	24	98	70	—
Homer City Facilities					
Plant capital expenditures	29	19	31	52	24
Environmental expenditures	8	7	5	3	22
Renewable Projects					
Capital and construction expenditures	73	171	746	—	—
Turbine Commitments	706	265	357	22	—
Other capital expenditures	35	8	20	17	9
<b>Total</b>	<b>\$ 964</b>	<b>\$ 548</b>	<b>\$ 1,329</b>	<b>\$ 243</b>	<b>\$ 65</b>

<sup>1</sup> See the 2009 EME 10-K Item 7 - "Capital Investment Plan" section for additional information.



# Edison Mission Energy Project List

Project Name	Location	Leased/Owned	Fuel Type	Commercial Operation/ Acquisition Date	Ownership Interest	Megawatts	
						Total	EME Share
<b>MERCHANT POWER PLANTS<sup>1</sup></b>							
<b>Midwest Generation Plants:</b>							
Crawford Station	Chicago, Illinois	Owned	Coal	12/1999	100%	532	532
Fisk Station	Chicago, Illinois	Owned	Coal	12/1999	100%	326	326
Joliet Unit 6	Joliet, Illinois	Owned	Coal	12/1999	100%	290	290
Joliet Unit 7 and 8	Joliet, Illinois	Leased	Coal	12/1999	100%	1,036	1,036
Powerton Station	Pekin, Illinois	Leased	Coal	12/1999	100%	1,538	1,538
Waukegan Station <sup>1</sup>	Waukegan, Illinois	Owned	Coal	12/1999	100%	689	689
Will County Station <sup>2</sup>	Romeoville, Illinois	Owned	Coal	12/1999	100%	1,060	1,060
Fisk	Chicago, Illinois	Owned	Oil/gas	12/1999	100%	197	197
Waukegan	Waukegan, Illinois	Owned	Oil/gas	12/1999	100%	108	108
<b>Homer City Facilities:</b>							
Homer City	Pennsylvania	Leased	Coal	03/1999	100%	1,884	1,884
<b>Wind Projects:</b>							
Goat Wind	Texas	Owned	Wind	04/2008, 06/2009	99.9%	150	150
Lookout	Pennsylvania	Owned	Wind	10/2008	100%	38	38
<b>Total Merchant Projects</b>						<b>7,848</b>	<b>7,848</b>

<sup>1</sup> The Waukegan Station is comprised of Units 7 and 8. Midwest Generation shut down permanently Waukegan Station Unit 6 (100 MW) on December 21, 2007.

<sup>2</sup> The Will County Station is comprised of Units 1 (151 MW), 2 (148 MW), 3 (251 MW), and 4 (510 MW). Midwest Generation has agreed with the Illinois EPA to shut down permanently Will County Station Units 1 and 2 on or before December 31, 2010.

Project Name	Location	Leased/Owned	Fuel Type	Commercial Operation/ Acquisition Date	Ownership Interest	Megawatts	
						Total	EME Share
<b>CONTRACTED POWER PLANTS</b>							
<b>Natural Gas</b>							
<b>Big 4 Projects</b>							
Kern River	California	Owned	Natural Gas	08/1985	50%	300	150
Midway-Sunset	California	Owned	Natural Gas	05/1989	50%	225	113
Sycamore	California	Owned	Natural Gas	01/1988	50%	300	150
Watson	California	Owned	Natural Gas	04/1988	49%	385	189
<b>Westside Projects</b>							
Coalinga	California	Owned	Natural Gas	11/1991	50%	38	19
Mid-Set	California	Owned	Natural Gas	05/1989	50%	38	19
Salinas River	California	Owned	Natural Gas	11/1991	50%	38	19
Sargent Canyon	California	Owned	Natural Gas	11/1991	50%	38	19
March Point	Washington	Owned	Natural Gas	11/1991, 01/1993	50%	140	70
Sunrise	California	Owned	Natural Gas	06/2001, 06/2003	50%	572	286
Doga	Turkey	Owned	Natural Gas	05/1999	80%	180	144
<b>Renewable Energy</b>							
Buffalo Bear	Oklahoma	Owned	Wind	12/2008	100%	19	19
Crosswinds	Iowa	Owned	Wind	06/2007	99%	21	21
Elkhorn Ridge	Nebraska	Owned	Wind	03/2009	67%	80	53
Forward	Pennsylvania	Owned	Wind	04/2008	100%	29	29
Hardin	Iowa	Owned	Wind	05/2007	99%	15	15
High Lonesome	New Mexico	Owned	Wind	07/2009	100%	100	100
Jeffers	Minnesota	Owned	Wind	10/2008	99.9%	50	50
Minnesota Wind projects <sup>1</sup>	Minnesota	Owned	Wind	04/2006	75-99%	83	75
Mountain Wind I	Wyoming	Owned	Wind	07/2008	100%	61	61
Mountain Wind II	Wyoming	Owned	Wind	09/2008	100%	80	80
Odin	Minnesota	Owned	Wind	05/2008	99.9%	20	20
San Juan Mesa	New Mexico	Owned	Wind	12/2005	75%	120	90
Sleeping Bear	Oklahoma	Owned	Wind	09/2007	100%	95	95
Spanish Fork	Utah	Owned	Wind	07/2008	100%	19	19
Storm Lake	Iowa	Owned	Wind	04/2006	100%	109	109
Wildorado	Texas	Owned	Wind	04/2007	99.9%	161	161
Huntington Waste-to-Energy	New York	Owned	Biomass	04/2006	38%	25	9
<b>Coal</b>							
American Bituminous	West Virginia	Owned	Waste Coal	04/1993	50%	80	40
<b>Total Contracted Projects</b>						<b>3,421</b>	<b>2,224</b>
<b>Total Operating Projects</b>						<b>11,269</b>	<b>10,072</b>

<sup>1</sup> Comprised of seven individual wind projects.

## Edison Mission Energy Consolidated Statements of Income

(In millions)

Year Ended December 31,

	2009	2008	2007
<b>Operating Revenues</b>	<b>\$ 2,377</b>	\$ 2,811	\$ 2,580
<b>Operating Expenses:</b>			
Fuel	796	747	684
Plant operations	579	621	584
Plant operating leases	177	176	176
Depreciation and amortization	236	194	162
Gain on buyout of contract, loss on termination of contract, asset write-down and other charges and credits, net	4	14	6
Administrative and general	196	207	204
Total operating expenses	<b>1,988</b>	1,959	1,816
Operating income	<b>389</b>	852	764
<b>Other Income (Expense):</b>			
Equity in income from unconsolidated affiliates	100	122	200
Dividend income	12	10	12
Interest income	7	26	85
Interest expense	(296)	(279)	(273)
Loss on early extinguishment of debt	—	—	(160)
Other income (expense), net	5	12	6
Total other income (expense)	<b>(172)</b>	(109)	(130)
Income from continuing operations before income taxes	217	743	634
Provision for income taxes	16	243	219
Income From Continuing Operations	<b>201</b>	500	415
Income (loss) from operations of discontinued subsidiaries, net of tax	(7)	1	(2)
<b>Net income</b>	<b>\$ 194</b>	\$ 501	\$ 413
Net Loss Attributable to Noncontrolling Interests	3	—	1
Net Income Attributable to EME Common Shareholders	<b>\$ 197</b>	\$ 501	\$ 414

## Historical Distributions, Tax Payments and Cash Received by Edison Mission Energy

(In millions)

Year Ended December 31,

	2009	2008	2007
<b>Distribution and Tax Payments from Midwest Generation</b>			
Equity distributions	\$ 200	\$ 206	\$ 660
Tax payments (receipts) under tax-allocation agreements	65	349	(3)
Total payments	<b>\$ 265</b>	\$ 555	\$ 657
<b>Distributions and Tax Payments from EME Homer City</b>			
Payment of interest	\$ 33	\$ 31	\$ 69
Payment of principal	42	79	118
Subordinated revolving loan payments	75	110	187
Tax payments under tax-allocation agreements	—	15	—
Total payments	<b>\$ 75</b>	\$ 125	\$ 187
<b>Cash Received from Unconsolidated Affiliates</b>			
Big 4 projects	62	117	131
Westside project	10	15	12
Sunrise project	15	13	24
Doga project	8	8	23
Other	14	2	4
Total	<b>\$ 109</b>	\$ 155	\$ 194

# Edison Mission Energy Consolidated Balance Sheets

(In millions)

December 31,

	2009	2008	2007
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 796	\$ 1,807	\$ 994
Accounts receivable — trade	201	241	224
Receivables from affiliates	93	18	35
Inventory	196	189	149
Derivative assets	197	170	56
Restricted cash	69	—	—
Margin and collateral deposits	120	88	85
Deferred taxes	—	—	21
Prepaid expenses and other	190	148	170
Total current assets	<b>1,862</b>	<b>2,661</b>	<b>1,734</b>
<b>Investments in Unconsolidated Affiliates</b>	<b>361</b>	<b>362</b>	<b>387</b>
<b>Property, Plant and Equipment</b>	<b>6,279</b>	<b>5,643</b>	<b>4,942</b>
Less accumulated depreciation and amortization	1,474	1,241	1,053
Net property, plant and equipment	<b>4,805</b>	<b>4,402</b>	<b>3,889</b>
<b>Other Assets</b>			
Deferred financing costs	43	36	41
Long-term derivative assets	81	170	91
Restricted deposits	40	43	48
Rent payments in excess of levelized rent expense under plant operating leases	1,038	878	716
Other long-term assets	403	528	366
Total other assets	<b>1,605</b>	<b>1,655</b>	<b>1,262</b>
<b>Total Assets</b>	<b>\$ 8,633</b>	<b>\$ 9,080</b>	<b>\$ 7,272</b>
<b>Liabilities and Shareholder's Equity</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 97	\$ 95	\$ 73
Payables to affiliates	14	18	17
Accrued liabilities	247	380	289
Derivative liabilities	5	22	28
Interest payable	30	30	30
Deferred taxes	119	66	—
Current maturities of long-term obligations	37	24	17
Total current liabilities	<b>549</b>	<b>635</b>	<b>454</b>
Long-term obligations net of current maturities	3,929	4,638	3,806
Deferred taxes and tax credits	672	541	351
Deferred revenues	153	63	65
Long-term derivative liabilities	15	5	88
Other long-term liabilities	478	434	543
<b>Total Liabilities</b>	<b>5,796</b>	<b>6,316</b>	<b>5,307</b>
<b>Commitments and Contingencies</b>			
<b>Equity</b>			
Common stock, par value \$0.01 per share; 10,000 shares authorized; 100 shares issued and outstanding as of December 31, 2009, 2008 and 2007	64	64	64
Additional paid-in capital	1,339	1,335	1,326
Retained earnings	1,280	1,085	596
Accumulated other comprehensive income (loss)	78	200	(63)
Total EME common shareholder's equity	<b>2,761</b>	<b>2,684</b>	<b>1,923</b>
Noncontrolling Interests	76	80	42
<b>Total Equity</b>	<b>2,837</b>	<b>2,764</b>	<b>1,965</b>
<b>Total Liabilities and Equity</b>	<b>\$ 8,633</b>	<b>\$ 9,080</b>	<b>\$ 7,272</b>

# Edison Mission Energy Consolidated Statements of Cash Flows

(In millions)

Year Ended December 31,

	2009	2008	2007
<b>Cash Flows From Operating Activities</b>			
Net income	\$ 194	\$ 501	\$ 413
(Income) loss from discontinued operations	7	(1)	2
Income from continuing operations, net	<u>201</u>	<u>500</u>	<u>415</u>
Adjustments to reconcile income to net cash provided by operating activities:			
Equity in income from unconsolidated affiliates	(100)	(121)	(199)
Distributions from unconsolidated affiliates	76	108	137
Depreciation and amortization	246	202	172
Deferred taxes and tax credits	275	104	41
Gain on buyout contract, loss on termination of contract, asset write-down and other charges and credits	4	14	1
Loss on early extinguishment of debt	—	—	160
Changes in operating assets and liabilities:			
(Increase) decrease in margin and collateral deposits	(32)	(3)	69
Increase in accounts receivables	(35)	(1)	(29)
(Increase) decrease in inventory	(8)	(40)	9
Decrease (increase) in prepaid expenses and other	53	(9)	6
Increase in restricted cash	(69)	—	—
Increase in rent payments in excess of levelized rent expense	(160)	(162)	(160)
(Decrease) increase in accounts payable and other current liabilities	(109)	(7)	6
Increase in interest payable	—	—	2
(Increase) decrease in derivative assets and liabilities	(168)	215	(106)
Other operating — assets	16	(53)	(18)
Other operating — liabilities	68	(19)	13
Operating cash flow from continuing operations	<u>258</u>	<u>728</u>	<u>519</u>
Operating cash flow from discontinued operations	(7)	1	(2)
<b>Net cash provided by operating activities</b>	<u>251</u>	<u>729</u>	<u>517</u>
<b>Cash Flows From Financing Activities</b>			
Borrowings on long-term debt	189	1,130	2,930
Payments on long-term debt agreements	(886)	(292)	(2,276)
Cash contributions from noncontrolling interests	2	12	—
Cash dividends to noncontrolling interests	(3)	—	—
Cash contributions from parent	—	—	36
Cash dividends to parent	—	—	(925)
Payments to affiliates related to stock-based awards	(2)	(8)	(34)
Excess tax benefits related to stock-based awards	—	3	14
Premium paid on extinguishment of debt and financing costs	(14)	(1)	(162)
<b>Net cash provided by (used in) financing activities</b>	<u>(714)</u>	<u>844</u>	<u>(417)</u>
<b>Cash Flows From Investing Activities</b>			
Capital expenditures	(283)	(552)	(540)
Proceeds from return of capital and loan repayments and sale of assets	30	39	32
Proceeds from sale of membership interest	—	28	—
Purchase of interest of acquired companies	(22)	(19)	(33)
Purchase of short-term investments	—	(19)	(20)
Maturities of short-term investments	3	96	497
Decrease in restricted deposits	3	4	43
Investments in other assets	(279)	(337)	(298)
<b>Net cash used in investing activities</b>	<u>(548)</u>	<u>(760)</u>	<u>(319)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(1,011)</u>	<u>813</u>	<u>(219)</u>
Cash and cash equivalents at beginning of period	<u>1,807</u>	<u>994</u>	<u>1,213</u>
Cash and cash equivalents at end of period	<u>\$ 796</u>	<u>\$ 1,807</u>	<u>\$ 994</u>

## EME's Supplemental Cash Flows Information<sup>1</sup>

(In millions)

Year Ended December 31,

	2009	2008	2007
<b>Cash paid (received)</b>			
Interest (net of amount capitalized)	\$ 301	\$ 295	\$ 320
Income taxes	(131)	120	120
Cash payments under plant operating leases	336	337	336
<b>Details of assets acquired</b>			
Fair value of assets acquired	\$ 14	\$ —	\$ 41
Liabilities assumed	3	—	—
<b>Net assets acquired</b>	<u>\$ 11</u>	<u>\$ —</u>	<u>\$ 41</u>
<b>Non-cash activities from consolidation of variable interest entities</b>			
Assets	\$ 3	\$ 3	\$ 12
Liabilities	\$ 4	\$ 4	\$ 5

<sup>1</sup> See the 2009 EME 10-K Note 15 - "Supplemental Cash Flows Information" section for additional information.

## EME's Energy Contractual Obligations<sup>1</sup>

(In millions)

As of December 31, 2009	Total	Payments Due by Period			
		Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Long-term debt	\$ 6,481	\$ 322	\$ 640	\$ 1,088	\$ 4,431
Operating lease obligations	3,448	353	665	627	1,803
Purchase obligations:					
Capital improvements	441	441	—	—	—
Turbine commitments	485	463	22	—	—
Fuel supply contracts	932	457	475	—	—
Gas transportation agreements	68	8	16	17	27
Coal transportation	388	244	144	—	—
Other contractual obligations	236	84	127	25	—
Employee benefit plan contribution	24	24	—	—	—
<b>Total</b>	<u>\$ 12,503</u>	<u>\$ 2,396</u>	<u>\$ 2,089</u>	<u>\$ 1,757</u>	<u>\$ 6,261</u>

<sup>1</sup> See the 2009 EME 10-K Item 7 - "Contractual Obligations, Commercial Commitments and Contingences" section for additional information.

## Midwest Generation Plants Statistics<sup>1</sup>

(In millions)			
Year Ended December 31,	2009	2008	2007
<b>Generation (in GWh)</b>			
Energy only contracts	28,977	26,010	22,503
Load requirements services contracts	1,333	5,090	7,458
Total	<u>30,310</u>	<u>31,100</u>	<u>29,961</u>
<b>Aggregate plant performance:</b>			
Equivalent availability	85.3%	81.0%	75.8%
Capacity factor	63.3%	64.8%	60.9%
Load factor	74.2%	80.0%	80.4%
Forced outage rate	5.8%	8.3%	9.7%
<b>Average realized price/MWh</b>			
Energy only contracts	\$ 41.17	\$ 51.82	\$ 48.79
Load requirements services contracts	\$ 62.52	\$ 62.64	\$ 63.43
Capacity revenue only (in millions)	\$ 178	\$ 111	\$ 27
Average realized fuel costs/MWh	\$ 18.54	\$ 15.49	\$ 13.36

<sup>1</sup> See the 2009 EME 10-K Item 7 - "Results of Operations" section for additional information.

## Homer City Statistics<sup>1</sup>

(In millions)			
Year Ended December 31,	2009	2008	2007
<b>Generation (in GWh)</b>	11,446	11,334	13,649
Equivalent availability	84.7%	80.7%	89.4%
Capacity factor	69.2%	68.3%	82.5%
Load factor	81.7%	84.6%	92.4%
Forced outage rate	9.4%	9.8%	4.1%
Average realized energy price/MWh	\$ 48.85	\$ 56.24	\$ 54.40
Capacity revenue only (in millions)	\$ 89	\$ 46	\$ 30
Average fuel costs/MWh	\$ 21.89	\$ 23.35	\$ 22.45

<sup>1</sup> See the 2009 EME 10-K Item 7 - "Results of Operations" section for additional information.

## Illinois & Homer City Hedge Program Status at December 31, 2009

	2010	2011	2012
<b>Midwest Generation</b>			
Total estimated GWh hedged (Northern Illinois & AEP/Dayton Hubs)	19,717	1,428	—
Average price (\$/MWh)	\$ 42.66	\$ 59.64	
Coal under contract (in millions of tons)	17.3	9.8	9.8
Coal commitments (in millions)	\$ 196	\$ 123	\$ 134
Rail commitments (in millions)	\$ 230	\$ 132	\$ —
<b>Homer City</b>			
Total estimated GWh hedged	3,673	29	—
Average price (\$/MWh)	\$ 79.25	\$ 54.47	
Coal under contract (in millions of tons)	4.6	2.3	1.2
Coal commitments (in millions)	\$ 261	\$ 140	\$ 78
Rail commitments (in millions)	\$ 14	\$ 12	\$ —

## EME's Credit Facility Financial Ratios – Interest Coverage Ratio<sup>1</sup>

(In millions) Year Ended December 31,	2009	2008
Funds Flow Available for Interest		
Distributions		
Midwest Generation	\$ 200	\$ 206
Homer City	75	110
Big 4 Projects	62	114
Viento Funding II, Inc.	167	—
Other Projects	88	55
Tax payments received from subsidiaries	68	364
Realized trading income	36	175
Tax allocation receipts (payments)	139	(92)
Operating expenses	(151)	(155)
Other items, net	(14)	(14)
	<u>\$ 670</u>	<u>\$ 763</u>
Net Interest Expense		
EME corporate debt	\$ 261	\$ 248
Addback: Capitalized interest	19	32
Powerton - Joliet intercompany notes	112	112
EME interest income	(2)	(6)
	<u>\$ 390</u>	<u>\$ 386</u>
<b>Ratio</b>	<b>1.72</b>	<b>1.98</b>
<b>Covenant threshold (not less than)</b>	<b>1.20</b>	<b>1.20</b>

<sup>1</sup> See the 2009 EME 10-K Item 7 - "EME's Liquidity as a Holding Company" section for additional information.

## EME's Credit Facility Financial Ratios – Corporate Debt to Corporate Capital Ratio<sup>1</sup>

(In millions) Year Ended December 31,	2009	2008
Corporate Debt		
Indebtedness for money borrowed	\$ 3,700	\$ 4,564
Powerton - Joliet termination value	1,046	1,163
Letters of credit	104	132
	<u>\$ 4,850</u>	<u>\$ 5,859</u>
Corporate Capital		
Common shareholder's equity	\$ 2,761	\$ 2,684
Less:		
Non-cash cumulative changes in accounting	1	1
Accumulated other comprehensive income	(78)	(200)
Adjustments:		
After-tax losses incurred on termination of Collins lease	587	587
Dividend to MEHC for repayment of 13.5% notes	899	899
	<u>4,170</u>	<u>3,971</u>
Corporate debt	<u>4,850</u>	<u>5,859</u>
	<u>\$ 9,020</u>	<u>\$ 9,830</u>
<b>Corporate debt to corporate capital ratio</b>	<b>0.54</b>	<b>0.60</b>
<b>Covenant threshold (not more than)</b>	<b>0.75</b>	<b>0.75</b>

<sup>1</sup> See the 2009 EME 10-K Item 7 - "EME's Liquidity as a Holding Company" section for additional information.

## EME's Dividend Restrictions in Major Financings<sup>1</sup>

At December 31, 2009 or

for 12 months ended December 31, 2009

Subsidiary	Financial Ratio	Covenant	Actual
<b>Key Ratios of EME's Principal Subsidiaries</b>			
<b>Affecting Dividends</b>			
Midwest Generation (Midwest Generation plants)	Debt to Capitalization Ratio	Less than or equal to 0.60 to 1	0.18 to 1
Homer City (Homer City facilities)	Senior Rent Service Coverage Ratio	Greater than 1.7 to 1	2.96 to 1

<sup>1</sup> See the 2009 EME 10-K Item 7 - "Dividend Restrictions in Major Financings" section for additional information.

# Edison Capital

Edison Capital has investments in energy and infrastructure projects and three airplane leases. Edison Capital also has investments in approximately 300 affordable housing projects in 35 states.

## Energy/Infrastructure Projects

Infrastructure Project Name	Country/Region	Project Type	Generation Capacity (MW)	Lessor Interest/ Equity Interest
AIG - Asia II Fund	Asia	Infrastructure	—	6%
Beaver Valley Unit #2	U.S.	Nuclear Power	836	6%
AIG/GE Latin American Fund	Latin America	Infrastructure	—	8%
Vidalia Hydroelectric	U.S.	Hydro Power	192	24%
AIG Emerging Europe Fund	Europe	Infrastructure	—	23%
Paz Holdings	Bolivia	Distribution Systems	—	11%
<b>Total</b>			<b>1,028</b>	

## Financial Services and Other (Edison Capital and other EMG subsidiaries) Financial Information

(In millions)

Year Ended December 31,

	2009	2008	2007
Financial Services and other operating revenue	\$ 22	\$ 54	\$ 56
Other operation and maintenance	12	10	13
Depreciation, decommissioning and amortization	3	4	9
Lease terminations and other	887	(49)	2
Total operating expenses	902	(35)	24
Operating Income (Loss)	(880)	89	32
Interest and dividend income	11	12	16
Equity in income (loss) from partnerships and unconsolidated subsidiaries - net	(11)	(3)	28
Other income	7	—	2
Interest expense - net of amounts capitalized	(10)	(9)	(10)
Other expenses	(9)	—	—
Income (loss) from continuing operations before income taxes	(892)	89	68
Income tax expense (benefit)	(294)	29	(2)
Income (loss) from continuing operations	(598)	60	70
Income (loss) from discontinued operations - net of tax	—	—	—
Net income (loss)	(598)	60	70
Less: Net income attributable to noncontrolling interests	—	—	—
Financial services and other net income (loss) attributable to Edison International	\$ (598)	\$ 60	\$ 70
Total assets	\$ 1,022	\$ 3,089	\$ 3,008



# Leadership Team

## Edison International

**Theodore F. Craver, Jr.**

Chairman of the Board, President and Chief Executive Officer

**W. James Scilacci**

Executive Vice President, Chief Financial Officer and Treasurer

**Robert L. Adler**

Executive Vice President and General Counsel

**Polly L. Gault**

Executive Vice President, Public Affairs

**Daryl D. David**

Senior Vice President, Human Resources

**Barbara J. Parsky**

Senior Vice President, Corporate Communications

**Barbara E. Mathews**

Vice President, Associate General Counsel, Chief Governance Officer and Corporate Secretary

**Megan Scott-Kakures**

Vice President and General Auditor

**Mark C. Clarke**

Vice President and Controller

**Jeffrey L. Barnett**

Vice President, Tax

**Kenneth S. Stewart**

Vice President and Chief Ethics and Compliance Officer

**Scott S. Cunningham**

Vice President, Investor Relations

## Southern California Edison Company

**Alan J. Fohrer**

Chairman of the Board and Chief Executive Officer

**John R. Fielder**

President

**Pedro J. Pizarro**

Executive Vice President, Power Operations

**Cecil R. House**

Senior Vice President, Safety and Operations Support and Chief Procurement Officer

**James A. Kelly**

Senior Vice President, Transmission & Distribution

**Linda G. Sullivan**

Senior Vice President and Chief Financial Officer

**Stephen E. Pickett**

Senior Vice President and General Counsel

**Bruce C. Foster**

Senior Vice President, Regulatory Affairs

**Ross T. Ridenoure**

Senior Vice President and Chief Nuclear Officer

**Lynda L. Ziegler**

Senior Vice President, Customer Service

**Mahvash Yazdi**

Senior Vice President, Business Integration and Chief Information Officer

**Veronica Gutierrez**

Vice President, Corporate Communications

**Robert C. Boada**

Vice President and Treasurer

**Chris C. Dominski**

Vice President and Controller

**Paul J. De Martini**

Vice President, Advanced Technology

**Barbara E. Mathews**

Vice President, Associate General Counsel, Chief Governance Officer and Corporate Secretary

**Lisa D. Cagnolatti**

Vice President, Business Customer Division

**Megan Scott-Kakures**

Vice President and General Auditor

**Kevin R. Cini**

Vice President, Energy Supply and Management

**Harry B. Hutchinson**

Vice President, Customer Service Operations

**Akbar Jazayeri**

Vice President, Regulatory Operations

**Walter J. Johnston**

Vice President, Power Delivery

**Stuart R. Hemphill**

Senior Vice President, Power Procurement

**Mark L. Ulrich**

Vice President, Renewable and Alternative Power

**R.W. (Russ) Krieger, Jr.**

Vice President, Power Production

**Kevin M. Payne**

Vice President, Business Integration

**Patricia H. Miller**

Vice President, Human Resources

**Ann P. Cohn**

Vice President and Associate General Counsel

**Russell C. Swartz**

Vice President and Associate General Counsel

**Erwin G. Furkawa**

Vice President, Customer Programs and Services

**David L. Mead**

Vice President, Engineering and Technical Services

**Gaddi H. Vasquez**

Vice President, Public Affairs

**Leslie E. Starck**

Vice President, Local Public Affairs

**Stacy R. Mines**

Vice President and Chief Ethics and Compliance Officer

## Edison Mission Group

**Ronald L. Litzinger**

Chairman of the Board, President and Chief Executive Officer

**Guy F. Gorney**

Senior Vice President, Generation

**Daniel McDevitt**

Vice President and Interim General Counsel

**Frederick W. McCluskey**

Vice President, Technical Services

**John P. Finneran, Jr.**

Senior Vice President and Chief Financial Officer

**Steven D. Eisenberg**

Senior Vice President, Development

**Andrew J. Hertneky**

Senior Vice President, Marketing and Trading

**Douglas R. McFarlan**

Senior Vice President, Public Affairs and Communications

**Jenene J. Wilson**

Vice President, Human Resources

**Letitia D. Davis**

Vice President, Chief Ethics and Compliance Officer



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