



JOINT NOTICE OF ANNUAL MEETINGS OF SHAREHOLDERS

AND

JOINT PROXY STATEMENT

ANNUAL MEETINGS

May 14, 2002



April 4, 2002

Dear Shareholder:

You are invited to attend the Edison International and Southern California Edison Company ("SCE") Annual Meetings of Shareholders. The meetings will be held jointly on Tuesday, May 14, 2002, at the DoubleTree Hotel Ontario, 222 N. Vineyard Avenue, Ontario, California, at 10:00 a.m., Pacific Time.

Your voting instructions are enclosed, and the applicable 2001 Annual Report and Joint Proxy Statement are enclosed or are being delivered to you electronically. The Joint Proxy Statement discusses the matters to be considered at the annual meetings. At the meetings, we will report on the Companies' activities, and shareholders of Edison International and SCE will elect Directors who will oversee Company affairs until the next annual meetings.

Whether or not you expect to attend the annual meetings, it is important that your shares be represented. If you hold shares in both Edison International and SCE, you will receive a proxy or voting instruction card for each Company. We are pleased to offer certain shareholders the option to vote shares by telephone or the Internet as well as by mail. Voting by any of these methods, if available, will ensure that you are represented at the Annual Meetings even if you are not present. Please review the instructions on the proxy card regarding these options. If you hold your shares in an account with a broker or other nominee, you will receive separate instructions from that nominee which may also allow telephone and Internet voting.

Your continued interest in the business of Edison International and SCE is appreciated.

Sincerely,

John E. Bryson
*Chairman of the Board, President
and Chief Executive Officer*
Edison International

Alan J. Fohrer
*Chairman of the Board
and Chief Executive Officer*
Southern California Edison Company



**JOINT NOTICE OF ANNUAL MEETINGS
OF SHAREHOLDERS**

Date: Tuesday, May 14, 2002

Time: 10:00 a.m., Pacific Time

Place: DoubleTree Hotel Ontario
222 N. Vineyard Avenue
Ontario, California 91764

Matters to be voted upon by Edison International and Southern California Edison Company (“SCE”) shareholders:

- Election of 11 Directors, respectively – The names of the Director nominees are:

John E. Bryson*	Ronald L. Olson
Alan J. Fohrer**	James M. Rosser
Bradford M. Freeman	Richard T. Schlosberg, III
Joan C. Hanley	Robert H. Smith
Bruce Karatz	Thomas C. Sutton
Luis G. Nogales	Daniel M. Tellep

* John E. Bryson is a Director nominee for the Edison International Board only.

** Alan J. Fohrer is a Director nominee for the SCE Board only.

- Any other business that may properly come before the meetings.

Your Board of Directors and Management recommend that you vote “FOR” the nominees for Directors listed in the Joint Proxy Statement.

Record Date: Shareholders of record at the close of business on March 15, 2002, and valid proxyholders for those shareholders, are entitled to vote at the annual meetings.

Voting Instructions: To vote by mail, you may complete, sign, date and return the enclosed proxy card in the envelope provided. If you hold shares in your own name, or through the Edison International Dividend Reinvestment and Stock Purchase Plan or the SCE Stock Savings Plus Plan, you may vote by telephone or via the Internet by following the instructions on your proxy card. There is a special number assigned to you on the proxy card to safeguard your vote. Voting by telephone and via the Internet is available 24 hours a day, seven days a week, through midnight, May 13, 2002, except for Stock Savings Plus Plan shareholders who must vote by 5:00 p.m., Eastern Time, on May 9, 2002. If you hold your shares in an account with a broker or other nominee, you will receive separate instructions from that nominee which may also allow telephone and Internet voting.

Electronic Access: Beginning with this annual meeting, Edison International is electronically delivering its Proxy Statements and Annual Reports for annual and special shareholders’ meetings to certain employee-shareholders. If you hold Edison International shares through the SCE Stock Savings Plus Plan, and you use company E-mail in the ordinary course of performing your job and are expected to log-on to E-mail routinely to receive mail and communications, we will deliver these documents to you electronically for every shareholders’ meeting. This will save Edison International the cost of producing and mailing these documents. The Edison International and SCE Joint Proxy Statement for the annual meetings, and the respective 2001 Annual Reports are available on Edison International’s Internet site at <http://www.edisoninvestor.com>. **If these documents are being delivered to you electronically, you may also request paper copies through the date of the annual meetings by contacting Edison International, c/o SCE Law Department, Corporate Governance, 2244 Walnut Grove Avenue, P. O. Box 800, Rosemead, California 91770 or at 626-302-2662; and after the annual meetings by contacting Edison International, Investor Relations, 2244 Walnut Grove Avenue, P. O. Box 999, Rosemead, California 91770 or at 626-302-1937.**

Meeting Admission: The following individuals will be admitted to the meetings:

- Shareholders of record on the record date, and their spouses;
- Individuals holding written proxies executed by shareholders of record on the record date;
- Shareholders who provide a letter or account statement from their broker or other nominee showing that they owned stock held in the name of the broker or other nominee on the record date, and their spouses; and
- Other individuals with the approval of the Edison International or SCE Secretary.

Shareholders which are companies or other entities are limited to three authorized representatives at the meetings. Cameras, recording devices and other electronic devices will not be permitted at the meetings.

Dated: April 4, 2002

For the Boards of Directors,

BEVERLY P. RYDER, *Vice President
and Secretary*, Edison International,
Secretary, Southern California Edison Company

IMPORTANT

In order to assure a quorum of shareholders at the annual meetings, please complete, sign, date and mail the enclosed card promptly; or (if available to you) give your instructions by telephone or the Internet as described on the enclosed card. If you mail the enclosed card, please sign (do not print) your name exactly as it appears on the card. When signing as attorney, executor, administrator, trustee or guardian, include your full title. Please have an authorized officer whose title is indicated sign for corporations, charitable institutions and governmental units. For partnerships, have a partner sign and indicate partnership status.

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**EDISON INTERNATIONAL
SOUTHERN CALIFORNIA EDISON COMPANY
2244 WALNUT GROVE AVENUE
P. O. BOX 800
ROSEMEAD, CALIFORNIA 91770**

JOINT PROXY STATEMENT

INTRODUCTION – SOLICITATION OF PROXIES

This Joint Proxy Statement, proxy forms, voting instructions and the 2001 Annual Reports are being distributed together beginning April 4, 2002, to the Edison International and Southern California Edison Company shareholders for their annual meetings. The annual meetings will be held jointly on Tuesday, May 14, 2002, at the DoubleTree Hotel Ontario, 222 N. Vineyard Avenue, Ontario, California, at 10:00 a.m., Pacific Time. The Edison International and Southern California Edison Company Boards of Directors are soliciting proxies from you for use at their annual meetings, or at any adjournment or postponement of the meetings. Proxies allow properly designated individuals to vote on your behalf at an annual meeting. This Proxy Statement discusses the matters to be voted on at the annual meetings.

In this Proxy Statement:

- “Annual meeting” means the Edison International annual meeting of shareholders and the Southern California Edison Company annual meeting of shareholders, which are being held jointly.
- “SCE” means Southern California Edison Company.
- “DRP” means the Edison International shareholder plan known as the Dividend Reinvestment and Stock Purchase Plan.
- “SSPP” means the SCE employee benefit plan known as the Stock Savings Plus Plan through which participants may hold Edison International shares.
- Holding shares in “street name” means your shares are held in an account through your broker, bank, fiduciary, custodian or other nominee, and you are considered the beneficial owner of those shares. Your name does not appear on the Companies’ records as a shareholder.
- Holding shares as a “registered” shareholder or “of record” means your shares are registered in your own name directly with the Companies rather than in street name, and that stock certificates are issued in your own name. Shares held in your DRP plan account are also included.

QUESTIONS AND ANSWERS ON VOTING, PROXIES, AND ATTENDANCE

Q: What am I voting on?

A: You are voting on the election of 11 Directors for Edison International and for SCE, respectively, and any other matters properly brought before the meetings. The election of Directors is Item 1 on the proxy card.

Q: Who can vote?

A. All registered shareholders at the close of business on March 15, 2002, are entitled to vote at the meeting. Holders of Edison International's Common Stock are entitled to one vote per share on each item of Edison International business. On each item of SCE business, holders of SCE Cumulative Preferred Stock are entitled to six votes per share; holders of SCE \$100 Cumulative Preferred Stock are entitled to two votes per share; and holders of SCE Common Stock are entitled to one vote per share. Shareholders who hold shares that are not registered in their own name may only vote their shares by giving voting instructions to the registered shareholders. Shares held by participants in the SSPP are registered in the name of the plan trustee and will be voted in its capacity as the stock fund investment manager. Fractional shares, such as those held in the SSPP and in the DRP, may not be voted. All shares of SCE Common and Preferred Stocks vote together as one class.

Q: Who can attend the meeting?

A: All shareholders on the record date, or their duly appointed proxies, may attend the meeting. Shareholders' spouses are also welcome. Seating, however, is limited. All shareholders will be required to pass through a security inspection area, and they must check in at the registration desk at the meeting. The registration desk will open at 8:00 a.m., Pacific Time. If you are a registered or SSPP shareholder, an admission pass is included with these materials, and you will present your pass at the registration desk for admission. If you do not have an admission pass and you are a registered shareholder, we will be able to verify your share ownership from the share register upon presentation of proper identification. **If your shares are not registered in your name, you will need to bring a letter or an account statement from your broker, plan trustee or other nominee reflecting your stock ownership as of the record date and to provide proper identification.** A shareholder which is a corporation, partnership, association or other entity is limited to three authorized representatives at the annual meeting. Cameras, recording devices and other electronic devices will not be permitted at the meeting.

Q: How do I vote?

A: **If you are a registered or SSPP shareholder**, you may choose one of the following ways to cast your vote:

- **By mail:** Complete, date, sign and mail the proxy/voting instruction card in the enclosed postage prepaid envelope.
- **By telephone:** Call 1-877-779-8683 toll free from the U.S. and Canada.
Call 201-536-8073 from outside the U.S. and Canada.

- **Via the Internet:** Access the Edison International World Wide Web site
<http://www.eproxyvote.com/eix>
Access the SCE World Wide Web site
<http://www.eproxyvote.com/sce>

Registered shareholders have a fourth option to cast their vote:

- **By ballot at the meeting:** Attend the annual meeting and complete a written ballot distributed at the meeting.

If you vote by telephone or via the Internet, follow the instructions on the enclosed card. You will be asked to enter the specially assigned control number on your proxy card. Additionally, if you vote by telephone, you will receive recorded instructions, and if you vote via the Internet, an electronic proxy card. Voting by telephone and via the Internet is available 24 hours a day, seven days a week, through midnight, May 13, 2002, except for SSPP shareholders who must vote by 5:00 p.m., Eastern Time, on May 9, 2002.

By voting by mail, telephone or the Internet, you will authorize the individuals named on the proxy card, referred to as the proxies, or the SSPP trustee in its capacity as stock fund investment manager, to vote your shares according to your instructions. You are also authorizing those persons to vote your shares on any other matter properly presented at the meeting.

If you hold shares in street name, you will provide voting instructions as follows:

- **By mail:** On cards received from your broker or other nominee.
- **By telephone or via the Internet:** If offered by your broker or other nominee.
- **By ballot at the meeting:** If you request a legal proxy from your broker or other nominee and deliver the proxy to the inspector of election before or at the meeting.

Under California law, you may transmit a proxy by telephone or via the Internet if authorized by you or your attorney in fact. **SHAREHOLDERS WHO VOTE BY TELEPHONE OR OVER THE INTERNET SHOULD NOT MAIL THE PROXY CARD.**

Q: What happens if I return my proxy or vote by mail, telephone or the Internet, but I do not indicate my voting preference?

A: If you return your proxy or vote by mail and do not indicate how you wish to vote for the nominees for Director, the proxies and SSPP trustee will vote FOR election of all the nominees for Director (*Item 1*). If you enter your control number by telephone or on the Internet and do not indicate how you wish to vote for the nominees for Director, your shares will not be voted on the election.

Q: What happens if I do not return my proxy or provide voting instructions?

A: If you are a registered shareholder and you do not deliver voting instructions to a designated proxy or cast a ballot at the annual meeting, your shares will not be voted. If you are an SSPP shareholder and you do not deliver voting instructions to the trustee, the trustee as stock fund investment manager

may vote your shares as it chooses. If you hold your shares in street name and you do not instruct your broker or other nominee how to vote your shares, the broker or other nominee may be authorized to vote your shares as it chooses on the matters to be considered at the meeting. If your broker lacks this discretionary authority to vote on an item and properly indicates this to us, your shares will not be voted on that item and we call this a “broker nonvote” on that item.

Q: What if I vote and then change my mind?

A: If you are a registered shareholder, you can revoke your proxy by:

- Writing to the Edison International or SCE Secretary;
- Voting again via mail, telephone or the Internet; or
- Voting in person at the annual meeting.

Your last vote will be the vote that is counted.

If you are an SSPP shareholder, you can revoke your voting instructions by voting again via mail, telephone or the Internet by 5:00 p.m., Eastern Time, on May 9, 2002.

If you hold shares in street name, you should contact your broker or other nominee before the annual meeting to determine whether you can change your voting instructions.

Q: How many votes do you need to hold the meeting?

A: As of the record date, March 15, 2002, Edison International had 325,793,174 shares of Edison International Common Stock outstanding and entitled to vote. SCE had 5,150,198 shares of Cumulative Preferred Stock, 2,557,000 shares of \$100 Cumulative Preferred Stock, and 434,888,104 shares of SCE Common Stock outstanding and entitled to vote.

The holders of the Edison International Common Stock have the right to cast a total of 325,793,174 votes. The holders of the SCE Cumulative Preferred Stock have the right to cast a total of 30,901,188 votes, the holders of the SCE \$100 Cumulative Preferred Stock have the right to cast a total of 5,114,000 votes, and the holder of the SCE Common Stock, Edison International, has the right to cast a total of 434,888,104 votes. Voting together as a class, the SCE shareholders have the right to cast a total of 470,903,292 votes.

A quorum is required to transact business at the annual meeting. The presence at the annual meeting, in person or by proxy, of shareholders entitled to cast at least a majority of the votes which all shareholders are entitled to cast constitutes a quorum. If you properly return your proxy by mail, by telephone or via the Internet, you will be considered part of the quorum, even if you abstain from voting or withhold votes, and the proxies will vote your shares as you have indicated. If a broker or other nominee holding your shares in street name votes your shares or returns a properly executed proxy representing your shares, your shares will be considered as present and part of the quorum, even if your broker or other nominee does not indicate a voting preference, or otherwise abstains or withholds votes, on any or all matters.

Q: What vote is required to adopt the proposal at the meeting?

A: On Item 1, the Election of Directors, the 11 nominees receiving the highest number of affirmative or “for” votes will be elected as Directors of Edison International and SCE, respectively. Votes withheld for any of the nominees, abstentions or broker nonvotes will have the effect of reducing the number of affirmative votes a candidate might otherwise have received.

Q: Who will count the votes?

A: EquiServe Trust Company, N.A., will tabulate the votes and act as the inspector of election. To protect the confidentiality of votes cast under the SSPP, Edison International will not have access to any of the SSPP shareholders’ voting instructions, and SSPP voting results will only be reported in the aggregate.

Q: What shares are included on the proxy card?

A: If you hold shares in both Edison International and SCE, you will receive a card for each Company. The shares listed on your card(s) represent all the shares of common stock and preferred stock registered in your name (as distinguished from those held in street name), all whole shares held in the DRP, and all whole shares held in the SSPP. You will receive separate cards from your broker or other nominee if you hold shares in street name.

Q: What does it mean if I get more than one proxy card?

A: It indicates that your shares are held in more than one account, such as two brokerage accounts, and registered in different names. You should vote each of the proxy cards to ensure that all of your shares are voted.

Q: How much did this proxy solicitation cost?

A: Edison International and SCE have retained Georgeson Shareholder to solicit proxies from shareholders at an estimated fee of \$10,000 plus expenses. (This fee does not include the costs of printing and mailing the proxy materials.) Edison International and SCE will pay all proxy solicitation costs. Some of the directors, officers and other employees of Edison International and/or SCE also may solicit proxies personally, by mail, by telephone or by other electronic means for no additional compensation, except for customary overtime pay. Edison International and SCE will also reimburse brokers and other nominees for their reasonable out-of-pocket expenses for forwarding proxy materials to the beneficial owners of their stocks and obtaining voting instructions.

Q: Whom can I call with any questions?

A: You may call Wells Fargo Bank at 800-347-8625 or visit their World Wide Web site at http://www.wellsfargo.com/comshareowner_services

Q: How do the Boards recommend I vote?

A: The Edison International and SCE Boards recommend the election of their nominees for Directors listed in this Proxy Statement.

HOUSEHOLDING OF PROXY STATEMENTS AND ANNUAL REPORTS

If you are a registered shareholder and share an address with other registered shareholders, you may be receiving multiple copies of the applicable Annual Report to Shareholders and Proxy Statement. You can save the Companies money if you direct us to discontinue mailing all future multiple annual reports, proxy statements, proxy statements combined with a prospectus, and information statements by marking the appropriate box on the enclosed proxy card, or by following the instructions provided when you vote by telephone or over the Internet. The Companies intend to deliver only one respective annual report, one proxy statement, one proxy statement combined with a prospectus, and one information statement to multiple registered shareholders sharing an address if such multiple shareholders have given their consent and the Companies have not received contrary instructions from one or more of such shareholders. This practice is commonly referred to as “householding.” The Companies do not plan to electronically household documents. Your consent to householding is perpetual, meaning it will remain in effect until revoked. Eliminating duplicate mailings will not affect your receipt of future proxy cards. To resume the mailing of individual copies of future annual reports, proxy statements, proxy statements combined with a prospectus, and information statements to a particular account, you may contact Wells Fargo Bank, N.A., Attn: Householding, P. O. Box 64854, St. Paul, Minnesota 55164-0854, or at 800-347-8625, and your request will be effective within thirty days after receipt. Additionally, the Companies have been notified that certain brokers and other nominees will household the Companies’ annual reports and proxy statements for shareholders who hold in street name and have consented to householding. In this case, you may request an individual copy of this Joint Proxy Statement and/or the applicable 2001 Annual Report by contacting your broker or other nominee.

ELECTRONIC ACCESS TO PROXY STATEMENTS AND ANNUAL REPORTS

This Joint Proxy Statement and the Edison International and SCE 2001 Annual Reports are available on Edison International’s Internet site at <http://www.edisoninvestor.com>. Most shareholders can view future shareholder communications including proxy statements and annual reports over the Internet instead of receiving paper copies in the mail and save the Companies the cost of producing and mailing these documents.

If you are an SSPP shareholder, and you use company E-mail in the ordinary course of performing your job and are expected to log-on to E-mail routinely to receive mail and communications, Edison International intends to deliver proxy statements and annual reports to you electronically for every shareholders’ meeting. **You may also request paper copies through the date of the annual meetings by contacting Edison International, c/o SCE Law Department, Corporate Governance, 2244 Walnut Grove Avenue, P. O. Box 800, Rosemead, California 91770 or at 626-302-2662; and after the annual meetings by contacting Edison International, Investor Relations, 2244 Walnut Grove Avenue, P. O. Box 999, Rosemead, California 91770 or at 626-302-1937.**

If you are a registered shareholder and/or SSPP shareholder who does not have a company-assigned E-mail address, you can choose this option by checking the appropriate box on your proxy card or by following the instructions provided if you vote by telephone or over the Internet. In order to receive shareholder communications electronically, you must have an E-mail account, access to the Internet through an Internet service provider, and a Web browser that supports secure connections. Acceptance of electronic delivery of these documents will remain in effect until withdrawn. **Your consent to electronic delivery can be withdrawn at any time by contacting Wells Fargo Bank, N.A., P. O. Box 64856, St. Paul, Minnesota 55164-0856 or at 800-347-8625. You may also request paper copies**

of the proxy materials from the date you receive this Proxy Statement through the date of the applicable annual meetings by contacting Edison International or SCE, as the case may be, c/o SCE Law Department, Corporate Governance, 2244 Walnut Grove Avenue, P. O. Box 800, Rosemead, California 91770 or at 626-302-2662; and after the annual meetings by contacting Edison International, Investor Relations, 2244 Walnut Grove Avenue, P. O. Box 999, Rosemead, California 91770 or at 626-302-1937.

If you are a registered shareholder and/or SSPP shareholder who does not have a company-assigned E-mail address and choose to view future proxy statements and annual reports over the Internet, you will receive notice each year containing the Internet address of those materials.

If you hold shares in street name, check the information provided by the nominee holding your shares for instructions on how to elect to view future proxy statements and annual reports over the Internet. Your broker or other nominee will receive notice containing the Internet address to use to access Edison International's and SCE's Proxy Statement and Annual Reports.

For all shareholders, although there are no costs for this service, there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies for which you will be responsible.

ELECTION OF DIRECTORS

Item 1 on Proxy Card

NOMINEES FOR ELECTION

Eleven Directors will be elected to the Edison International and SCE Boards, respectively, to hold office until the next annual meeting. Should any of the nominees become unavailable to stand for election as a Director, the proxies will have the authority to vote for substitute nominees as they choose.

The nominees for Directors of Edison International and SCE are the same, except for Mr. Bryson who is a nominee for the Edison International Board only, and Mr. Fohrer who is a nominee for the SCE Board only. Three current Directors, Warren Christopher, Carl F. Huntsinger, and Charles D. Miller, are retiring from both Boards. Messrs. Freeman, Karatz and Schlosberg are being nominated to serve as Directors for the first time for both Boards. A brief biography of each nominee is presented below.

JOHN E. BRYSON*

Chairman of the Board, President and Chief Executive Officer of Edison International and Chairman of the Board of Edison Mission Energy (an electric power generation nonutility subsidiary of Edison International) (since 2000); Chairman of the Board and Chief Executive Officer of Edison International and SCE (1990–1999)

Mr. Bryson has been a Director of Edison International since 1990. He is a Director of The Walt Disney Company, The Boeing Company, and Pacific American Income Shares, Inc. & Western Asset Funds, Inc. Mr. Bryson is a graduate of Stanford University and Yale Law School. Age 58.

* John E. Bryson is a nominee for Director of Edison International only.

ALAN J. FOHRER**

Chairman of the Board and Chief Executive Officer of SCE (since 2002); President and Chief Executive Officer of Edison Mission Energy (2000–2001); Chairman of the Board of Edison Mission Energy (1999); Executive Vice President and Chief Financial Officer of Edison International (1996–2000)

Mr. Fohrer has been a Director of SCE since January 1, 2002. Mr. Fohrer holds two degrees in civil engineering from the University of Southern California, and received his MBA degree from California State University, Los Angeles. Age 51.

BRADFORD M. FREEMAN

Founding Partner, Freeman Spogli & Co. (private investment company) (since 1983)

Mr. Freeman is being nominated for the first time as a Director of Edison International and SCE. He is a Director of RDO Equipment Co. Mr. Freeman is a graduate of Stanford University, and holds an MBA degree from Harvard Business School. Age 60.

JOAN C. HANLEY

The Former General Partner and Manager of Miramonte Vineyards (1973–1998)

Mrs. Hanley has been a Director of SCE since 1980 and a Director of Edison International since 1988. She is a Director of the Harbor–UCLA Research and Education Institute, Chairman of the Harbor–UCLA Collegium, and a Trustee of Pomona College. Mrs. Hanley is a graduate of the University of Washington. Age 69.

BRUCE KARATZ

Chairman, President and Chief Executive Officer of KB Home (homebuilding) (since 1993)

Mr. Karatz is being nominated for the first time as a Director of Edison International and SCE. He is a Director of Avery Dennison Corporation, Honeywell International, Inc., The Kroger Company, and National Golf Properties, Inc. Mr. Karatz is a graduate of The Blake School and Boston University, and holds a Law degree from the University of Southern California. Age 56.

LUIS G. NOGALES

Managing Partner of Nogales Investors (a private equity investment company) (since 2001); President of Nogales Partners (a private equity investment company) (1990–2001)

Mr. Nogales has been a Director of Edison International and SCE since 1993. He is a Director of Arbitron Inc. and KB Home. Mr. Nogales is a graduate of San Diego State University and Stanford Law School. Age 58.

RONALD L. OLSON

Partner of the law firm of Munger, Tolles and Olson (since 1970)

Mr. Olson has been a Director of Edison International and SCE since 1995. He is a Director of Berkshire Hathaway, Inc., Pacific American Income Shares, Inc. & Western Asset Funds, Inc., and City National Corporation. Mr. Olson is a graduate of Drake University and University of Michigan Law School and holds a Diploma in Law from Oxford University. Age 60.

** Alan J. Fohrer is a nominee for Director of SCE only.

JAMES M. ROSSER

President of California State University, Los Angeles (since 1979)

Dr. Rosser has been a Director of SCE since 1985 and a Director of Edison International since 1988. He is a Director of United California Bank. Dr. Rosser holds three degrees from Southern Illinois University. Age 63.

RICHARD T. SCHLOSBERG, III

President and Chief Executive Officer of The David and Lucile Packard Foundation (private family foundation) (since 1999); Publisher and Chief Executive Officer, Los Angeles Times (newspaper) (1994–1997); Executive Vice President and Director, The Times Mirror Company (media communications) (1994–1997)

Mr. Schlosberg is being nominated for the first time as a Director of Edison International and SCE. Mr. Schlosberg is a graduate of the United States Air Force Academy, and holds an MBA degree from Harvard Business School. Age 58.

ROBERT H. SMITH

Managing Director of Smith & Crowley, Inc. (merchant banking) (since 1992)

Mr. Smith has been a Director of SCE since 1987 and a Director of Edison International since 1988. He is a Director of Tarpanwear International, Inc., and a Trustee of the University of Southern California and Santa Clara University. Mr. Smith is a graduate of the University of Southern California and holds a Law degree from Van Norman University. Age 66.

THOMAS C. SUTTON

Chairman of the Board and Chief Executive Officer of Pacific Life Insurance Company (since 1990)

Mr. Sutton has been a Director of Edison International and SCE since 1995. He is a Director of Newhall Land & Farming Company and The Irvine Company. Mr. Sutton is a graduate of the University of Toronto. Age 59.

DANIEL M. TELLEP

Retired Chairman of the Board of Lockheed Martin Corporation (aerospace industry) (1996)

Mr. Tellep has been a Director of Edison International and SCE since 1992. Mr. Tellep holds two degrees from the University of California at Berkeley and has completed studies at Harvard University. Age 70.

BOARD COMMITTEES

The Edison International and SCE Board Committees are the Audit Committee, Compensation and Executive Personnel Committee, Executive Committee, Finance Committee and Nominating Committee. The composition of each Committee is the same for Edison International and SCE, except for the Executive Committee. Each Committee held the same number of meetings in 2001, unless otherwise indicated in the table below. This table describes the Boards' Committees.

COMMITTEE NAME AND CURRENT MEMBERS	COMMITTEE FUNCTIONS	NUMBER OF MEETINGS IN 2001
<p>Audit Daniel M. Tellep, Chair Carl F. Huntsinger Charles D. Miller Robert H. Smith Thomas C. Sutton</p>	<ul style="list-style-type: none"> • Meets regularly with management, the independent public accountants, and the internal auditors to make inquiries regarding the manner in which the responsibilities of each are being discharged. • Recommends to the Boards the annual appointment of the independent public accountants, Committee charter revisions, and the inclusion of the year-end audited financial statements in the Annual Report on Form 10-K. • Reviews with the independent public accountants the scope of audit and other engagements and the related fees, their independence, the adequacy of internal accounting controls, and the year-end audited financial statements. • Reviews with management the audit plans and year-end audited financial statements. • Reviews information provided on legal proceedings, environmental compliance, health and safety compliance, information technology security, legal compliance, business ethics monitoring and internal auditing programs. 	6
<p>Compensation and Executive Personnel Robert H. Smith, Chair Charles D. Miller Luis G. Nogales James M. Rosser Thomas C. Sutton</p>	<ul style="list-style-type: none"> • Reviews the performance and sets the compensation of the Executive Officers. • Approves the design of executive compensation programs. • May elect designated officers and determine their compensation. • Participates in executive succession planning and management development. • Has additional duties described in the "Compensation and Executive Personnel Committees' Report on Executive Compensation" below. 	4

COMMITTEE NAME AND CURRENT MEMBERS	COMMITTEE FUNCTIONS	NUMBER OF MEETINGS IN 2001
<p>Executive <u>Edison International</u> Warren Christopher, Chair John E. Bryson Carl F. Huntsinger Ronald L. Olson James M. Rosser <u>SCE</u> Warren Christopher, Chair Alan J. Fohrer Carl F. Huntsinger Ronald L. Olson James M. Rosser</p>	<ul style="list-style-type: none"> Has all the authority of the Boards between meetings except to the extent limited by the California General Corporation Law. 	<p>Edison International: 4</p> <p>SCE: 2</p>
<p>Finance Luis G. Nogales, Chair Joan C. Hanley Ronald L. Olson James M. Rosser Thomas C. Sutton Daniel M. Tellep</p>	<ul style="list-style-type: none"> Regularly reviews the financial structure of their respective company. The Edison International Finance Committee reviews the financial planning process and investment outlook for Edison International and its nonutility subsidiaries, and approves certain committed investments. The SCE Finance Committee reviews the five-year capital expenditure outlook, financing plans, total revenue requirements, and earnings trends of SCE as well as approving certain capital projects. 	<p>3</p>
<p>Nominating Joan C. Hanley, Chair Warren Christopher Carl F. Huntsinger Charles D. Miller Ronald L. Olson</p>	<ul style="list-style-type: none"> Periodically consults with management, reviews shareholder suggestions of Director candidates, and makes recommendations regarding Board composition and selection of candidates for election. 	<p>1</p>

For consideration by the Nominating Committees, shareholder suggestions for Director candidates should be submitted in writing to the Secretary of Edison International and/or SCE. The deadlines and additional procedures for shareholder nominations are in “Shareholder Proposals and Nominations for 2003 Annual Meetings” below.

BOARD MEETINGS AND ATTENDANCE

During 2001, the Edison International Board and the SCE Board each met 15 times.

During 2001, all current Directors attended 75% or more of all Edison International and SCE Board and applicable Committees' meetings he or she was eligible to attend.

BOARD COMPENSATION

Directors who are employees of Edison International or SCE are not paid additional compensation for serving as Directors. Non-employee Directors are compensated as described below.

Fees

During 2001, each non-employee Director was paid as follows:

- an annual Board retainer of \$25,000,
- an annual retainer of \$3,000 to Board Committee chairpersons,
- an annual Executive Committee retainer of \$2,000 to Executive Committee members,
- \$1,500 for each Board meeting attended,
- \$1,000 for each Board Committee meeting attended, and
- \$1,500 for any other business meetings attended as a Director.

Non-employee Directors serve on both the Edison International Board and the SCE Board and the same Committees of each Board. Non-employee Directors receive only one retainer and, if the meetings of the Boards or the same Committees of each Company are held concurrently or consecutively, they receive only one meeting fee. It is the usual practice of Edison International and SCE that meetings of the Edison International and SCE Boards are held together or consecutively and a single meeting fee is paid to each non-employee Director for each set of meetings. Edison International and SCE Committee meetings are similarly managed. Directors are reimbursed for out-of-pocket expenses they incur serving as Directors.

Due to an illness, Dr. Edward Zapanta resigned as a Director from the Edison International and SCE Boards, effective October 31, 2001. He was paid an additional \$12,500 equal to the remaining annual Board retainer had he been able to complete his term.

Equity Compensation Plan

Under terms of the Edison International Equity Compensation Plan, each non-employee Director of Edison International and SCE is automatically granted upon election or reelection to the Boards:

- 500 shares of Edison International Common Stock, and
- 300 deferred stock units.

Directors serving on both Boards receive only one award of stock and deferred stock units per year. The deferred stock units are credited to the Director's deferred compensation plan account. Each stock unit represents the value of one share of Edison International Common Stock. Stock units accrue dividend equivalents, if and when dividends are paid on the Edison International Common Stock, that are converted to additional stock units under the plan. The stock units cannot be voted or sold. The deferred stock units will be distributed in cash in a lump sum upon the Director's retirement from the Boards unless the Director's request to receive distribution in the form of installments over 5, 10, or 15 years was previously approved. Resignation prior to retirement will result in a lump sum payment.

Deferred Compensation Plans

1985 Deferred Compensation Plan

SCE non-employee Directors were permitted to defer compensation earned from October 1, 1985, through December 31, 1989, under the terms of the SCE 1985 Deferred Compensation Plan for Directors. These amounts are deferred until the participant ceases to be a Director, dies or attains a predetermined age of at least 65, but not greater than 72. The account may be paid in installments of 10 or 15 equal annual installments or 120 or 180 equal monthly installments. If a participant dies before payments have begun, his or her beneficiary will receive the account payments over the term elected by the participant. In addition, the beneficiary will receive annual payments equal to 75% of the participant's total deferred commitment for ten years. If a participant dies after payments have begun, the remainder of his or her account will continue to be paid to the beneficiary. Following the completion of these payments, if the beneficiary is the surviving spouse, the person will be entitled to a five-year certain life annuity equal to 50% of the payments the participant had been receiving. If the beneficiary is someone other than a spouse, the payments will be made for five years only. All amounts payable under this plan are treated as obligations of SCE.

Director Deferred Compensation Plan

Non-employee Directors of Edison International and SCE are eligible to defer up to 100% of their Board compensation, including any retainers, and any meeting fees under the Edison International Director Deferred Compensation Plan. A grantor trust has been adopted to fund the deferred compensation liability. Amounts may be deferred until a specified year, retirement, death or discontinuance of service as a Director. Compensation deferred until a specified year is paid as a single lump sum. Compensation deferred until retirement or death may be paid as a single lump sum, in monthly installments of 60, 120, or 180 months, or in a combination of a partial lump sum and installments. Deferred compensation is paid as a single lump sum or in three annual installments upon any other discontinuance of service as a Director. All amounts payable under this plan are treated as obligations of Edison International.

Preferential interest (interest considered under the Securities and Exchange Commission rules to be at above-market rates) was credited during 2001 to the plan accounts of the following Directors under the 1985 Deferred Compensation Plan and the Director Deferred Compensation Plan:

	Preferential Interest	
	1985 Plan (\$)	Director DCP (\$)
Warren Christopher	4,600	0
Joan C. Hanley	99,159	0
Carl F. Huntsinger	99,159	12,549
Ronald L. Olson	0	5,162
James M. Rosser	99,159	12,670
Robert H. Smith	0	6,176
Thomas C. Sutton	0	3,873
Edward Zapanta	99,159	571

Mr. Christopher was re-elected as a Director of Edison International and SCE in 1997 following distinguished service as U. S. Secretary of State. Retirement and deferred compensation benefit payments attributable to his prior service as a Director will continue to be paid. Any additional benefits accruing during his current term as a Director will be payable to Mr. Christopher in accordance with the terms of the plans in effect at the time of his subsequent retirement.

STOCK OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

The following table shows the number of equity securities of Edison International, SCE and any of their subsidiaries beneficially owned as of February 28, 2002, except as otherwise noted, by the respective Directors and Executive Officers of Edison International and SCE. The table includes shares that can be acquired through April 29, 2002, through the exercise of stock options and the payment of Retention Incentive deferred stock units. Unless otherwise noted, each individual has sole voting and investment power.

Name of Beneficial Owner	Title of Class of Stock	Amount and Nature of Beneficial Ownership				
		Deferred Stock Units ^{(1) (2)}	Options ⁽²⁾	SSPP Shares ⁽³⁾	Total Shares Beneficially Owned ⁽⁴⁾	Percent of Class
John E. Bryson ⁽⁵⁾	Edison International Common Stock	61,890	830,051	18,260	975,521 ⁽⁷⁾	*
Warren Christopher	Edison International Common Stock				3,685 ⁽⁸⁾	*
Theodore F. Craver, Jr. ⁽⁵⁾	Edison International Common Stock	23,088	107,051		137,229 ⁽⁹⁾	*
Bryant C. Danner ⁽⁵⁾	Edison International Common Stock	23,010	280,626	4,210	316,273 ⁽¹⁰⁾	*
John R. Fielder ⁽⁵⁾	Edison International Common Stock	10,743	129,101	14,430	158,358	*
Alan J. Fohrer ⁽⁵⁾	Edison International Common Stock	26,541	261,526	28,308	320,961	*
Robert G. Foster	Edison International Common Stock	14,782	113,875	4,760	134,086	*
Stephen E. Frank ⁽⁶⁾	Edison International Common Stock	25,323	404,100	6,620	442,880	*
Bradford M. Freeman	Edison International Common Stock				50,000	*
Joan C. Hanley	Edison International Common Stock				9,594 ⁽⁸⁾	*
Carl F. Huntsinger	Edison International Common Stock				14,537 ⁽¹¹⁾	*
Bruce Karatz	Edison International Common Stock				3,300 ⁽¹²⁾	*
Charles D. Miller	Edison International Common Stock				20,586 ⁽¹³⁾	*
Luis G. Nogales	Edison International Common Stock				4,025	*
Ronald L. Olson	Edison International Common Stock				29,494 ⁽¹⁴⁾	*
Stephen E. Pickett ⁽⁵⁾	Edison International Common Stock	11,199	62,775	3,424	77,914	*
Harold B. Ray	Edison International Common Stock	18,170	139,051	1,603	159,789 ⁽¹⁵⁾	*

Name of Beneficial Owner	Title of Class of Stock	Amount and Nature of Beneficial Ownership				Percent of Class
		Deferred Stock Units ^{(1) (2)}	Options ⁽²⁾	SSPP Shares ⁽³⁾	Total Shares Beneficially Owned ⁽⁴⁾	
James M. Rosser	Edison International Common Stock				8,600 ⁽¹⁶⁾	*
Richard T. Schlosberg, III	Edison International Common Stock				1,000 ⁽¹²⁾	*
Robert H. Smith	Edison International Common Stock				19,623 ⁽¹⁷⁾	*
Thomas C. Sutton	Edison International Common Stock				30,717 ⁽⁸⁾	*
Daniel M. Tellep	Edison International Common Stock				17,634 ⁽⁸⁾	*
All Directors and Executive Officers of Edison International as a group (24 individuals)	Edison International Common Stock	252,367	2,518,306	85,171	3,167,064 ⁽¹⁸⁾	*
All Directors and Executive Officers of SCE as a group (26 individuals)	Edison International Common Stock	156,622	1,489,597	88,003	1,953,143 ⁽¹⁹⁾	*

* Represents 1% or less of the class.

(1) The Retention Incentive deferred stock units are described in footnote (2) to the table below entitled “Long-Term Incentive Plan Awards in Last Fiscal Year.”

(2) Includes shares which can be acquired or will be paid on an accelerated basis due to retirement, death, disability and/or termination of employment.

(3) SSPP shares for which instructions are not received from any plan participant may be voted by the Edison International stock fund investment manager as it chooses.

(4) Includes amounts listed in the first three columns.

(5) Mr. Bryson is a Director and Executive Officer of Edison International only. Messrs. Danner and Craver are Executive Officers of Edison International only. Messrs. Fielder and Pickett are Executive Officers of SCE only. Mr. Fohrer is a Director of SCE only, but an Executive Officer of both Edison International and SCE.

(6) Mr. Frank retired as a Director and Executive Officer of Edison International and SCE effective January 1, 2002.

(7) Includes 14,000 shares held as co-trustee of trust with shared voting and investment power, 6,000 shares held as trustee of trust with shared voting and sole investment power, 45,120 shares held as co-trustee and co-beneficiary of trust with shared voting and investment power, and 200 shares held by spouse with shared voting and investment power.

(8) Held as co-trustee and co-beneficiary of trust with shared voting and investment power.

(9) Includes 6,000 shares held as co-trustee and co-beneficiary of trust with shared voting and investment power.

(10) Includes 8,427 shares held with spouse as joint tenants with shared voting and investment power.

(11) Includes 9,537 shares held as trustee and co-beneficiary with shared voting and sole investment power, and 5,000 shares held by spouse with shared voting and investment power.

- (12) Shares are beneficially owned as of March 1, 2002.
- (13) Includes 17,586 held as co-trustee and co-beneficiary of trust with shared voting and investment power, and 3,000 shares held in a foundation with shared voting and investment power which are not deemed beneficially owned under Section 16 of the Securities Exchange Act of 1934.
- (14) Includes 4,494 shares held as co-trustee and co-beneficiary of trust with shared voting and investment power, 10,000 shares held in a 401(k) plan with shared voting and sole investment power, and 15,000 shares held in a foundation with shared voting and investment power which are not deemed beneficially owned under Section 16 of the Securities Exchange Act.
- (15) Includes 965 shares held as co-trustee and co-beneficiary of trust with shared voting and investment power.
- (16) Held as co-trustee and co-beneficiary with shared voting and sole investment power.
- (17) Includes 6,400 shares held as co-trustee and co-beneficiary of trust with shared voting and sole investment power, 2,223 shares held by daughter for which Mr. Smith may be deemed to have shared voting and investment power but disclaims beneficial ownership, and 3,000 shares held by spouse with shared voting and investment power.
- (18) Includes 136,092 shares held as co-trustee and co-beneficiary of trust with shared voting and investment power, 8,427 shares held with spouse as joint tenants with shared voting and investment power, 4,300 shares acquired after February 28, 2002, 14,000 shares held as co-trustee of trust with shared voting and investment power, 15,000 shares held as co-trustee and co-beneficiary of trust with shared voting and sole investment power, 9,537 shares held as trustee and co-beneficiary with shared voting and sole investment power, 6,000 shares held as trustee of trust with shared voting and sole investment power, 10,000 shares held in a 401(k) plan with shared voting and sole investment power, 8,200 shares held by spouse with shared voting and investment power, 2,223 shares held by daughter for which may be deemed to have shared voting and investment power but as to which beneficial ownership is disclaimed, and 18,000 shares held in a foundation with shared voting and investment power.
- (19) Includes 84,972 shares held as co-trustee and co-beneficiary of trust with shared voting and investment power, 4,300 shares acquired after February 28, 2002, 15,000 shares held as co-trustee and co-beneficiary of trust with shared voting and sole investment power, 9,537 shares held as trustee and co-beneficiary with shared voting and sole investment power, 10,000 shares held in a 401(k) plan with shared voting and sole investment power, 8,000 shares held by spouse with shared voting and investment power, 2,223 shares held by daughter for which may be deemed to have shared voting and investment power but as to which beneficial ownership is disclaimed, and 18,000 shares held in a foundation with shared voting and investment power.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Edison International and SCE Directors and certain officers, and persons who own more than 10% of a registered class of Edison International's or SCE's equity securities, are required to file ownership reports and changes in ownership of such securities with the SEC and one designated national securities

exchange under Section 16(a) of the Securities Exchange Act. Based on a review of the reports and written representations from the Directors and those officers, Edison International and SCE believe that all Section 16(a) filing requirements were met during 2001.

STOCK OWNERSHIP OF CERTAIN SHAREHOLDERS

The following are the only shareholders known by Edison International or SCE to beneficially own more than 5% of any class of either Companies' voting securities as of February 28, 2002, except as otherwise indicated:

Title of Class of Stock	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Edison International Common Stock	Capital Research and Management Company 333 South Hope Street Los Angeles, California 90071	36,059,500 ⁽¹⁾	11.1%
Edison International Common Stock	State Street Bank and Trust Company 225 Franklin Street Boston, Massachusetts 02011	31,016,427 ⁽²⁾	9.5%
Edison International Common Stock	J. P. Morgan Chase & Company 270 Park Avenue New York, N. Y. 10017	18,497,473 ⁽³⁾	5.6%
Edison International Common Stock	Putnam Investments, LLC One Post Office Square Boston, Massachusetts 02109	17,064,503 ⁽⁴⁾	5.2%
Edison International Common Stock	Capital Group International, Inc. 11100 Santa Monica Boulevard Los Angeles, California 90025	16,646,200 ⁽⁵⁾	5.1%
SCE Common Stock	Edison International 2244 Walnut Grove Avenue Rosemead, California 91770	434,888,104 ⁽⁶⁾	100%
SCE Cumulative Preferred Stock	O. Francis Biondi, Jr. Brian J. Higgins 575 Lexington Avenue, 7 th Floor New York, New York 10022	278,670 ⁽⁷⁾	5.4%

⁽¹⁾ This information is based on a Schedule 13G dated September 10, 2001, as amended by Amendment No. 1 dated February 11, 2002, filed with the SEC. Acting as an investment adviser to various investment companies, Capital Research reports that it may be deemed to have sole investment power and no voting power over these shares, but disclaims beneficial ownership.

⁽²⁾ This information is based on a Schedule 13G, dated February 5, 2002, filed with the SEC. Acting in various fiduciary capacities, State Street reports that it has sole voting power over 5,980,249 shares, sole investment power over 31,001,164 shares, shared voting power over 24,212,659 shares, and shared investment power over 15,263 shares. As of February 28, 2002, 24,132,295 shares of the class, or 7.4%, are held as the SSPP Trustee. SSPP shares are voted in accordance with instructions

given by participants, whether vested or not. SSPP shares for which instructions are not received may be voted by the Edison International stock fund investment manager as it chooses. SSPP participants may not vote or give instructions how to vote fractional shares.

- (3) This information is based on a Schedule 13G dated February 13, 2002, filed with the SEC. As a holding company for several wholly-owned subsidiaries, J. P. Morgan Chase reports that it has sole voting power over 14,093,570 shares, sole investment power over 17,556,282 shares, shared voting power over 699,029 shares, and shared investment power over 939,391 shares.
- (4) This information is based on a Schedule 13G, dated February 5, 2002, filed with the SEC. As the owner of several investment advisers, Putnam Investments reports that it has shared voting power over 853,954 shares and shared investment power over all 17,064,503 shares.
- (5) This information is based on a Schedule 13G, dated February 11, 2002, filed with the SEC. As the parent holding company of a group of investment management companies, Capital Group reports that it may be deemed to have sole voting power over 13,317,700 shares and sole investment power over 16,646,200 shares, but disclaims beneficial ownership.
- (6) Edison International became the holder of all issued and outstanding shares of SCE Common Stock on July 1, 1988, when it became the holding company of SCE. Edison International has sole voting and investment power over these shares.
- (7) This information is based on a Schedule 13D, dated January 18, 2002, as amended by Amendment Nos. 1, 2 and 3 dated January 22, 2002, January 31, 2002, and February 12, 2002, respectively, filed with the SEC by Mr. Biondi, Mr. Higgins, King Street Capital, L.P. (“KSC”), King Street Advisors, L.L.C. (“KSA”), King Street Capital Management, L.L.C. (“KSCM”), and King Street Capital, Ltd. (“KSC Ltd.”), as a group, reporting interests in shares of SCE’s Cumulative Preferred Stock, 4.08% Series (\$25 par value). Messrs. Biondi and Higgins have shared voting and investment power over these shares. Because shareholders of the 4.08% Series generally vote together as a class with the holders of other series of SCE’s Cumulative Preferred Stock, SCE does not consider the 4.08% Series as a separate class of its voting securities for purposes of this table. Therefore, the “percent of class” shown in the table (5.4%) is the percentage of the entire class of Cumulative Preferred Stock (\$25 par value). However, the reporting persons state that KSC and KSA have shared voting and investment power over 95,890 shares or 9.6% of the Series; KSCM and KSC Ltd. have shared voting and investment power over 182,780 shares or 18.3% of the Series; and, Messrs. Biondi and Higgins have shared voting and investment power over 278,670 shares or 27.9% of the Series. KSC’s, KSA’s, and KSCM’s address is 575 Lexington Avenue, 7th Floor, New York, New York 10022, and KSC Ltd.’s address is c/o HWR Services, Craigmuir Chambers, P. O. Box 71, Road Town, Tortola, British Virgin Islands.

EXECUTIVE COMPENSATION
SUMMARY COMPENSATION TABLE⁽¹⁾

The following table presents information regarding compensation of the Chief Executive Officers of Edison International and SCE ("CEO"), and the other four most highly compensated Executive Officers of Edison International and SCE, for services rendered during 1999, 2000 and 2001. These individuals are referred to as "Named Officers" in this Joint Proxy Statement.

		Annual Compensation			Long-Term Compensation			
					Awards		Pay-outs	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Name and Principal Position ⁽²⁾	Year	Salary (\$)	Bonus (\$)	Other Annual Compensation ⁽³⁾ (\$)	Re-stricted Stock Award(s) (\$)	Securities Underlying Options/SARs ⁽⁴⁾ (#)	LTIP Pay-outs (\$)	All Other Compensation ⁽⁵⁾ (\$)
John E. Bryson, Chairman of the Board, President and CEO of Edison International	2001	950,000	1,350,000	444	—	0	—	817,787
	2000	950,000	0	718	—	1,273,600	—	649,704
	1999	900,000	1,260,000	601	—	267,800	—	521,053
Stephen E. Frank, Chairman of the Board, President and CEO of SCE	2001	617,000	585,000	2,040	—	0	—	36,733
	2000	617,000	0	1,606	—	321,600	—	106,005
	1999	593,000	711,600	1,114	—	117,700	—	79,311
Theodore F. Craver, Jr., Senior Vice President, CFO and Treasurer of Edison International	2001	375,000	523,600	0	—	0	—	51,930
	2000	375,000	100,000	0	—	244,800	—	45,488
	1999	305,000	347,100	0	—	53,000	—	31,858
Bryant C. Danner, Executive Vice President and General Counsel of Edison International	2001	470,600	424,200	0	—	0	—	169,811
	2000	470,600	0	0	—	483,100	—	153,156
	1999	435,000	534,000	0	—	83,100	—	114,863
Alan J. Fohrer, President and CEO of Edison Mission Energy	2001	512,000	254,800	3,056	—	0	—	129,366
	2000	477,000	0	2,603	—	497,800	—	101,220
	1999	397,000	486,000	0	—	83,100	—	63,391
Harold B. Ray, Executive Vice President of SCE	2001	390,000	373,100	0	—	0	—	58,992
	2000	390,000	50,000	0	—	171,200	—	63,573
	1999	372,000	446,400	0	—	73,800	—	59,427
Robert G. Foster, Senior Vice President of Edison International and SCE	2001	330,000	300,000	0	—	0	—	45,115
	2000	322,500	0	0	—	128,900	—	67,053
	1999	284,000	242,800	0	—	49,300	—	59,199
John R. Fielder, Senior Vice President of SCE	2001	272,500	235,950	0	—	0	—	20,907
	2000	272,500	0	0	—	103,400	—	42,794
	1999	260,000	231,400	0	—	45,200	—	33,740
Stephen E. Pickett, Vice President and General Counsel of SCE	2001	250,000	226,875	0	—	0	—	29,087
	2000	250,000	0	0	—	97,000	—	32,152
	1999	230,000	158,700	0	—	22,900	—	25,034

- (1) For Edison International, the Named Officers for 2001 are John E. Bryson, Stephen E. Frank, Theodore F. Craver, Jr., Bryant C. Danner and Alan J. Fohrer. For SCE, the Named Officers for 2001 are Stephen E. Frank, Harold B. Ray, Robert G. Foster, John R. Fielder and Stephen E. Pickett.
- (2) The principal positions shown are at December 31, 2001. Effective January 1, 2002, Mr. Frank retired as Chairman, President and CEO of SCE; Mr. Fohrer resigned as President and CEO of Edison Mission Energy; and Mr. Foster resigned as Senior Vice President of Edison International. Effective January 1, 2002, Mr. Craver became Executive Vice President, CFO and Treasurer of Edison International; Mr. Fohrer became Chairman of the Board and CEO of SCE; Mr. Foster became President of SCE; and Mr. Pickett became Senior Vice President and General Counsel of SCE.
- (3) Includes perquisites if in total they exceed the lesser of \$50,000 or 10% of annual salary plus annual incentive, plus reimbursed taxes.
- (4) No Edison International nonqualified stock options were granted to the Named Officers in 2001.
- (5) The amounts shown in column (i) for 2001 include plan contributions (contributions to the SSPP and a supplemental plan for eligible participants who are affected by SSPP participation limits imposed on higher paid individuals by federal tax law), preferential interest (that portion of interest that is considered under SEC rules to be at above-market rates) accrued on deferred compensation, vacation sale proceeds, survivor benefits, disability benefits, benefit forfeiture allocations and forgiven loans in the following amounts:

	Plan Contributions (\$)	Preferential Interest (\$)	Vacation Sold (\$)	Survivor Benefits* (\$)	Disability Benefits (\$)	Benefit Forfeiture Allocations (\$)	Loan Forgiven (\$)
John E. Bryson	31,050	704,608	0	81,937	0	193	0
Stephen E. Frank	7,650	2,754	0	26,329	0	0	0
Theodore F. Craver, Jr.	7,975	32,291	0	11,563	0	101	0
Bryant C. Danner	14,660	54,757	0	86,548	13,845	0	0
Alan J. Fohrer	32,524	55,768	0	29,293	11,756	24	0
Harold B. Ray	7,650	31,703	0	19,630	0	8	0
Robert G. Foster	7,650	182	6,345	8,061	0	20	22,857
John R. Fielder	7,650	603	5,240	7,365	0	48	0
Stephen E. Pickett	7,650	10,668	4,810	5,918	0	40	0

* Includes survivor benefits under the Survivor Benefit Plan, Executive Deferred Compensation Plan, 1985 Deferred Compensation Plan, Survivor Income Continuation Plan, and Supplemental Survivor Income/Retirement Income Plan.

**AGGREGATED OPTION / SAR EXERCISES IN 2001
AND FY-END OPTION / SAR VALUES**

The following table presents information regarding the exercise of Edison International stock options during 2001 by any of the Named Officers, and regarding unexercised options held at year-end 2001 by any of the Named Officers. No SARs were exercised during 2001 or held at year-end 2001 by any of the Named Officers.

(a)	(b)	(c)	(d)	(e)
Name	Shares Acquired on Exercise (#)	Value Realized (\$)	Number of Securities Underlying Unexercised Options / SARs at FY-End ^{(1) (2)} (#)	Value of Unexercised In-the-Money Options / SARs at FY-End ^{(1) (3)} (\$)
			Exercisable / Unexercisable	Exercisable / Unexercisable
John E. Bryson	—	554,400 ⁽⁴⁾	771,101 / 173,899	68,700 / 0
Stephen E. Frank	—	1,081,528 ⁽⁵⁾	327,850 / 76,250	0 / 0
Theodore F. Craver, Jr.	—	—	87,551 / 32,749	0 / 0
Bryant C. Danner	—	756,728 ⁽⁶⁾	248,676 / 252,724	22,900 / 0
Alan J. Fohrer	—	967,208 ⁽⁷⁾	237,976 / 52,724	25,763 / 0
Harold B. Ray	—	—	109,675 / 47,825	0 / 0
Robert G. Foster	—	—	96,625 / 31,975	0 / 0
John R. Fielder	—	—	119,400 / 27,600	11,450 / 0
Stephen E. Pickett	—	—	56,550 / 14,350	4,008 / 0

- (1) Each Edison International stock option may be exercised for one share of Edison International Common Stock at an exercise price equal to the fair market value of the underlying Common Stock on the date the option was granted. Dividend equivalents that may accrue on some of the Edison International stock options accumulate without interest and are paid in cash. Options generally expire 10 years after the date of grant. Edison International stock options awarded prior to 2000 include a dividend equivalent feature. Dividend equivalents on stock options issued after 1993 and prior to 2000 are accrued to the extent dividends are declared on Edison International Common Stock, and are subject to reduction unless certain performance criteria are met. Only a portion of the 1999 Edison International stock option awards included a dividend equivalent feature. Stock options awarded after 1999 do not include dividend equivalents.

Options issued after 1997 generally vest in 25% annual installments over a four-year period. Stock options issued prior to 1998 had a three-year vesting period. If an option holder retires, dies or is permanently and totally disabled (qualifying event) during the vesting period, the unvested options vest on a pro rata basis. Unvested options of Messrs. Bryson, Danner, Fohrer and Ray will fully vest upon a qualifying event. If a qualifying event occurs, the vested options may continue to be exercised pursuant to their original terms by the recipient or beneficiary. If an option holder is terminated other than by a qualifying event, unvested options are forfeited. Options which had vested as of the prior anniversary date of the grant are also forfeited unless exercised within 180 days of the date of termination except that if the termination is covered by the Edison International

Executive Severance Plan, the terminated executive will receive one additional year of vesting credit and must exercise vested options within 12 months.

- (2) In October 2001, Edison International offered to exchange deferred stock units for Edison International stock options held by active employees that were issued during the year 2000. The Named Officers elected to accept the exchange offer with respect to the following number of Edison International stock options which have been canceled:

	Options Exchanged
John E. Bryson	1,273,600
Stephen E. Frank	321,600
Theodore F. Craver, Jr.	244,800
Bryant C. Danner	283,100
Alan J. Fohrer	497,800
Harold B. Ray	171,200
Robert G. Foster	128,900
John R. Fielder	103,400
Stephen E. Pickett	97,000

The deferred stock units received by the Named Officers in exchange for their Edison International stock options are listed in the table below entitled "Long-Term Incentive Plan Awards in Last Fiscal Year," and the terms and conditions of the deferred stock units are described in footnote (3) to that table.

- (3) Edison International stock options have been treated as "in-the-money" if the fair market value of the underlying stock at year-end 2001 exceeded the exercise price of the options. The dollar amounts shown for Edison International stock options are the differences between (i) the fair market value of the Edison International Common Stock underlying all unexercised "in-the-money" options at year-end 2001 and (ii) the exercise prices of those options.

The aggregate value at year-end 2001 of all accrued dividend equivalents, for the Named Officers was:

	\$ / \$ Exercisable /Unexercisable
John E. Bryson	3,201,254 / 0
Stephen E. Frank	0 / 0
Theodore F. Craver, Jr.	183,658 / 0
Bryant C. Danner	348,582 / 0
Alan J. Fohrer	85,764 / 0
Harold B. Ray	0 / 0
Robert G. Foster	0 / 0
John R. Fielder	0 / 0
Stephen E. Pickett	0 / 0

- (4) The amount shown represents the proceeds from dividend equivalents related to 48,000 options granted in 1991. The options expired at the end of their ten-year term.
- (5) The amount shown represents the proceeds from dividend equivalents related to 60,000 options granted in 1995; 78,800 options granted in 1996; and 78,000 options granted in 1997. The options themselves have not been exercised. These options will accrue no further dividend equivalents.
- (6) The amount shown represents the proceeds from dividend equivalents related to 20,000 options granted in 1992; 18,000 options granted in 1993; 21,400 options granted in 1994; and 40,000 options granted in 1995. The options themselves have not been exercised. These options will accrue no further dividend equivalents.
- (7) The amount shown represents the proceeds from dividend equivalents related to 5,000 options granted in 1991; 15,000 options granted in 1993; 20,300 options granted in 1994; 45,000 options granted in 1995; 36,200 options granted in 1996; and 38,000 options granted in 1997. The options granted in 1991 expired at the end of their ten-year term. The options granted in the other years have not been exercised. These options will accrue no further dividend equivalents.

**LONG-TERM INCENTIVE PLAN
AWARDS IN LAST FISCAL YEAR**

The following table presents information regarding Edison International performance shares,⁽¹⁾ retention incentives,⁽²⁾ and deferred stock units⁽³⁾ granted during 2001 to the Named Officers.

(a)	(b)	(c)	Estimated Future Payouts Under Non-Stock Price-Based Plans		
			(d)	(e)	(f)
Name	Number of Shares, Units or Other Rights ^{(1) (2) (3)} (#)	Performance or Other Period Until Maturation Or Payout	Threshold (\$)	Target (\$)	Maximum (\$)
John E. Bryson					
Performance Shares	35,820 Units	3 years	N/A	N/A	N/A
Retention Incentives	61,890 Units	2 years	N/A	N/A	N/A
Deferred Stock Units	429,688 Units	4 years	N/A	N/A	N/A
Stephen E. Frank					
Performance Shares	14,667 Units	3 years	N/A	N/A	N/A
Retention Incentives	25,323 Units	2 years	N/A	N/A	N/A
Deferred Stock Units	107,048 Units	4 years	N/A	N/A	N/A
Theodore F. Craver, Jr.					
Performance Shares	13,115 Units	3 years	N/A	N/A	N/A
Retention Incentives	23,088 Units	2 years	N/A	N/A	N/A
Deferred Stock Units	81,877 Units	4 years	N/A	N/A	N/A
Bryant C. Danner					
Performance Shares	13,115 Units	3 years	N/A	N/A	N/A
Retention Incentives	23,010 Units	2 years	N/A	N/A	N/A
Deferred Stock Units	94,649 Units	4 years	N/A	N/A	N/A
Alan J. Fohrer					
Performance Shares	13,115 Units	3 years	N/A	N/A	N/A
Retention Incentives	26,541 Units	2 years	N/A	N/A	N/A
Deferred Stock Units	168,134 Units	4 years	N/A	N/A	N/A
Harold B. Ray					
Performance Shares	8,197 Units	3 years	N/A	N/A	N/A
Retention Incentives	18,170 Units	2 years	N/A	N/A	N/A
Deferred Stock Units	57,007 Units	4 years	N/A	N/A	N/A
Robert G. Foster					
Performance Shares	6,558 Units	3 years	N/A	N/A	N/A
Retention Incentives	14,782 Units	2 years	N/A	N/A	N/A
Deferred Stock Units	43,054 Units	4 years	N/A	N/A	N/A
John R. Fielder					
Performance Shares	4,263 Units	3 years	N/A	N/A	N/A
Retention Incentives	10,743 Units	2 years	N/A	N/A	N/A
Deferred Stock Units	34,452 Units	4 years	N/A	N/A	N/A
Stephen E. Pickett					
Performance Shares	3,935 Units	3 years	N/A	N/A	N/A
Retention Incentives	11,199 Units	2 years	N/A	N/A	N/A
Deferred Stock Units	32,488 Units	4 years	N/A	N/A	N/A

- (1) Twenty-five percent of each Named Officer's annual long-term incentive compensation for 2001 was awarded in the form of Edison International performance shares. The remaining portion of the Named Officer's long-term compensation for 2001 was awarded in the form of Edison International stock options as part of a special grant in May 2000. No Edison International stock options were granted to the Named Officers in 2001.

Performance Shares are stock-based units with each unit worth one share of Edison International Common Stock. No dividend equivalents were included with these grants. The Performance Shares cannot be voted or sold. One-half of the Performance Shares will be paid in Edison International Common Stock under the Equity Compensation Plan, and one-half will be paid in cash equal to the value of such stock outside of the plan. The payment will be based on the closing value of Edison International Common Stock on December 31, 2003, if the Named Officer remains employed by the Companies on that date. In the event of retirement, death, disability, or involuntary severance without cause, pro rata payments will be made on or after December 31, 2003. No payment will be made in the event of a voluntary separation or a separation for cause. Performance Share payments will also be made in cash in the event of a change in control of Edison International. The Performance Shares are not transferable, but a beneficiary may be designated in the event of death. Edison International will substitute cash awards to the extent necessary to pay required tax withholding, and has reserved the right to substitute cash awards substantially equivalent in value to the Performance Shares.

- (2) Retention Incentives were also awarded to the Named Officers during 2001. The Retention Incentives are stock units with each unit worth one share of Edison International Common Stock. No dividend equivalents were included with these grants. The Retention Incentives cannot be voted or sold. They are payable on the earlier of (i) March 12, 2003, or (ii) the date the average closing price for a share of Edison International Common Stock for at least 20 consecutive trading days has equaled or exceeded \$20, but no earlier than March 12, 2002.

The Retention Incentives will be paid to the Named Officers in Edison International Common Stock under the Equity Compensation Plan. Payments will be made upon retirement, death, disability, or involuntary severance without cause, but no payment will be made in the event of a voluntary separation or a separation for cause. Retention Incentive payments will also be made in cash in the event of a change in control of Edison International. The Retention Incentives are not transferable, but a beneficiary may be designated in the event of death. Edison International will substitute cash awards to the extent necessary to pay required tax withholding, and has reserved the right to substitute cash awards substantially equivalent in value to the Retention Incentives.

- (3) As stated in footnote (2) to the table above entitled "Aggregated Option / SAR Exercises in 2001 and FY-End Option / SAR Values," Deferred Stock Units were awarded to the Named Officers during 2001 to the extent they accepted the terms of an exchange offer made to all active employees holding Edison International stock options issued during 2000. The terms of the exchange offer provided that one Deferred Stock Unit would be awarded in exchange for from 2.6 to 3.4 stock options, depending on the Black-Scholes value of the surrendered options. Each Deferred Stock Unit is worth one share of Edison International Common Stock. No dividend equivalents were included with these grants. The Deferred Stock Units cannot be voted or sold. The Deferred Stock Units vest in 25% annual installments and will be paid on each of the following dates, November 29th of 2002, 2003, 2004 and 2005, if the individual remains employed by the Companies on that date.

The Deferred Stock Units will be paid in Edison International Common Stock under the Equity Compensation Plan. Pro rata payments will be made on the scheduled payment date in the event of a participant's retirement, death, disability, or involuntary severance without cause during the related vesting period. No subsequent payment will be made in the event of a participant's voluntary separation or a separation for cause. Payments will also be made in cash in the event of a change in control of Edison International. The Deferred Stock Units are not transferable, but a beneficiary may be designated in the event of death. Edison International will substitute cash awards to the extent necessary to pay required tax withholding, and has reserved the right to substitute cash awards substantially equivalent in value to the Deferred Stock Units.

PENSION PLAN TABLE⁽¹⁾

The following table presents estimated gross annual benefits⁽²⁾ payable upon retirement at age 65 to the Named Officers in the remuneration and years of service classifications indicated.

Annual Remuneration	Years of Service						
	10	15	20	25	30	35	40
200,000	50,000	67,500	85,000	102,500	120,000	130,000	140,000
400,000	100,000	135,000	170,000	205,000	240,000	260,000	280,000
600,000	150,000	202,500	255,000	307,500	360,000	390,000	420,000
800,000	200,000	270,000	340,000	410,000	480,000	520,000	560,000
1,000,000	250,000	337,500	425,000	512,500	600,000	650,000	700,000
1,200,000	300,000	405,000	510,000	615,000	720,000	780,000	840,000
1,400,000	350,000	472,500	595,000	717,500	840,000	910,000	980,000
1,600,000	400,000	540,000	680,000	820,000	960,000	1,040,000	1,120,000
1,800,000	450,000	607,500	765,000	922,500	1,080,000	1,170,000	1,260,000
2,000,000	500,000	675,000	850,000	1,025,000	1,200,000	1,300,000	1,400,000
2,200,000	550,000	742,500	935,000	1,127,500	1,320,000	1,430,000	1,540,000
2,400,000	600,000	810,000	1,020,000	1,230,000	1,440,000	1,560,000	1,680,000
2,600,000	650,000	877,500	1,105,000	1,332,500	1,560,000	1,690,000	1,820,000
2,800,000	700,000	945,000	1,190,000	1,435,000	1,680,000	1,820,000	1,960,000
3,000,000	750,000	1,012,500	1,275,000	1,537,500	1,800,000	1,950,000	2,100,000

⁽¹⁾ The annual pension benefit estimates are based on the terms of the SCE Retirement Plan, a qualified defined benefit employee retirement plan, and the SCE Executive Retirement Plan, a nonqualified supplemental executive retirement plan, with the following assumptions: (i) SCE's qualified retirement plan will be maintained, (ii) optional forms of payment which reduce benefit amounts have not been selected, and (iii) any benefits in excess of limits contained in the Internal Revenue Code of 1986 and any incremental retirement benefits attributable to consideration of the annual incentive will be paid out of the Executive Retirement Plan as unsecured obligations of Edison International or the participating affiliate. For purposes of the Executive Retirement Plan, as of December 31, 2001, Mr. Bryson had completed 17 years of service, Mr. Frank – 14 years, Mr. Craver – 5 years, Mr. Danner – 19 years, Mr. Fohrer – 28 years, Mr. Ray – 31 years, Mr. Foster – 17 years, Mr. Fielder – 31 years, and Mr. Pickett – 25 years.

- (2) The retirement benefit of the Named Officers at normal retirement age (65 years) is determined by a percentage of the executive's highest 36 consecutive months of salary and annual incentive prior to attaining age 65. Compensation used to calculate combined benefits under the plans is based on base salary and annual incentive (excluding special recognition awards) as reported in the table above entitled "Summary Compensation Table," except the Compensation and Executive Personnel Committee elected to adjust the amounts reported in that table to include foregone 2000 target annual incentives and foregone 2001 salary merit increases for purposes of the pension benefit determination under the Executive Retirement Plan. The adjustment amounts for 2000 for this purpose are \$760,000, \$431,900, \$262,500, \$336,420, \$339,500, \$253,500, \$181,500, \$149,875, and \$137,500 for Messrs. Bryson, Frank, Craver, Danner, Fohrer, Ray, Foster, Fielder, and Pickett, respectively. For 2001, the adjustment amounts are 0, 0, \$65,000, \$24,400, 0, \$20,000, \$25,000, \$13,500, and \$25,000, respectively.

The service percentage is based on 1 $\frac{3}{4}$ % per year for the first 30 years of service (52 $\frac{1}{2}$ % upon completion of 30 years of service) and 1% for each year in excess of 30. Named Officers receive an additional service percentage of $\frac{3}{4}$ % per year for the first ten years of service (7.5% upon completion of ten years of service). The actual benefit is offset by up to 40% of the executive's primary Social Security benefits.

The normal form of benefit is a life annuity with a 50% survivor benefit following the death of the participant. Retirement benefits are reduced for retirement prior to age 61. The amounts shown in the Pension Plan Table above do not reflect reductions in retirement benefits due to the Social Security offset or early retirement.

Messrs. Danner and Fohrer have elected to retain coverage under a prior benefit program. This program provided, among other benefits, the post-retirement benefits discussed in the following section. The retirement benefits provided under the prior program are less than the benefits shown in the Pension Plan Table in that they do not include the additional 7.5% service percentage. To determine these reduced benefits, multiply the dollar amounts shown in each column by the following factors: 10 years of service – 70%, 15 years – 78%, 20 years – 82%, 25 years – 85%, 30 years – 88%, 35 years – 88%, and 40 years – 89%.

OTHER RETIREMENT BENEFITS

Additional post-retirement benefits are provided pursuant to the Survivor Income Continuation Plan and the Survivor Income/Retirement Income Plan under the Executive Supplemental Benefit Program. For purposes of determining the estimated annual benefits payable under these plans upon retirement at normal retirement age for each of the Named Officers, which is dependent upon final compensation, the highest compensation level in the Pension Plan Table above (\$3,000,000) has been used in the examples which follow.

The Survivor Income Continuation Plan provides a post-retirement survivor benefit payable to the beneficiary of the participant following his or her death. The benefit is approximately 23% of final compensation (salary at retirement and the average of the three highest annual incentives paid in the five years prior to retirement) payable for ten years certain. If a Named Officer's final annual compensation were \$3,000,000, the beneficiary's estimated annual survivor benefit would be \$673,500. Messrs. Danner and Fohrer have elected coverage under this plan.

The Supplemental Survivor Income/Retirement Income Plan provides a post-retirement survivor benefit payable to the beneficiary of the Named Officer following his or her death. The benefit is 25% of final compensation (salary at retirement and the average of the three highest annual incentives paid in the five years prior to retirement) payable for ten years certain. At retirement, a Named Officer has the right to elect the retirement income benefit in lieu of the survivor income benefit. The retirement income benefit is 10% of final compensation (salary at retirement and the average of the three highest annual incentives paid in the five years prior to retirement) payable to the participant for ten years certain immediately following retirement. If a Named Officer's final annual compensation were \$3,000,000, the beneficiary's estimated annual survivor benefit would be \$750,000. If a Named Officer were to elect the retirement income benefit in lieu of the survivor income benefit and had final annual compensation of \$3,000,000, the Named Officer's estimated annual benefit would be \$300,000. Messrs. Danner and Fohrer have elected coverage under this plan.

The 1985 Deferred Compensation Plan provides a post-retirement survivor benefit. This plan allowed eligible participants in September 1985 to voluntarily elect to defer until retirement a portion of annual salary and annual incentives otherwise earned and payable for the period October 1985 through January 1990. Messrs. Bryson and Ray participate in this plan. The post-retirement survivor benefit is 50% of the annual amount the participant had been receiving from the plan. Survivor benefit payments begin following completion of the deferred compensation payments. If the named beneficiary is the executive's spouse, then survivor benefits are paid as a life annuity, five years certain. The benefit amount will be reduced actuarially if the spouse is more than five years younger than the executive at the time of the executive's death. If the beneficiary is not the spouse, then benefits are paid for five years only. The annual amounts which would be payable to the surviving beneficiaries of Messrs. Bryson and Ray if each retired at age 65 are \$1,260,020 and \$46,324, respectively.

Messrs. Bryson and Frank are entitled to benefits accrued under the Retirement Plan for Directors before it was terminated in 1997. Each will be entitled to an annual retirement benefit in the amount of the annual retainer for the number of years they served on the Boards prior to 1998 (and meeting fees for years prior to 1996). Mr. Bryson will receive \$7,938 per quarter for eight years following his retirement from the Edison International Board, and Mr. Frank will receive \$7,000 per quarter for three years following his retirement from the Boards.

EMPLOYMENT CONTRACTS AND TERMINATION OF EMPLOYMENT ARRANGEMENTS

Stephen E. Frank. Mr. Frank executed an employment agreement when he joined SCE as President and Chief Operating Officer and joined the Boards of Directors in 1995. For purposes of the Executive Retirement Plan, he was credited with 1.25 years of additional service for each year of actual service up to ten years. A deferred compensation plan account was established and credited with \$250,000 which vested when Mr. Frank completed five years of service. He was also provided two club memberships along with regular executive and employee benefits. If Mr. Frank's employment had been terminated involuntarily (other than for cause), he would have received a severance payment equal to one year's salary plus annual incentive.

During 2001, Mr. Frank executed a Retirement Agreement and a Consulting Agreement with SCE. Mr. Frank resigned as an officer and director of SCE and as a director of Edison International effective January 1, 2002, and retired as an employee of SCE on March 14, 2002. Pursuant to the terms of the Retirement Agreement, Mr. Frank's 2001 annual incentive was the higher of his target percentage

(70% of salary) or the average percent of target awarded to officers at a level of senior vice president or above. He will not receive an annual incentive for his 2002 service. SCE will pay Mr. Frank's healthcare COBRA premiums until he reaches age 65 and will pay him a \$100,000 lump sum net of tax to defer the cost of supplemental insurance coverage after age 65. His Edison International stock options issued before 2000 and his 2000 and 2001 performance shares will be fully vested, and his deferred stock units received from the stock option exchange offer will be 75% vested. The performance shares and deferred stock units will be paid on the regularly scheduled payment dates. Mr. Frank's company car was transferred to him upon his retirement.

The terms of the Consulting Agreement provide for a three-year term with annual retainers of \$200,000 for the first two years and \$100,000 for the third year. Mr. Frank will be paid for any consulting services agreed to in excess of 20 hours per month during the first two years or 10 hours per month during the third year at a rate of \$150 per hour.

Bryant C. Danner. Mr. Danner executed an employment agreement when he joined Edison International and SCE as Senior Vice President and General Counsel in 1992. After completing three years of service, he was credited with ten additional years of service with SCE and Edison International for purposes of determining benefits under the Executive Retirement Plan. Edison International and SCE agreed to use their best efforts to make available health care coverage until Mr. Danner and his spouse reach age 65, with the Companies bearing the cost over the amount an SCE retiree would pay for coverage in the SCE group plan with the highest deductible. Mr. Danner resigned his SCE positions effective January 1, 2001.

COMPENSATION AND EXECUTIVE PERSONNEL COMMITTEES' REPORT ON EXECUTIVE COMPENSATION⁽¹⁾

The Edison International and SCE Compensation and Executive Personnel Committees are each composed of the same non-employee directors named at the end of this report. The Committees have responsibility for all executive compensation programs of the Companies and met jointly to consider executive compensation matters for 2001.

The Edison International Committee determines salaries and annual incentives for Edison International officers. The SCE Committee determines salaries and annual incentives for SCE officers. The salaries and annual incentives of the officers of the other Edison International subsidiaries are determined by their respective boards of directors subject to review and approval of the Edison International Committee to ensure consistency with overall Edison International compensation policies. In addition, the Edison International Committee administers the Equity Compensation Plan and the 2000 Equity Plan pursuant to which long-term incentives were awarded in 2001.

⁽¹⁾ SEC filings sometimes "incorporate information by reference." This means the filing company is referring you to information that has previously been filed with the SEC, and that the information should be considered as part of the filing you are reading. Unless Edison International or SCE specifically states otherwise, this report shall not be deemed to be incorporated by reference and shall not constitute soliciting material or otherwise be considered filed under the Securities Act of 1933 or the Securities Exchange Act.

Compensation Policies

The executive compensation programs of Edison International, SCE and the other subsidiaries are intended to achieve three fundamental objectives: (1) attract and retain qualified executives; (2) motivate performance to achieve specific strategic objectives of the Companies; and (3) align the interests of senior management with the long-term interests of the Companies' shareholders and for SCE, its ratepayers. At present, the basic components of the Companies' executive compensation program are base salaries, annual incentives, and long-term incentives. The Companies also provide broad-based employee benefit plans and certain other executive benefit plans.

Section 162(m) of the Internal Revenue Code of 1986 generally disallows a tax deduction to public companies for compensation over \$1,000,000 paid to their chief executive officers and the four other most highly compensated executive officers unless certain tests are met. The Committees' general intent is to design and administer the Edison International and SCE compensation programs in a manner that will preserve the deductibility of compensation payments to Executive Officers. However, this goal is secondary in importance to achievement of the Companies' compensation objectives discussed above. The Committees believe that the potential increased tax liability is of insufficient magnitude to warrant alteration of the present compensation system which is achieving the desired compensation objectives while retaining the flexibility of the Committees to exercise judgment in assessing an executive's performance.

2001 Compensation Objectives

The Committees base their compensation actions for the Companies on data gathered through independent surveys of peer group companies. Independent compensation consultants are retained to annually review and identify the appropriate comparison companies and to obtain and evaluate current executive compensation data for Edison International, SCE and the other subsidiaries of Edison International. The Committees identified 13 deregulating, diversified electric utilities for Edison International compensation comparisons for 2001. The peer group of companies was the same as the peer group used for the prior year. The comparison utility companies were selected on the basis of total assets and net sales. Although the peer groups differ from the Dow Jones U.S. Electric Utilities Index depicted in the Stock Performance Graph, all of the companies comprising the peer groups are included in the index, and the Committees believe the constitution of the peer groups provides relevant compensation data for Edison International and SCE in view of their changing business environment. The compensation consultant reviews the data, along with position-specific survey information collated from a variety of more general sources, to develop a recommended structure of salary ranges, short-term incentive targets, and long-term incentive targets. Selecting peer groups for the other subsidiaries was accomplished by a similar process geared to identify appropriate comparison companies in their respective industries.

The Compensation Committees' strategy for 2001 compensation planning was established in December 2000 to generally target fixed compensation (salary and benefits) for Edison International, SCE and the other subsidiaries at the median level of their respective peer groups. Target annual incentive and long-term incentive opportunities were also set at the median level of the peer groups, with maximum annual award opportunities of 200% of target levels for significant performance exceeding target levels. The Compensation Committees may deviate above and below established targets in individual cases as deemed appropriate in their discretion.

Base Salaries

The Committees reviewed the base salaries for Mr. Bryson, Mr. Frank and the other Executive Officers at the end of 2000 to set salaries for 2001. The financial effects of the California energy crisis overshadowed all other aspects of Company and individual performance. Notwithstanding the Companies' strong operating performance in many areas during 2000, the Committees determined that no merit salary increase would be approved for Mr. Bryson, Mr. Frank or the other Executive Officers at Edison International and SCE for 2001.

Mr. Bryson's 2001 salary remained at \$950,000, which was 4% below the average for CEOs in the peer group. Mr. Frank's 2001 salary remained at \$617,000, which was 10% below his peers. The 2001 base salaries for the other Executive Officers at Edison International and SCE remained at 2000 levels.

In December 2000, the Edison International Committee also reviewed the base salaries of the Executive Officers at the other subsidiaries. The 2001 base salaries in the aggregate of the Executive Officers at Edison International, SCE and the other subsidiaries are 2% below the median levels of their respective peer groups.

Annual Incentive Compensation for 2001 Performance

Annual incentive compensation is determined on the basis of overall corporate performance and the Committees' assessment of the individual Executive Officer's performance. Target annual incentives for Executive Officers for 2001 ranged from 30% of base salary for certain subsidiary vice presidents to 70% of base salary for Mr. Frank and 80% of base salary for Mr. Bryson. Maximum opportunity levels were set at 200% of target award levels. Awards are made in the judgment of the Committees taking into account overall Company results as guided by the relevant performance objectives for the year.

Performance objectives for the Edison International companies were discussed with the Boards in early 2001, but it was evident then that establishing specific 2001 goals for the companies (as had been done in prior years) would be extremely difficult in light of the unprecedented and unpredictable impacts of the California energy crisis. Three general areas of achievement were identified as SCE objectives for 2001: (1) restoring financial health (weighted at 50%), (2) operational excellence (25%) and (3) financial performance (25%). Goals related to restoration of SCE's financial health included recovery of past and future procurement costs, restoring SCE's creditworthiness and securing fair returns on utility investments. Operational excellence goals for SCE focused on several key objectives including customer satisfaction, service reliability, and operational safety. No specific "dollar targets" were identified related to SCE's financial performance due to the uncertainties of the California energy crisis.

Weighted objectives were identified for Edison Mission Energy. However, relatively more uncertainties resulting from the California energy crisis were anticipated for Edison Capital than for Edison Mission Energy, so specific achievement objectives were not identified for Edison Capital. Similarly, specific achievement objectives were not identified at the beginning of the year for Edison International because its results would be dependent on operating company results, all of which, in turn, were highly unpredictable in light of the California situation.

Therefore, at the outset of 2001, the Committees recognized that their year-end determinations on annual incentive awards for 2001 would call for exercising a high degree of discretion and judgment in evaluating actual results. When the Committees met in February 2002 to evaluate each Company's performance and to determine 2001 annual incentives awards, the Committees reviewed the year's

overall performance in light of the challenges resulting from the California power crisis and the objectives identified at the beginning of the year.

The Committees concluded that the perseverance and dedication of the SCE and Edison International leadership groups in guiding SCE through the crisis to achieve the ultimate CPUC settlement was a singular, positive achievement that establishes a solid foundation for a stronger utility business in the future. The Committees determined that Edison International, Edison Mission Energy and Edison Capital managed necessary financings in a very difficult market and successfully implemented cost cutting, restructuring and cash preservation measures. The Committees also determined that, although SCE's core earnings had declined from 2000 levels and were adversely impacted by an extended, fire-caused outage at one of the SONGS nuclear units, SCE operations had achieved high ratings in reliability, customer satisfaction and safety.

Edison Mission Energy did not achieve its financial or growth targets in 2001, and incurred a substantial loss in the sale of its Fiddler's Ferry and Ferrybridge assets in the United Kingdom. However, in the Committees' judgment, it was able to accomplish important restructurings and sales (including the sale of the Fiddler's Ferry and Ferrybridge assets), and maintained its investment grade credit rating in the face of difficult challenges. Edison Mission Energy's success in bringing a new California power plant (the "Sunrise" project) into operation in record time was one of Edison International's key contributions to resolving the California power crisis. Edison Mission Energy's management of a difficult strike situation in Illinois and the negotiation of a new long-term power contract for the Paiton project in Indonesia were also considered by the Committees to be noteworthy achievements. In respect to Edison Capital, the Edison International Committee concluded that the company had responded quickly and effectively to mitigate the adverse financial impact of the California power crisis on the company.

The Edison International Committee approved a 2001 annual incentive award of \$1,350,000 for Mr. Bryson that was 89% of his maximum potential award. The SCE Committee approved a 2001 annual incentive award of \$585,000 for Mr. Frank that was 68% of his maximum potential award. In addition to evaluating the overall performance of Mr. Bryson as measured by the Companies' results discussed above, the Edison International Compensation Committee's subjective assessment of his performance was considered. Factors found to be particularly significant in 2001 for Mr. Bryson were his solid and focused leadership in guiding the Companies through the California power crisis, his successful efforts in keeping the management team in place and his effectiveness in communicating Company objectives to policy makers, shareholders, employees and customers. Mr. Frank's award reflected his excellent leadership during the California power crisis and was based on the average percentage of target awarded to other senior executives at SCE as provided in the terms of his retirement agreement discussed above under "Employment Contracts and Termination of Employment Arrangements."

The 2001 annual incentives for the other Executive Officers averaged 69% of maximum at Edison International, 67% of maximum at SCE and 41% of maximum at the other subsidiaries. The target values established and the actual awards granted to Mr. Bryson, Mr. Frank and the other Executive Officers were consistent with the Compensation Committees' strategy described above.

Long-Term Incentives

In recent years, the long-term incentives awarded to Executive Officers have had two components. Nonqualified Edison International Common Stock options comprised 75% of the award value and

performance shares comprised 25% of the value. However, as reported last year, a special stock option award was made during 2000 in lieu of the anticipated level of options that would have been scheduled for issuance in 2001 and 2002. Because of that, no additional options were granted to the Executive Officers during 2001. The Edison International Committee awarded 35,820 performance shares to Mr. Bryson and 14,667 performance shares to Mr. Frank in January 2001. The target values established and the actual awards granted to Mr. Bryson, Mr. Frank and the other Executive Officers were consistent with the Committees' strategy described above and reflect the Committees' commitment to link a significant portion of the compensation of Mr. Bryson and Mr. Frank directly to the value provided to shareholders by Edison International stock. The awards were granted to Executive Officers in the judgment of the Edison International Compensation Committee guided by the survey results as to the target award percentages described above and were not formula-driven. The number and value of options granted in prior years was not a factor in the current year award determination.

Retention Measures

The extraordinary challenges facing the Companies as a result of the California energy crisis caused the Edison International Committee to focus on retention of the management team at SCE and throughout Edison International. During 2001, the Edison International Committee awarded retention incentives in the form of deferred stock units to the Executive Officers that will pay out if an executive remains actively employed through the performance period, or upon death, disability or retirement. Mr. Bryson was awarded 61,890 retention incentives. Mr. Frank was awarded 25,323 retention incentives.

In October 2001, the Edison International Committee concluded that as a result of the California energy crisis and the ensuing financial effects on the Companies, the 2000 stock option grants no longer conveyed the incentives that were originally intended. The Committee determined that it is important to provide long-term incentives that will encourage the continued dedication of managers and executives of the Companies and align their interests with those of the shareholders. Accordingly, it was determined to offer deferred stock units that would vest over a four-year period in exchange for the outstanding 2000 stock options based on Black-Scholes valuations of the stock options. The voluntary exchange offer was completed in November 2001. Regular option grants will resume in mid-2002.

Summary

The Committees' compensation actions for 2001 reflect the continued volatility of the energy industry and the Companies' performance in 2001. No salary merit increases for 2001 were approved for the Executive Officers at Edison International and SCE. However, the sustained effort during the year at every Edison International company that produced a path to financial recovery was recognized by the Committees through the annual incentive award process.

The members of the Committees believe that the compensation programs of the Companies are effective in attracting and retaining qualified executives to lead the Companies. A significant portion of Executive Officer compensation is directly linked to shareholder value. The Committees will continue to monitor closely the effectiveness and appropriateness of each of the components of compensation to reflect changes in the business environment of the Companies.

Compensation and Executive Personnel Committees of the Edison International and SCE Boards of Directors*	
Robert H. Smith (Chair)	Charles D. Miller
Luis G. Nogales	James M. Rosser
Thomas C. Sutton	

- * Dr. Zapanta served as a member of the Committees for part of 2001, but ceased to be a Committee member on July 19, 2001, and a Board member on October 31, 2001. He did not participate in decisions of the Committees from June 2001 after becoming incapacitated, including deliberations regarding the stock option exchange offer and the determination of annual incentives for 2001 performance.

COMPENSATION AND EXECUTIVE PERSONNEL COMMITTEES' INTERLOCKS AND INSIDER PARTICIPATION

Dr. Zapanta ceased to be a member of the Compensation Committees on July 19, 2001. The other Compensation Committees members whose names appear on the Committees' Report above were members of the Compensation Committees during all of 2001. During 2001, Messrs. Danner and Craver served as directors of Edison Mission Energy and Edison Capital, both nonutility subsidiaries of Edison International. Mr. Bryson is Chairman of the Board of both subsidiaries, but his compensation is determined by the Edison International Compensation Committee, not the subsidiaries' boards. Under applicable SEC rules, there were no other interlocks or insider participation on the Compensation Committees.

CERTAIN RELATIONSHIPS AND TRANSACTIONS

Mr. Olson is a Senior Partner of the law firm of Munger, Tolles and Olson which provided legal services to Edison International, SCE, and/or their subsidiaries in 2001. Such services are expected to continue to be provided in the future. Edison International and its subsidiaries paid Munger, Tolles and Olson an aggregate amount of \$11,354,870 in 2001 for legal services.

In 2001 to date, Deloitte Consulting Services, LLC, has provided various consulting services to Edison International and SCE, and such services are expected to continue to be provided in the future. Mr. John Danner, brother of Bryant C. Danner, provided consulting services on an Edison International project pursuant to a retainer consulting agreement with Deloitte. The aggregate amount paid by Edison International for that project in 2001 to date was \$1,408,365; and, Mr. Danner received an aggregate amount of \$261,750 for consulting services provided for the project.

Edison International, SCE, and Edison Mission Midwest Holdings Co., an indirect nonutility subsidiary of Edison International, have maintained credit facilities under which certain affiliated companies of J. P. Morgan Chase & Company (collectively, "JPMorgan"), the beneficial owner of 5.6% of Edison International's Common Stock, acted as administrative agents and participated as lenders. Under a syndicated credit facility for Edison International, JPMorgan provided loans of approximately \$149 million that were repaid during 2001. That credit facility has been terminated. Under syndicated and bilateral credit agreements, JPMorgan provided loans of approximately

\$530 million to SCE that were repaid in 2002 and replaced with new credit facilities under which JPMorgan has provided loans of approximately \$197 million which are currently outstanding. Under a credit agreement with Edison Mission Midwest, JPMorgan provided loans of approximately \$1.8 million, of which \$1.7 million is currently outstanding. In connection with the various credit facilities, Edison International and SCE paid JPMorgan an aggregate of \$8,816,683 in commitment fees, arrangement fees, and consent fees during 2001 and 2002, and Edison Mission Midwest paid JPMorgan an aggregate of \$5,406,930 in facility fees in 2001 and 2002, and pays \$50,000 annually in agency fees. A portion of those fees may have been distributed by JPMorgan to other agents and syndicate lenders under the credit facilities. On an unrelated matter, JPMorgan received \$500,000 in fees for facilitating the sale of a substantial portion of the business of Edison Source, an Edison International nonutility subsidiary, during 2001.

Edison International and SCE believe that any transactions described above are comparable to those which would have been undertaken under similar circumstances with nonaffiliated entities or persons.

OTHER MANAGEMENT TRANSACTIONS

During 1997, Edison International loaned Robert G. Foster \$160,000 interest-free in connection with his purchase of a principal residence following his relocation from SCE's Sacramento Region Office to the Southern California Metropolitan area. Under the terms of the loan, one-seventh of the original principal amount was forgiven in 1997, and one-seventh will be forgiven each year thereafter if Mr. Foster remains employed with an Edison International affiliate. As of February 28, 2002, a principal balance of \$22,857 remained outstanding. If Mr. Foster's employment terminates before the end of the loan term, the remaining principal balance owing will be due and payable. Interest will accrue on any remaining principal balance at the Bank of America Prime Interest Rate after 90 days.

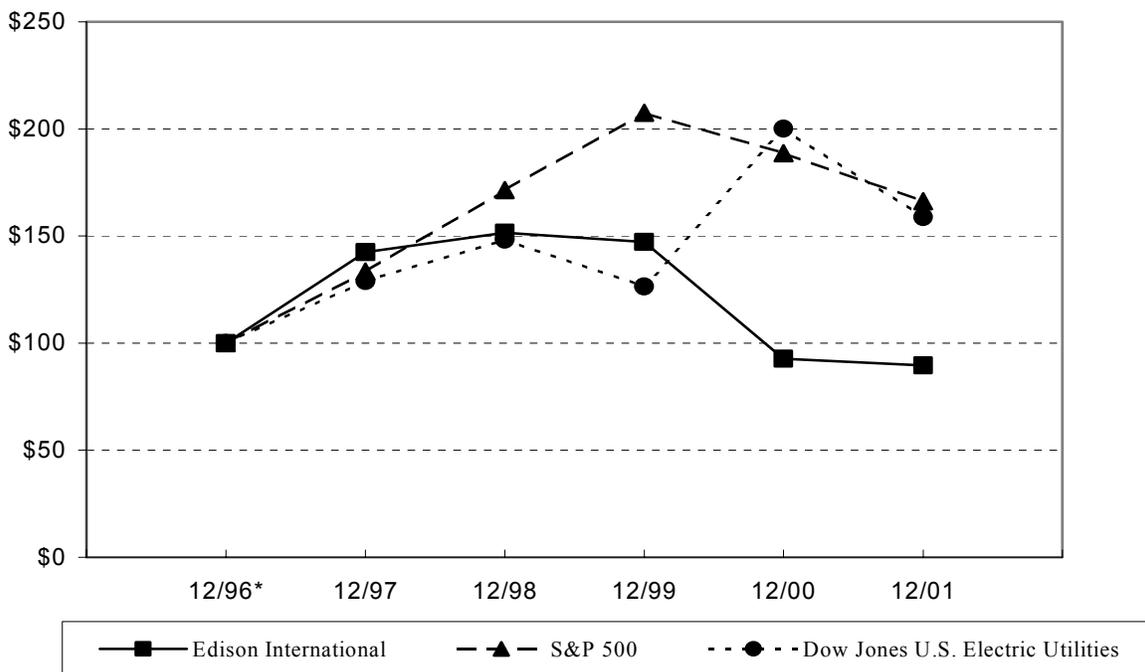
CERTAIN LEGAL PROCEEDINGS

In October 2000 and March 2001, two purported class action lawsuits were filed in federal district court in Los Angeles, California against Edison International and SCE and certain of their officers, including Messrs. Bryson and Craver, and Thomas M. Noonan, Vice President and Controller of Edison International and SCE. The actions involve securities fraud claims arising from alleged improper accounting by Edison International and SCE for undercollections in SCE's Transition Revenue Account, or TRA undercollections. On August 3, 2001, the plaintiffs filed a consolidated complaint on behalf of alleged shareholders of Edison International. The consolidated complaint alleges that the defendants engaged in securities fraud by misrepresenting and/or failing to disclose material facts concerning the financial condition of Edison International and SCE, including that the defendants allegedly overreported income and improperly accounted for the TRA undercollections. The TRA is a California Public Utilities Commission-authorized regulatory asset account in which SCE records the difference between the revenues received from customers through currently frozen rates and the costs of providing service to customers, including power procurement costs. The complaint purports to be filed on behalf of a class of persons who purchased Edison International stock between July 21, 2000, and April 17, 2001. Plaintiffs seek damages, in an unstated amount, in connection with their purchase of securities during the class period. On September 17, 2001, the defendants filed a motion to dismiss for failure to state a claim. On March 8, 2002, the court issued an order granting the motion and dismissing the complaint with prejudice as to all defendants. Plaintiffs could appeal this ruling to the Ninth Circuit Court of Appeals.

FIVE-YEAR STOCK PERFORMANCE GRAPH^{(1) (2)}

The graph below compares the annual change in the cumulative total shareholder return on the Edison International Common Stock with the cumulative total return of companies in the Standard and Poor's 500 Stock Index and the Dow Jones U.S. Electric Utilities Index (also known as the Dow Jones U.S. Total Market Electric Utilities Index).⁽³⁾ The S&P 500 Index is published daily in The Wall Street Journal. The Dow Jones U.S. Electric Utilities Index contains 66⁽⁴⁾ United States investor-owned power companies and is published daily by Dow Jones & Company. Edison International is included in both the S&P 500 Index and the Dow Jones U.S. Electric Utilities Index.

COMPARISON OF 5-YEAR CUMULATIVE TOTAL RETURN⁽⁵⁾ AMONG EDISON INTERNATIONAL, THE S&P 500 INDEX AND THE DOW JONES U.S. ELECTRIC UTILITIES INDEX



* \$100 INVESTED ON 12/31/1996 IN STOCK OR INDEX -
INCLUDING REINVESTMENT OF DIVIDENDS.
FISCAL YEAR ENDING DECEMBER 31.

	Cumulative Total Return					
	12/96	12/97	12/98	12/99	12/00	12/01
Edison International	100.00	142.43	151.53	147.13	92.72	89.60
Standard & Poor's 500 Index	100.00	133.36	171.47	207.56	188.66	166.24
Dow Jones U.S. Electric Utilities Index	100.00	128.98	148.22	126.42	200.05	158.79

⁽¹⁾ SEC filings sometimes "incorporate information by reference." This means the Companies are referring you to information that has previously been filed with the SEC, and that this information

should be considered as part of the filing you are reading. Unless Edison International or SCE specifically states otherwise, this graph shall not be deemed to be incorporated by reference and shall not constitute soliciting material or otherwise be considered filed under the Securities Act or the Securities Exchange Act.

- (2) The historical stock performance depicted on the graph is not necessarily indicative of future performance. The Companies do not make or endorse any predictions as to future stock performance or dividends. The quarterly dividends customarily paid on January 31, April 30, July 31, and October 31 were not declared for 2001 and the quarterly dividends customarily paid on January 31 were not declared for 2002 by the Edison International Board. This proxy statement is not to be considered material for soliciting the purchase or sale of either Companies' stock.
- (3) In February 2000, Dow Jones launched a new U.S. Equity Index series which replaced all of its prior index series including the Dow Jones Electric Utilities Index previously used for this graph. The new series covers 95% of the U.S. equity market and replaces the previous series that covered 80% of the equity market. Additionally, the industry classification system was restructured. The net result of these changes is that all U.S. indices will show differences when compared to the indices used prior to 2000.
- (4) As of December 31, 2001.
- (5) Ex-dividend dates have been used to determine the number of dividends included in Edison International's cumulative total return calculation. The ex-dividend date occurs a few days prior to the record date for each dividend payment, and is the date on which the stock begins trading at a price that does not include the dividend. Edison International had three ex-dividend dates in 1999 even though shareholders received four dividend payments in that year. In 2000, there were four ex-dividend dates and four dividend payments. For purposes of calculating the adjusted cumulative total return presented in the following table, four ex-dividend dates were used for each year starting in 1997 through 1999, and three ex-dividend dates were used in 2000. The adjusted calculation for 2000 includes only three ex-dividend dates since the Board did not declare the dividend customarily paid on January 31, 2001. As noted in footnote (2) above, there were no dividends declared by the Edison International Board for each of the four quarters of 2001.

Adjusted Cumulative Total Return					
12/96	12/97	12/98	12/99	12/00	12/01
\$100.00	\$142.43	\$151.53	\$148.65	\$92.67	\$89.56

AUDIT COMMITTEES' REPORT⁽¹⁾

The Edison International and SCE Audit Committees have certain duties and powers as described in their charters. In 2001, the SCE Audit Committee revised its charter which was approved by the SCE Board on December 13, 2001, and is attached to this Proxy Statement as Appendix A. The Edison International Audit Committee Charter approved by the Edison International Board on December 14, 2000, remained unchanged. The Audit Committees are currently composed of the same five non-employee directors named at the end of this report and are independent as defined by the rules of the stock exchanges on which the Companies are listed.

Management is responsible for the Companies' internal controls and the financial reporting process, including the integrity and objectivity of the financial statements. The independent accountants are responsible for performing an independent audit of the Companies' financial statements in accordance with generally accepted auditing standards and to issue a report thereon. The Committees monitor and oversee these processes. The Committees' members are not accountants or auditors by profession and, therefore, have relied on certain representations from management and the independent accountants about the carrying out of their respective responsibilities.

In connection with the December 31, 2001, financial statements, the Audit Committees:

- reviewed and discussed the audited financial statements with Company management;
- discussed with Arthur Andersen LLP, the Companies' independent public accountants for calendar year 2001, the matters required by Statement on Auditing Standards No. 61 (Communication with Audit Committees); and
- received the written disclosures required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees) and discussed with Arthur Andersen its independence from the Companies.

Based upon these reviews and discussions, the Edison International and SCE Audit Committees recommended to their respective Boards of Directors that the audited financial statements be included in the Edison International and SCE 2001 Annual Reports on Form 10-K to be filed with the SEC.

Audit Committees of the Edison International and SCE Boards of Directors	
Daniel M. Tellep (Chair)	Robert H. Smith
Carl F. Huntsinger	Thomas C. Sutton
Charles D. Miller	

⁽¹⁾ SEC filings sometimes "incorporate information by reference." This means the Companies are referring you to information that has previously been filed with the SEC, and that this information should be considered as part of the filing you are reading. Unless Edison International or SCE specifically states otherwise, this report shall not be deemed to be incorporated by reference and shall not constitute soliciting material or otherwise be considered filed under the Securities Act or the Securities Exchange Act.

INDEPENDENT PUBLIC ACCOUNTANT FEES

The following table sets forth the aggregate fees billed to Edison International (consolidated total including Edison International and its subsidiaries) and SCE, respectively, for the fiscal year ended December 31, 2001, by Arthur Andersen:

	Edison International and Subsidiaries (\$000)	SCE (\$000)
Audit Fees	4,566	1,341
Financial Information Systems Design and Implementation Fees	214	—
All Other Fees:		
Tax	3,564	537
Audit-Related	714	210
Advisory:		
Support Work Related to the California Energy Crisis and California Regulatory Issues	4,838	4,838
Benefit Plan Review	790	—
Other Advisory	<u>1,696</u>	<u>1,084</u>
Total All Other Fees	11,602	6,669

INDEPENDENT PUBLIC ACCOUNTANTS FOR 2002

The Edison International and SCE Boards have selected Arthur Andersen LLP as the Companies' independent public accountants for calendar year 2002. Arthur Andersen is an international public accounting firm which provides leadership in public utility accounting matters. The Audit Committees of the Boards of Directors have considered whether the provision of the non-audit services described above is compatible with maintaining Arthur Andersen's independence.

Representatives of Arthur Andersen are expected to attend the annual meeting to respond to appropriate questions and to make a statement if they wish.

SHAREHOLDER PROPOSALS AND NOMINATIONS FOR 2003 ANNUAL MEETINGS

To be considered for inclusion in the 2003 proxy statement, shareholder proposals for the Edison International and SCE 2003 annual meetings must be received by December 5, 2002.

Shareholders intending to bring any other business before an annual meeting, including Director nominations, must give written notice to the Edison International or SCE Secretary, as the case may be, of the business to be presented. The notice must be received at Company offices within the periods, and

with the information and documents, specified in the Bylaws. A copy of the Bylaws may be obtained by writing to the Edison International or SCE Secretary.

Assuming that the 2003 annual meetings of shareholders are held on May 15, 2003, as currently specified by the Bylaws, the period for the receipt by the Edison International or SCE Secretary of written notice of other business to be brought by shareholders before the 2003 annual meetings of shareholders, including Director nominations, will begin on October 7, 2002, and end on December 5, 2002.

AVAILABILITY OF FORM 10-K AND OTHER INFORMATION

The Edison International and SCE 2001 Annual Reports on Form 10-K, including the financial statements and the financial statement schedules but excluding other exhibits, will be furnished without charge to shareholders upon written request. These reports are expected to be available for distribution after March 31, 2002.

A copy may be requested by writing to:

**Ms. Betty Hutchinson
Law Department, Corporate Governance
Edison International (or SCE, as the case may be)
2244 Walnut Grove Avenue, P. O. Box 800
Rosemead, California 91770**

OTHER PROPOSED MATTERS

The Edison International and SCE Boards were not aware by December 20, 2001 (the latest date for shareholders to provide advance notice of business intended to be presented at the annual meeting) of any other matters which can properly be presented for action at the annual meeting.

If any other matters should properly come before the annual meeting, including matters incident to the conduct of the annual meeting, the proxies will vote the shares in accordance with their judgment. Discretionary authority to do so is included in the proxies.

Dated: April 4, 2002

For the Boards of Directors,

*BEVERLY P. RYDER, Vice President
and Secretary, Edison International,
Secretary, Southern California Edison Company*

APPENDIX A

SOUTHERN CALIFORNIA EDISON COMPANY CHARTER FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

**Adopted by the Board of Directors
December 13, 2001**

Membership

The Audit Committee ("Committee") of the Board of Directors ("Board") shall consist of not less than four nor more than seven members of the Board. Each Committee member shall be appointed by the Board and shall serve until a successor shall be appointed by the Board. The Board shall designate one of the Committee members as Chair ("Chair") who shall preside over meetings of the Committee and report Committee actions to the Board.

Each member of the Committee shall be (i) independent as determined pursuant to the listing standards of any stock exchange on which the Company is listed, subject to any exceptions provided in such standards; and (ii) financially literate as determined by the Board, which shall mean at a minimum able to read and understand fundamental financial statements including a balance sheet, income statement, and cash flow statement, or become financially literate within a reasonable time after appointment. At least one member shall have accounting or related financial management expertise as determined by the Board, which shall mean at a minimum past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background resulting in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

Meetings and Other Actions

At least four regular meetings per year shall be held with the Company's independent public accountants, one of which shall be held at the completion of the annual audit and before the Company's annual financial statements are published, and three of which shall be scheduled at the direction of the Chair. Additional meetings may be requested by any Committee member. Regular meetings normally shall be attended by the Company's chief executive officer, chief financial officer, chief accounting officer, chief legal officer, and chief internal auditor and representatives of the independent public accountants retained by the Company. The Committee may meet in executive session at its discretion. Representatives of management, the independent public accountants, and the chief internal auditor each shall be given the opportunity to meet privately with the Committee.

A majority of the members of the Committee shall constitute a quorum for the transaction of business. Meetings shall be held at the principal offices of the Company or as directed by the Chair.

The Company's Secretary shall keep, or appoint an appropriate employee of the Company to keep, regular minutes of all Committee proceedings. The minutes of each meeting shall be reviewed and approved by legal counsel and the Chair. The approved minutes shall become a permanent corporate record maintained by the Company's Secretary. A report on the Committee's activities shall be provided to the Board after each meeting.

Unless otherwise provided in this Charter, the meetings and any other actions of the Committee shall be governed by the provisions of Article III of the Bylaws of the Company applicable to meetings and actions of the Board.

Duties and Responsibilities

The Committee shall exercise the following powers and duties at least annually:

1. Recommend to the Board the appointment of the Company's independent public accountants. The Board and the Committee shall have the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the independent public accountants, who shall be ultimately accountable to the Board and the Committee.
2. Ensure that the independent public accountants submit to the Committee a formal written statement delineating all relationships between such accountants and the Company, including information required by Independence Standards Board Standard No. 1. Review any disclosed relationships and the scope of the professional services performed or to be performed by the independent public accountants as well as the related fees and consider the possible effect that these services could have on the independence of such accountants. Actively engage in a dialogue with the independent public accountants with respect to any disclosed relationships or services that may impact the objectivity and independence of such accountants and recommend to the Board, if necessary, that appropriate action be taken in response to such accountants' report to satisfy itself of and otherwise oversee the accountants' independence.
3. Review the independent public accountants' and internal auditors' evaluations of the adequacy of the Company's internal controls, and the extent to which major recommendations made by the independent public accountants and the Company's chief internal auditor have been implemented by management.
4. Review with management the audit plans of the independent public accountants and the Company's internal auditors in light of current and contemplated business activities.
5. Review with the independent public accountants, upon completion of their audit, the Company's year-end audited financial statements and related notes, including the matters required to be discussed by Statement on Auditing Standards No. 61, the results of their examination, any report or opinion proposed to be rendered in connection therewith and any unresolved disagreements with management concerning accounting or disclosure matters.
6. Review information provided by management on issues such as litigation and regulatory proceedings, environmental compliance, health and safety compliance, information technology security, and legal compliance.
7. Review information provided by the chief internal auditor and management regarding business ethics monitoring and internal auditing programs.
8. Review and discuss with management the Company's year-end audited financial statements.

9. Recommend to the Board that the year-end audited financial statements be included in the Company's Annual Report on Form 10-K.
10. Review and reassess the adequacy of the Committee charter.
11. Provide a report in the Company's proxy statement when required by the Securities and Exchange Commission.

In addition, the Committee shall exercise the following duties and responsibilities at its discretion:

1. Request the independent public accountants, the Company's chief internal auditor or management to conduct any reviews or studies considered necessary. As deemed appropriate by the Committee, it shall direct and supervise an investigation into any matter within the scope of its duties and responsibilities. In connection with any such investigation, the Committee shall have the authority to utilize the Company's internal audit staff and to employ outside counsel or consultants at Company expense.
2. Perform such additional functions as are necessary or prudent to fulfill the Committee's duties and responsibilities.

While the Committee has the duties and powers set forth in this Committee charter, it is not the duty of the Committee to conduct audits or carry out its own independent analyses for purposes of determining that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the independent public accountants. Nor is it the duty of the Committee to conduct investigations, to resolve disagreements, if any, between management and the independent public accountants or to assure compliance with laws and regulations and the Company's Standards of Conduct.