

# BUSINESS UPDATE

NOVEMBER 2, 2023

# Forward-Looking Statements

Statements contained in this presentation about future performance, including, without limitation, operating results, capital expenditures, rate base growth, dividend policy, financial outlook, and other statements that are not purely historical, are forward-looking statements. These forward-looking statements reflect our current expectations; however, such statements involve risks and uncertainties. Actual results could differ materially from current expectations. These forward-looking statements represent our expectations only as of the date of this presentation, and Edison International assumes no duty to update them to reflect new information, events or circumstances. Important factors that could cause different results include, but are not limited to the:

- ability of SCE to recover its costs through regulated rates, including uninsured wildfire-related and debris flow-related costs, costs incurred to mitigate the risk of utility equipment causing future wildfires, costs incurred as a result of the COVID-19 pandemic, and increased costs due to supply chain constraints, inflation, and rising interest rates;
- ability of SCE to implement its Wildfire Mitigation Plan and capital program;
- risks of regulatory or legislative restrictions that would limit SCE's ability to implement operational measures to mitigate wildfire risk, including Public Safety Power Shutoff ("PSPS") and fast curve settings, when conditions warrant or would otherwise limit SCE's operational practices relative to wildfire risk mitigation;
- risks associated with SCE implementing PSPS, including regulatory fines and penalties, claims for damages and reputational harm;
- ability of SCE to maintain a valid safety certification, which is required to benefit from certain provisions of California Assembly Bill 1054 ("AB 1054");
- extreme weather-related incidents (including events caused, or exacerbated, by climate change, such as wildfires, debris flows, flooding, droughts, high wind events and extreme heat events) and other natural disasters (such as earthquakes), which could cause, among other things, public safety issues, property damage, rotating outages and other operational issues (such as issues due to damaged infrastructure), PSPS activations and unanticipated costs;
- risk that AB 1054 does not effectively mitigate the significant exposure faced by California investor-owned utilities related to liability for damages arising from catastrophic wildfires where utility facilities are alleged to be a substantial cause, including the longevity of the Wildfire Insurance Fund and the CPUC's interpretation of and actions under AB 1054, including its interpretation of the prudence standard clarified by AB 1054;
- ability of Edison International and SCE to effectively attract, manage, develop and retain a skilled workforce, including its contract workers;
- decisions and other actions by the California Public Utilities Commission, the Office of Energy Infrastructure Safety of the California Natural Resources Agency, the Federal Energy Regulatory Commission, the Nuclear Regulatory Commission and other governmental authorities, including decisions and actions related to nationwide or statewide crisis, determinations of authorized rates of return or return on equity, issuance of SCE's wildfire safety certification, wildfire mitigation efforts, approval and implementation of electrification programs, and delays in executive, regulatory and legislative actions;
- cost and availability of labor, equipment and materials, including as a result of supply chain constraints and inflation;
- ability of Edison International or SCE to borrow funds and access bank and capital markets on reasonable terms;
- risks associated with the decommissioning of San Onofre, including those related to worker and public safety, public opposition, permitting, governmental approvals, on-site storage of spent nuclear fuel and other radioactive material, delays, contractual disputes, contractor performance, and cost overruns;
- ability of Edison International and SCE to obtain sufficient insurance at a reasonable cost or to maintain its customer funded self-insurance program, and to recover the costs of such insurance or, in the event liabilities exceed insured amounts, the ability to recover uninsured losses (including amounts paid for self-insured retention and co-insurance) from customers or other parties;
- pandemics, such as COVID-19, and other events that cause regional, statewide, national or global disruption, which could impact, among other things, Edison International's and SCE's business, operations, cash flows, liquidity and/or financial results and cause Edison International and SCE to incur unanticipated costs;
- physical security of Edison International's and SCE's critical assets and personnel and the cybersecurity of Edison International's and SCE's critical information technology systems for grid control, and business, employee and customer data;
- risks associated with cost allocation resulting in higher rates for utility bundled service customers because of possible customer bypass or departure for other electricity providers such as Community Choice Aggregators ("CCA," which are cities, counties, and certain other public agencies with the authority to generate and/or purchase electricity for their local residents and businesses) and Electric Service Providers (entities that offer electric power and ancillary services to retail customers, other than electrical corporations (like SCE) and CCAs);
- risks inherent in SCE's capital investment program, including those related to project site identification, public opposition, environmental mitigation, construction, permitting, contractor performance, availability of labor, equipment and materials, weather, changes in the California Independent System Operator's transmission plans, and governmental approvals; and
- risks associated with the operation of electrical facilities, including worker and public safety issues, the risk of utility assets causing or contributing to wildfires, failure, availability, efficiency, and output of equipment and facilities, and availability and cost of spare parts.

Other important factors are discussed under the headings "Forward-Looking Statements", "Risk Factors" and "Management's Discussion and Analysis" in Edison International's Form 10-K and other reports filed with the Securities and Exchange Commission, which are available on our website: [www.edisoninvestor.com](http://www.edisoninvestor.com). These filings also provide additional information on historical and other factual data contained in this presentation.

# Edison International leads the transformation of the electric power industry



Focused on opportunities in clean energy, advancing electrification, building a modernized and more reliable grid, and enabling customers' technology choices



One of the nation's largest electric-only utilities, serving over 15 million residents in 50,000 square-mile service area



EIX's principal subsidiary, with \$38–43 billion 2023–2028 electric infrastructure investment opportunity

Growth driven by investment in strengthening and modernizing the grid and advancing California's aggressive climate goals

Wires-focused rate base, with limited power generation ownership (<20% of power delivered from owned generation)



Provides integrated sustainability, decarbonization, and energy solutions to commercial, institutional, and industrial customers

Customer base includes 48 of the Fortune 500

**\$24+ billion**

Market capitalization  
*As of October 31, 2023*

**13,000+**

Employees  
*Enterprise-wide*

**125,000+**

Miles of SCE T&D lines

**~\$41 billion**

SCE rate base

**5.2 million**

SCE customer accounts

# Thesis: Wires-focused utility with rate base growth aligned with state's aggressive clean energy goals



**Constructive California and Federal regulatory structures**

Decoupling of sales  
Forward-looking ratemaking

Premium California ROE  
Wildfire prudence standard



**Aggressive climate goals met with clean, efficient, economy-wide electrification**

California GHG reduction  
Helping customers make clean energy choices



**Significant investment required to ensure the grid is reliable, resilient, and ready for widespread electrification**


Address wildfire risk and climate adaptation needs  
Infrastructure replacement  
Electrification infrastructure



**Investment in electric-led clean energy future results in strong rate base and dividend growth**

6–8% 2023–2028 rate base CAGR  
Target dividend payout of 45–55% of SCE core earnings

# EIX well positioned for a decarbonized future; no coal or gas LDC exposure and high electric sales growth potential

	UTY <sup>1</sup>	EI Index <sup>2</sup>		
<b>Electric-Only Utility &amp; No Gas LDC Exposure</b> (# of Companies)	5 of 20 <sup>1</sup>	12 of 39	✓	<b>No stranded asset risk with increased electrification</b>
<b>No Coal Generation Ownership</b> (# of Companies)	7 of 21	10 of 39	✓	<b>No coal generation or contracts in SCE's portfolio</b>
<b>Net-zero commitments across scopes 1, 2, and 3 by 2045<sup>3</sup></b> (# of Companies)	1 of 21	3 of 39	✓	<b>EIX's net-zero commitment is strongly aligned with California's ambitious climate goals</b>
<b>Electric Sales per Customer</b> (MWh/year) <sup>4</sup>	13–40 <i>Avg: 24</i>	12–56 <i>Avg: 25</i>	<b>16</b>	<b>Relatively low per-customer usage will grow with electrification, which supports affordability</b>

1. PHLX Utility Sector Index (UTY) consists of 21 geographically diverse public utility stocks, including one water utility. Values shown include EIX. Total company count for "electric-only utility & no gas LDC exposure" excludes Constellation Energy, which does not have any regulated utility operations

2. EI Index consists of 39 publicly traded companies that are members of Edison Electric Institute, which includes 18 of the companies also in UTY. Values shown include EIX

3. Counts reflect companies with net-zero commitments by 2045 or sooner that are wholly inclusive of the company's scopes 1, 2, and 3 greenhouse gas emissions profile

4. Refers to total customer base, including residential, commercial, and industrial customers. Based on latest available data for year ended 2022

Source: EIX research, S&P Capital IQ Pro

# Sustainability at the core of Edison's vision to lead the transformation of the electric power industry

**Committed to achieving net-zero GHG emissions by 2045.**

**Also have long-term ESG goals for clean energy, electrification, DEI, and safety**

## Environmental

2045 goals: **net-zero GHG emissions** across Scopes 1, 2, and 3; **100% carbon-free power delivered** (~45% in 2022)<sup>1</sup>

Over **\$800 million** in approved SCE funding to **expand transportation electrification**

SCE named to **SEPA 2023 Utility Transformation Leaderboard** for progress toward carbon-free grid

**Winner of EEI's Edison Award** for innovative suite of Transportation Electrification programs

Committed to SCE **vehicle fleet electrification** goals by 2030

## Social

Recipient of several **awards for workplace diversity & inclusion**

Long-standing **community partnerships**, including \$2.4 billion annual spend with diverse suppliers

**Lowest system average rate** among major California investor-owned utilities

Committed to **gender parity in executive roles by 2030** and broader DEI actions

**\$20 million per year in philanthropic contributions** with at least 80% going to diverse and underserved communities

## Governance

**Highest level governance score** from ISS

Independent board chair since 2016; **1 of only 6 UTY companies with independent board chair**<sup>2</sup>

**8 of 11 directors diverse** by gender, race/ethnicity, and/or LGBTQ+ self-ID; gender parity for independent directors

50% of executive annual **incentive pay tied to safety & resiliency-related goals** for 2023

**CPA-Zicklin "Trendsetter" with 100% score** in multiple years for political accountability and disclosure<sup>3</sup>

1. Net zero goal is enterprise-wide. Delivered power goal is SCE-specific and percentages refer to power delivered to SCE customers. Reflects no coal generation of delivered electricity

2. UTY refers to the PHLX Utility Sector Index, which consists of 21 geographically diverse public utility stocks











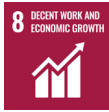

3. Edison International is recognized as a "Trendsetter" on the Center for Public Accountability ("CPA")-Zicklin Index of Corporate Political Disclosure and Accountability. The Trendsetter category highlights leaders in the S&P 500 for commitments to transparency and accountability in political spending

# Sustainable financing activities underscore strong link between strategy and financings

## Green, Social, and Sustainability instruments will fund projects that provide distinct environmental or social benefits

Eligible Project Categories Included in Sustainable Financing Framework

### U.N. Sustainable Development Goals Alignment

	Primary Category <sup>1</sup>	U.N. Sustainable Development Goals Alignment			
<b>Green</b>	Renewable Energy				
	Clean Transportation				
	Energy Efficiency & Carbon Reduction				
	Climate Change Adaptation				
<b>Social</b>	Socioeconomic Advancement and Empowerment, Including Gender Inclusion				

Edison's Sustainable Financing Framework aligned with ICMA's Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines

Vigeo Eiris<sup>2</sup>, second-party opinion provider, rated framework's Contribution to Sustainability as "Advanced" (highest rating)

SCE has issued \$2.1 billion of sustainable bonds for eligible projects under the framework and \$1.3 billion of green securitization bonds<sup>3</sup>

1. Excludes projects with GHG intensity above 100 gCO<sub>2</sub>e / kWh and bioenergy projects that do not have a sustainable feedstock (i.e., does not negatively impact food security or contribute to deforestation). Excludes any expenditures on fossil fuel-fired generation, nuclear generation or large hydro (>30 MW)  
 2. Vigeo Eiris was acquired by Moody's Corporation in 2019 and has rebranded as Moody's ESG Solutions since providing their second-party opinion  
 3. Issued independent of Edison's Sustainable Financing Framework; Moody's ESG Solutions separately provided additional second-party opinions on offerings' alignment with ICMA's Green Bond Principles

# California's regulatory mechanisms provide revenue certainty

## Revenue Decoupling

means earnings aren't affected by changes in electricity sales

Long-standing regulatory mechanism that breaks the link between retail electricity sales and revenue; promotes energy efficiency, helps stabilize customer bills, and supports environmental goals

Changes in sales only affect timing of cash collection

## Balancing Accounts

allow SCE to collect and refund differences to authorized revenue

SCE has several balancing accounts, including for variances in sales volume, such as those related to weather

Balancing account established for incremental residential uncollectibles

## Forecast Ratemaking

reduces regulatory lag

Four-year GRC cycle with forward-looking test year and attrition year increases

CPUC has historically authorized mechanism that gives SCE opportunity to offset some inflationary price increases based on utility-specific indices

Cost of capital proceedings on three-year cycle separate from GRC with mechanism to reasonably adjust cost of capital if market conditions change significantly during cycles



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# CLEAN ENERGY TRANSITION LEADERSHIP



# Reaching California's 2045 GHG goals requires a near-complete transformation of energy use economy wide

## DECARBONIZE ELECTRICITY

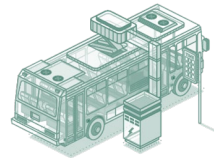
**100%**  
RETAIL SALES



100% of grid sales with carbon-free electricity  
 ~90 GW of add'l utility-scale clean generation  
 ~25 GW of add'l utility-scale energy storage  
 >15 GW each of add'l behind-the-meter solar and storage

## ELECTRIFY TRANSPORTATION

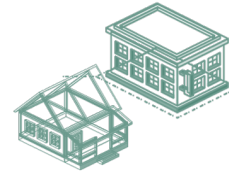
**90%**  
OF VEHICLES



90% of light-duty vehicles need to be electric  
 90% of medium-duty vehicles need to be electric  
 54% of heavy-duty vehicles need to be electric

## ELECTRIFY BUILDINGS

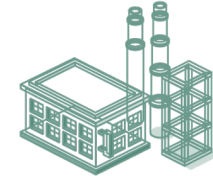
**95%**  
OF BUILDINGS



Zero emission appliance regulations expected to drive >95% building electrification  
 98% and 90% of commercial water and space heating to be electrified by 2045, respectively

## USE LOW-CARBON FUELS

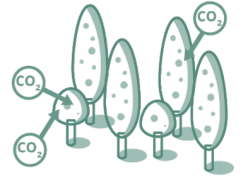
**48%**  
NON-ELECTRIC ENERGY



20% and 13% of pipeline natural gas volume to be hydrogen and RNG, respectively  
 37% of heavy-duty vehicles to be hydrogen fuel cell vehicles  
 20% of buses to be hydrogen fuel cell vehicles

## SINK REMAINING CARBON

**75**  
MMT  
CARBON SINK



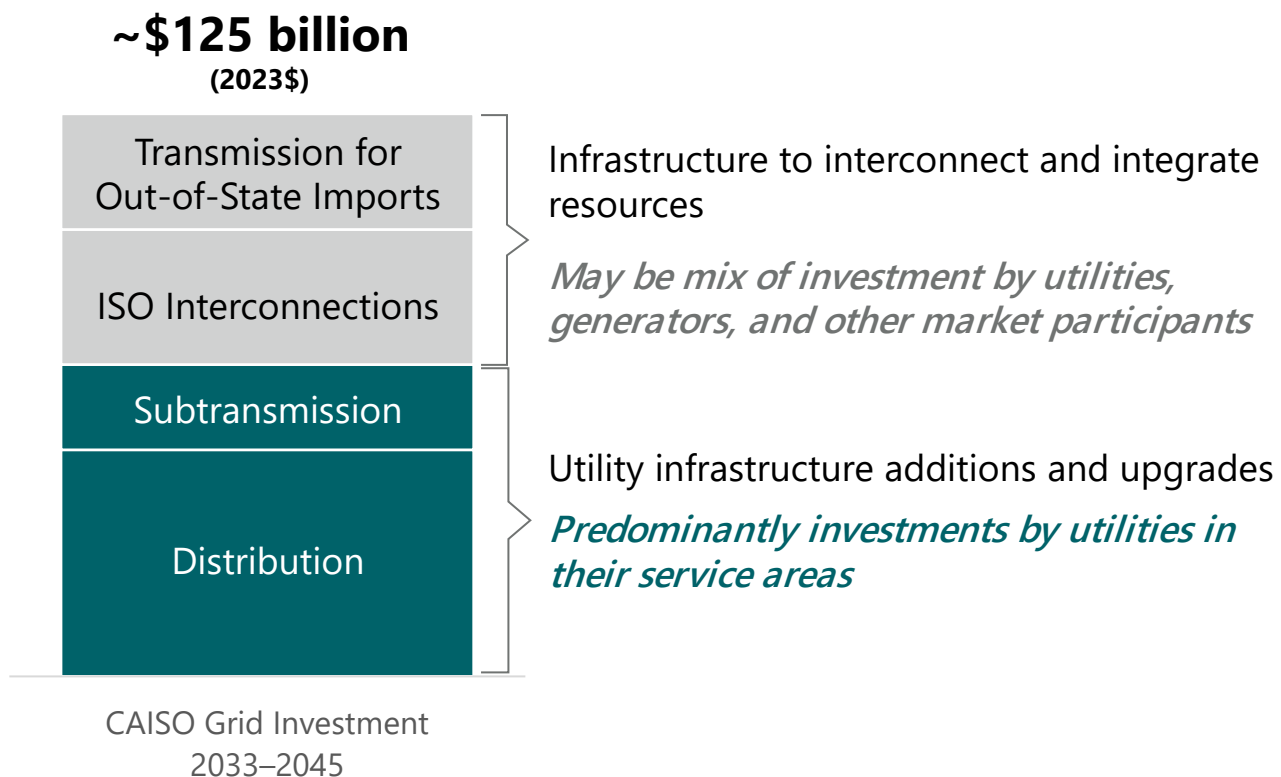
25 MMT from carbon capture and storage (point source)  
 25 MMT from natural and working lands  
 25 MMT from other (e.g., direct air capture)

**Edison is partnering with state and federal governments and with other stakeholders to advance policies that rapidly cut GHG emissions in a feasible way**

# Load growth of 80% by 2045 requires a significant acceleration in grid expansion

## At least half of incremental grid investment fits squarely within IOU jurisdictions

Incremental CAISO-wide grid investment



New transmission and distribution grid projects need to be added at up to **4x and 10x historical rates**, respectively

SCE expects **distribution system to be 25% larger** by 2045

- Equivalent of 85 new distribution substations
- Upgrades to 345 of 900 existing substations
- 1,400 new distribution circuits (30% more than today)

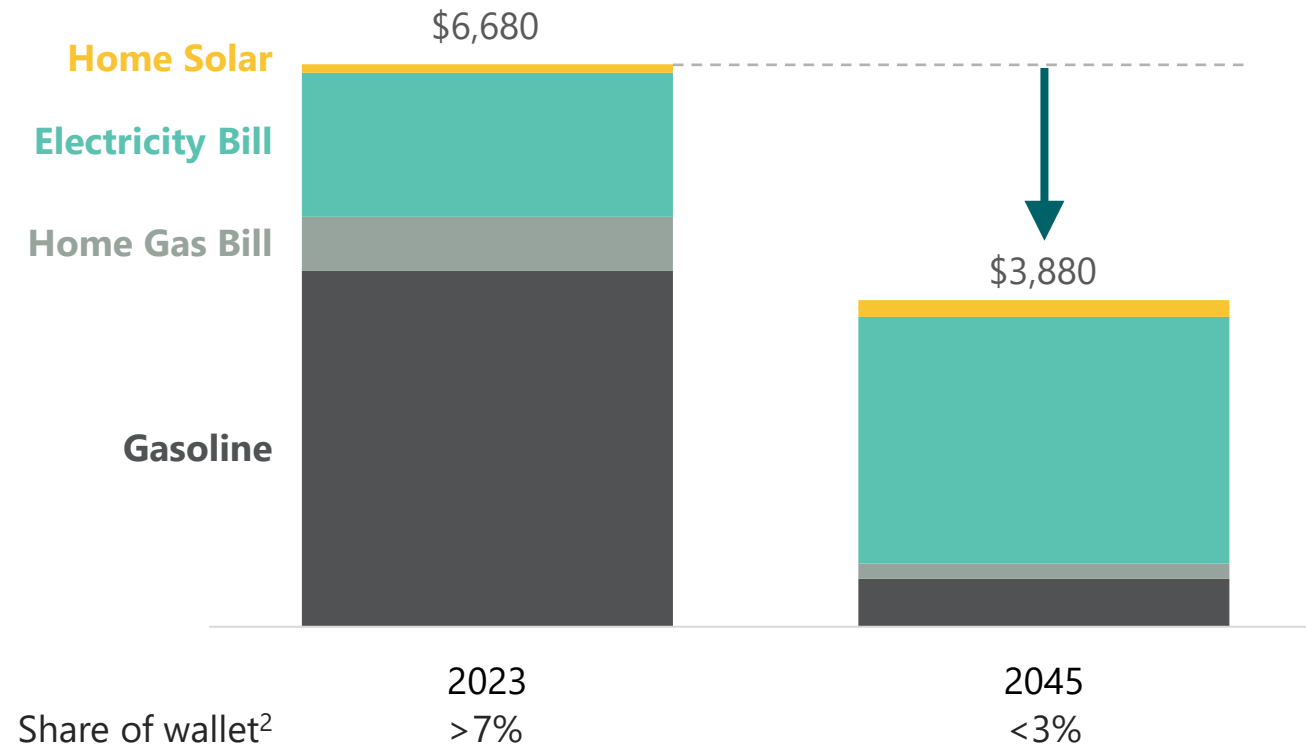
**+20,000 circuit miles** of 500 kV transmission CAISO-wide to interconnect new resources

Source: SCE's Countdown to 2045 analysis. See Countdown to 2045 Appendices for additional information on the analysis and its methodology

# Adoption of electrified technologies results in significant savings for average SCE customer household

## Total annual energy expenses for the average SCE customer household decreases by ~40% by 2045

Annual residential household energy expenses (2023\$)<sup>1</sup>



By 2045, electricity demand is projected to rise by over 80% from today, primarily due to electrification

Households will benefit from these savings well before 2045, with the average SCE household expected to see more than 10% savings by the early 2030s

Household savings driven by reduced fossil fuel expenses more than offsetting increase in electricity expense

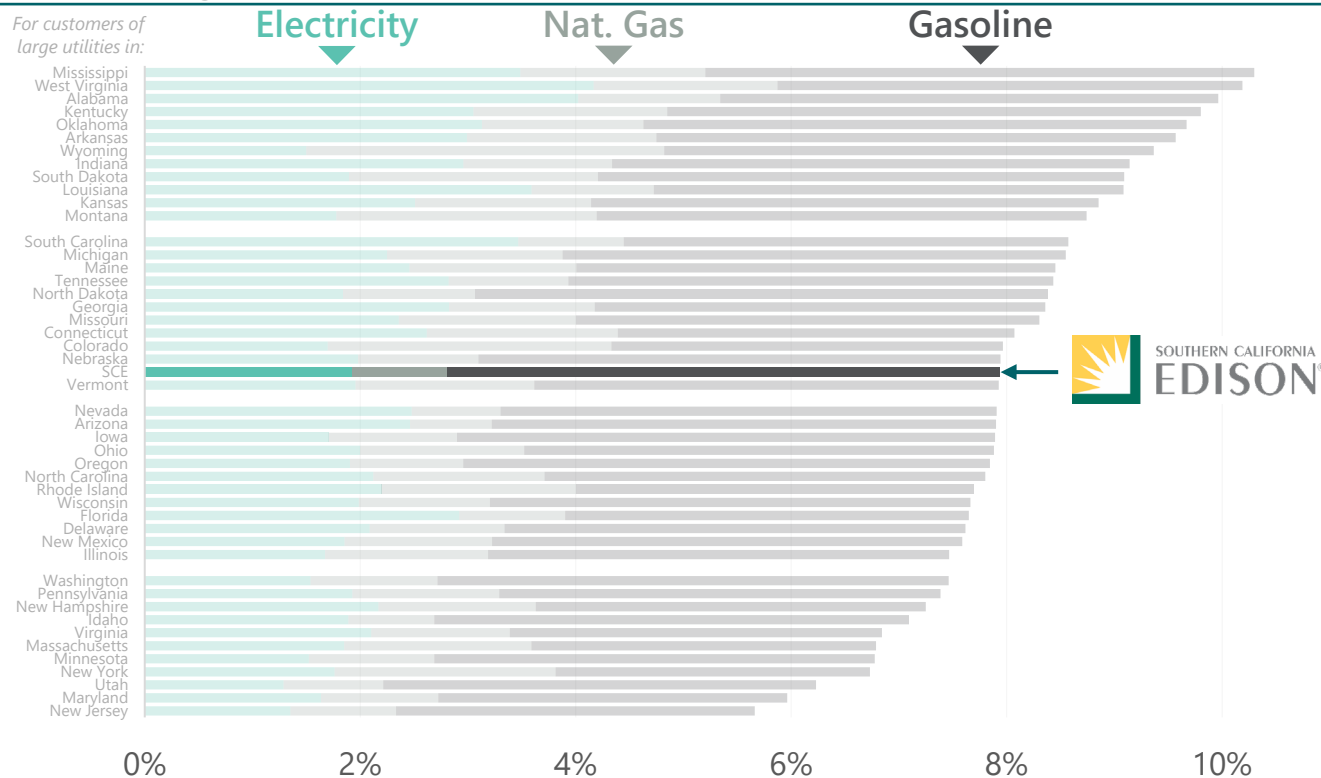
Improvements in equipment efficiency, energy efficiency, and demand response programs reduce consumption

1. Reflects annual energy expenses using SCE data. Vehicles and appliance costs are not included. Assumes the average SCE customer in 2045 would have electric vehicle, solar, and electric water and space heating  
 2. Reflects the proportion of household income spent on energy. For 2045, projected median household income based on historical growth rates, then normalized to 2023\$  
 Source: SCE's Countdown to 2045 analysis

# Total 2022 energy share of wallet in SCE's service area near median and can decrease with higher levels of electrification

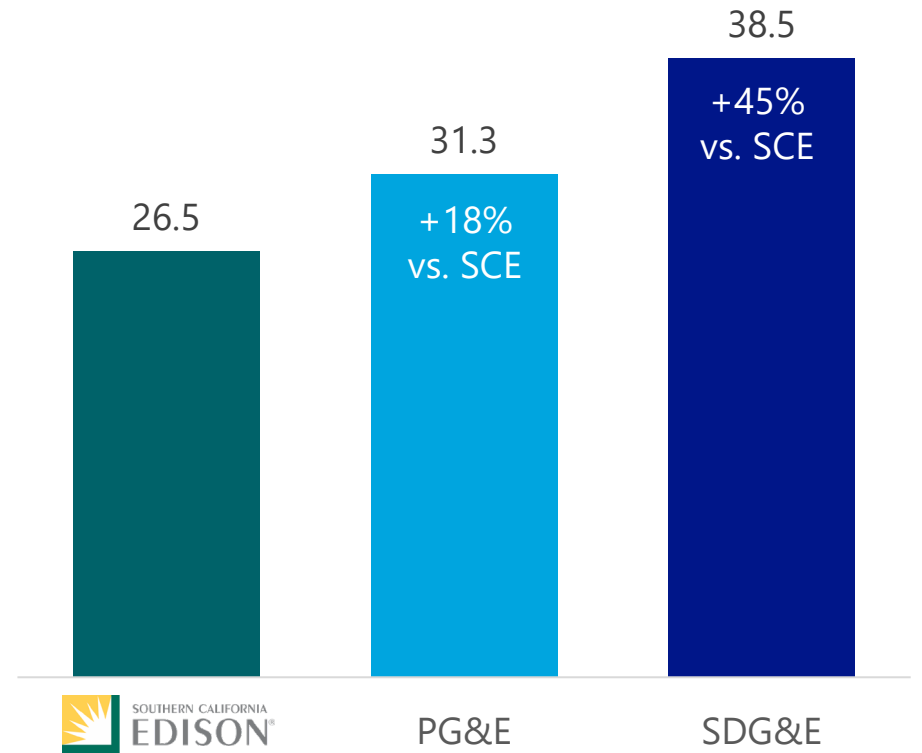
## Electricity and energy share of wallet in SCE's service area are on par with those in other states...

2022 Est. Avg. Residential Customer Share of Wallet (% of Income)<sup>1</sup>



## ...and among California IOUs, SCE has the lowest system average rate

System Average Rate<sup>2,3</sup> Cents per kWh



1. EIX analysis and assumptions based on representative utilities in each state, median household income data from U.S. Census Bureau, electricity expenditure data from EIA, natural gas expenditure data from AGA and EIA, gasoline price data from EIA, and estimated share of income spent on vehicle fuel by state presented in the DOE's Vehicle Technologies Office Figure of the Week #1176, which does not include estimates for Hawaii or Alaska. Data not available for Texas  
 2. All rates include California Climate Credit  
 3. Sources: SCE Advice 5109-E effective October 1, 2023, PG&E Advice 7009-E effective September 1, 2023, SDG&E Advice 4129-E effective Jan. 1, 2023

# Edison International has one of the strongest electrification profiles in the industry



## Transportation Electrification

Largest U.S. IOU EV charging programs with over \$800 million of approved funding

Substantial state budget commitments to accelerate zero-emission vehicles

~1 in 8 U.S. electric vehicles are in SCE's service area<sup>1</sup>

Current trajectory of **13.5 million EVs in CA** (5 million in SCE's area) by 2035

Represents **~24.3 million MWh** in SCE's service area by 2035 and **~50 million MWh by 2045**



## Building Electrification

SCE has proposed **\$677 million plan to accelerate adoption** of 250,000 heat pumps

State plans for **~\$900 million in budgets over next 5 years** for equitable building decarbonization; **IRA brings in excess of \$22B** in tax credits and rebates nationwide<sup>2</sup>

Target to have **27 million residential heat pumps in California** by 2045

Represents **~2.4 million MWh of incremental load** in SCE's area by 2035 **~6.9 million MWh by 2045**



## Energy Storage

SCE has **installed or procured ~6.1 GW** of storage capacity

SCE constructing **~535 MW of utility-owned storage** to support reliability

Project **30+ GW of utility-scale storage needed** California-wide by 2045

Growing energy storage capacity supports reliability as **economy increasingly relies on electricity**

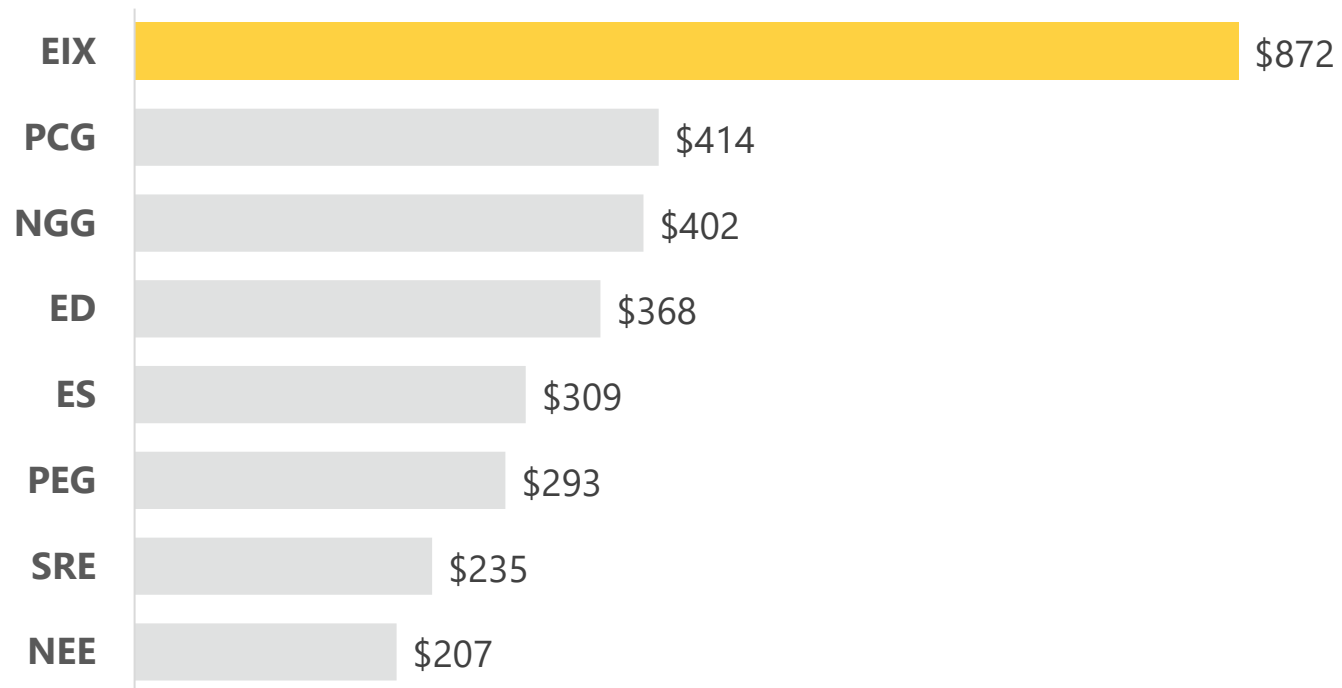
1. As of August 2023. Source: DMV on data provided by EPRI

2. Inflation Reduction Act of 2022

# SCE leads the largest utility transportation electrification initiatives and programs in the U.S.

## Edison's large suite of transportation electrification (TE) programs enables California's leadership of EV adoption

Approved Electric Utility Transportation Electrification Portfolios >\$200 Million  
\$ in Millions



By 2030, SCE will administer over \$1 billion of EV purchase incentives and other equity-focused programs funded via California's LCFS program<sup>1</sup>

By 2027, SCE's offerings will have:

- Added ~30,000 light-duty vehicle chargers and ~8,500 medium- and heavy-duty vehicles
- Directly contributed to electrification of >550,000 vehicles with ~50% in disadvantaged communities

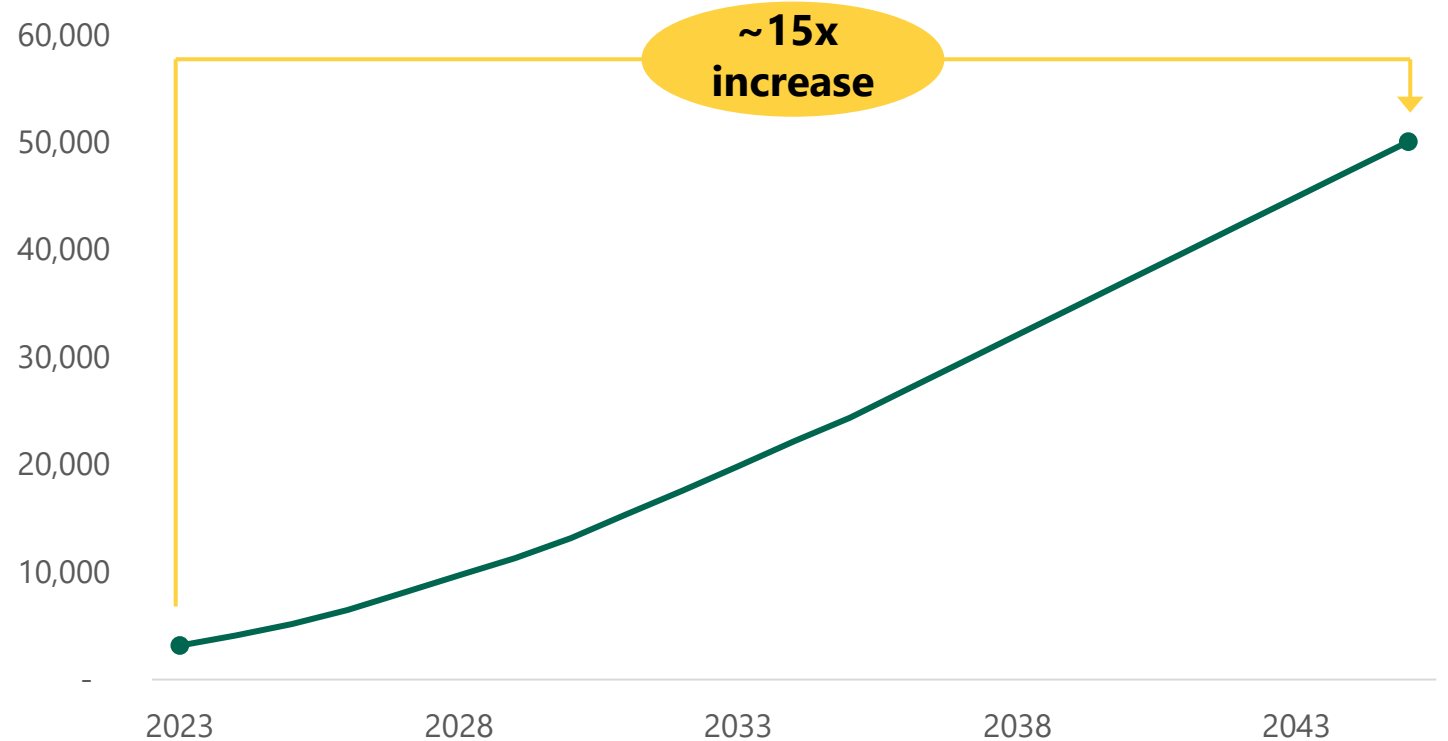
EIX/SCE received the prestigious Edison Electric Institute (EEI) Edison Award for SCE's innovative suite of TE programs

1. Low Carbon Fuel Standard. The LCFS program at the California Air Resources Board (CARB) funds SCE's vehicle rebate programs through the sale of LCFS credits to market participants and not through customer rates. These amounts are distinct from funding approved for SCE's transportation electrification programs  
Sources: EEI Electric Transportation Biannual State Regulatory Update (March 2023), SCE

# SCE's future load growth is highly levered to EV adoption, a critical component of reaching state GHG goals

## Electric vehicles in SCE's service area add ~3,160 GWh of load in 2023 and could grow to 50,000+ GWh by 2045

Electric load from electric vehicles in SCE's service area, GWh<sup>1</sup>



1. Includes both light duty and non-light duty EV load  
2. As of August 2023. Source: DMV data provided by EPRI

To date, ~1 in 8 U.S. electric vehicles are in SCE's service area<sup>2</sup>

– ~490,000 EVs in SCE's area<sup>2</sup>

SCE's Charge Ready programs are expected to stimulate growth in EV adoption and the build out of charging infrastructure




SCE's programs include a focus on serving multi-family dwellings and disadvantaged communities

State budget funding of ~\$10 billion to accelerate zero-emission vehicles represents significant progress in helping spur adoption



# SCE is actively strengthening grid reliability

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 <b>Energy Storage</b>	<p><b>~2.3 GW currently online</b></p> <p><b>Installed or procured ~6.1 GW of storage capacity</b> and must procure 2.4 GW more by 2028</p> <p><b>535 MW utility-owned storage</b> under construction</p>
 <b>Demand Response</b>	<p><b>Improving and implementing more demand response</b> programs for residential and business customers</p> <p>In 2022, <b>grew DR programs by 200 MW resulting in 1 GW</b> of available DR load going into summer 2023</p> <ul style="list-style-type: none"><li>– Includes <b>6 MW from Virtual Power Plants</b></li></ul> <p>New <b>pilot activities in program design, incentives, and communication technologies</b> to provide greater customer comfort</p>
 <b>System &amp; Procurement</b>	<p>Recently <b>upgraded transmission lines</b> in eastern desert, increasing ability to integrate and deliver more renewable energy</p> <p>Procuring additional power <b>above usual weather and demand forecasts</b></p> <p>Advocating for <b>changes to Resource Adequacy program</b> to ensure CAISO-wide resources meet grid needs, and supporting discussions on potential Western regional market</p>

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# SCE WILDFIRE MITIGATION: APPROACH, PROGRESS, AND RESULTS



# SCE is seeing numerous proof points and results from its substantial wildfire mitigation efforts since 2018

**5,220+ MILES**  
OF COVERED CONDUCTOR



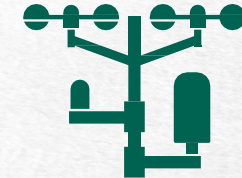
**2 MILLION+**  
TRIMS AND REMOVALS IN HFRA



**1 MILLION+**  
HFRA INSPECTIONS



**1,700+** WEATHER STATIONS  
**190+** HD CAMERAS



**71% fewer**  
faults on fully  
covered circuits<sup>1</sup>

**53% fewer**  
tree-caused  
faults<sup>2</sup>

**61% lower**  
defect find  
rate<sup>3</sup>

**90% visual**  
coverage of  
HFRA

**No ignitions**  
due to failure of  
covered  
conductor

**98% fewer** structures  
destroyed in 2021-22  
compared to  
2017-18

**92% fewer** acres  
burned in 2021-22  
compared to  
2017-18

**99% less** PSPS outage  
time on frequently  
impacted circuits in 2022  
compared to 2019

1. Measured by faults covered conductor is expected to mitigate per 100 circuit miles on fully covered circuits as compared to bare circuits from 2018-2022 in HFRA

2. Measured by average monthly tree caused circuit interruptions in HFRA in 2022 compared to the average from 2017-2019.

3. Measured as Total Defect Find Rate of Top Ignition Drivers (percentage of inspections) in 2022 as compared to 2019 (inception of program) for structures inspected every year

# SCE's 2023–25 Wildfire Mitigation Plan (WMP) builds upon the accomplishments and lessons from the 2020–22 WMP

## In 2023, SCE is building on and extending the work already accomplished:

- Continue hardening the grid, including transmission lines
- Ramp up targeted undergrounding in severe risk areas
- Continue reducing PSPS impacts, particularly with Access & Functional Needs customers
- Expand aerial fire suppression funding to year-round in 2023
- Further technological advancements

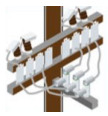
### Grid Design & Hardening



Covered conductor & undergrounding



Fire-resistant poles



Protective devices & settings

### Inspections



Aerial & ground

### Vegetation Management

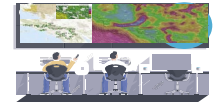


Line clearing, pole brushing, hazard tree assessments and remediations

### Situational Awareness



Weather stations



Fire spread modeling technology



Wildfire cameras

### Public Safety Power Shutoff



Critical care back-up batteries for eligible Medical Baseline customers



Community Resource Centers & Community Crew Vehicles to support during PPS events

### Aerial Fire Suppression



Continue partnership with local fire agencies

### Advanced Technologies



Early Fault Detection, Rapid Earth Fault Current Limiter, Artificial Intelligence and Machine Learning

# AB 1054<sup>1</sup> provides a strong regulatory construct for determining wildfire liability and cost recovery

## Established safety certification process and additional safety oversight

Under AB 1054, SCE can obtain an annual safety certification upon submission of required safety information, including an approved wildfire mitigation plan

Safety certifications valid for 12 months and remain valid until Office of Energy Infrastructure Safety acts on SCE's request for a new safety certification

## Codified prudence standard that assumes utility prudence unless serious doubt created

Provided a utility is "safety certified," establishes a prudence standard that assumes utility is prudent, unless intervenors create serious doubt

Prudence based on reasonable utility conduct with potential for full or partial recovery, considering factors within and beyond a utility's control (e.g., humidity, temperature, winds)

Standard survives even if Wildfire Insurance Fund is depleted

## Established ~\$21 billion Wildfire Insurance Fund to enhance liquidity

Reimburses utility for eligible claims payments above the higher of \$1 billion and required insurance coverage

Currently ~\$10 billion of assets, invested ~2/3 Treasury/Agency and ~1/3 corporate securities (Avg. credit rating of AA+ with average duration of 3.8 years)<sup>2</sup>

## Caps utility liability exposure if utility found imprudent (SCE 2023 cap: ~\$3.8 Bn)

If found prudent, no requirement to reimburse fund for claims covered by fund

If found imprudent or partially imprudent, shareholders reimburse fund

Reimbursement capped if utility has valid safety certification.<sup>3</sup> The cap covers trailing three-year period and limits reimbursement to 20% of electric T&D equity rate base<sup>4</sup>

1. California Assembly Bill 1054, executed by the governor of California on July 12, 2019

2. Source: California Earthquake Authority Financial Report presented at the August 2, 2023 California Catastrophe Response Council meeting

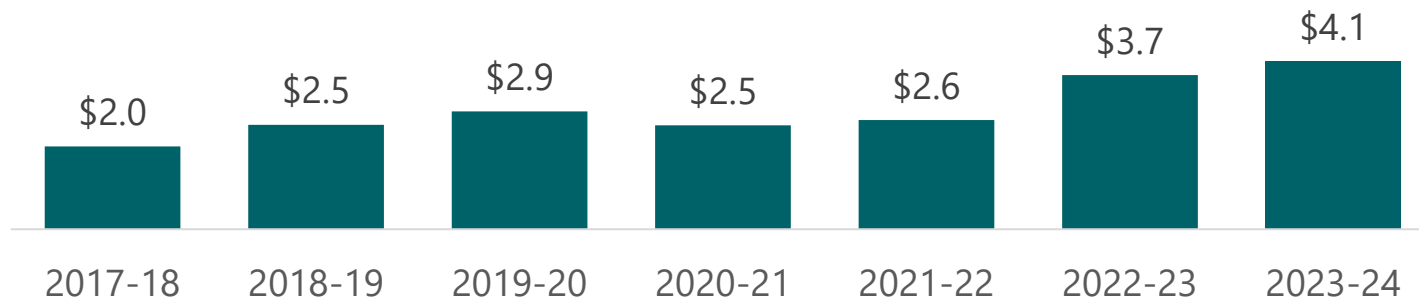
3. And has not been found to have acted with conscious or willful disregard of the rights and safety of others

4. Excluding general plant and intangibles

# California has continued to increase investments in wildfire suppression and prevention

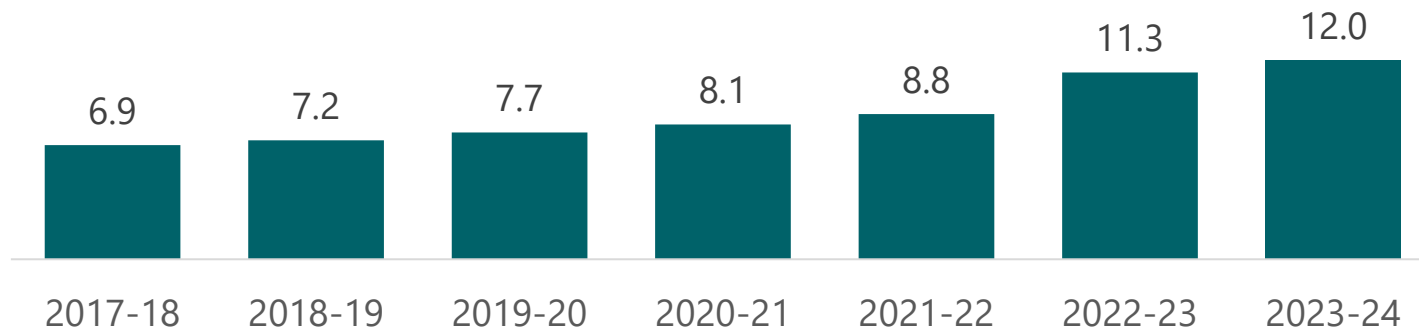
## CAL FIRE's budget has doubled since 2017-18

CAL FIRE Enacted Budget by Budget Year, \$ in Millions<sup>1</sup>



## CAL FIRE's staffing has increased by 74% since 2017-18

Thousands of CAL FIRE Budget Year Positions<sup>1</sup>



1. As initially enacted. Does not include subsequent Emergency Fund funding

2. Budgeted across departments and budget years Portions of the funding for the Wildfire & Forest Resilience Strategy are captured within CAL FIRE's overall budget and the action in this reference

3. <https://www.fire.ca.gov/programs/fire-protection/aviation-program/>

4. <https://www.fire.ca.gov/stats-events/>

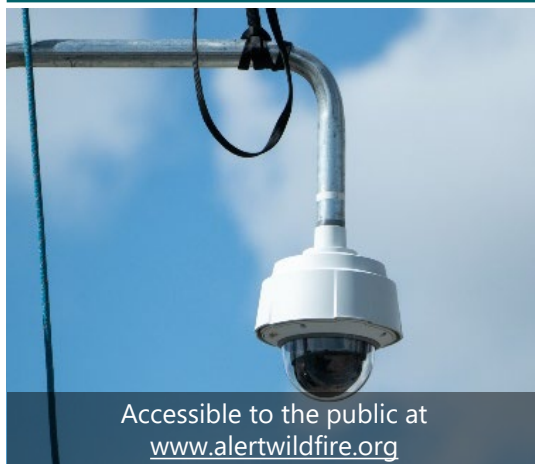
**State has committed \$2.7 billion over 4 years<sup>2</sup> for Wildfire & Forest Resilience Strategy**

**60+ aircraft make CAL FIRE's fleet the largest civil aerial firefighting fleet in the world<sup>3</sup>**

**In 2022, state experienced 85% reduction in acres burned and 78% reduction in structures destroyed<sup>4</sup>**

# SCE's tools and technology allow it to monitor real-time conditions to help inform operational decision-making

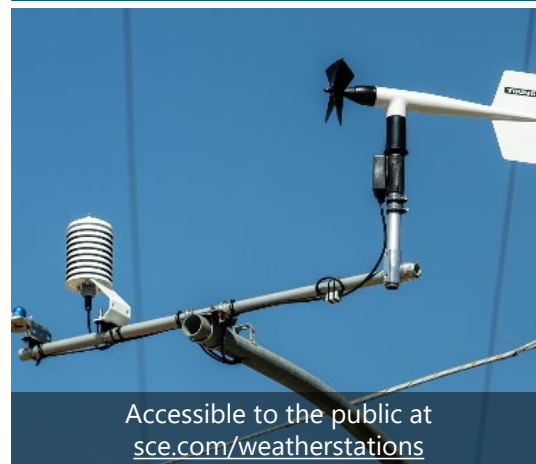
## Wildfire Camera Network



190+ cameras that **provide visibility to about 90% high fire risk areas** to monitor wildfire conditions

Plan to **increase coverage to nearly all of high fire risk areas** by 2024

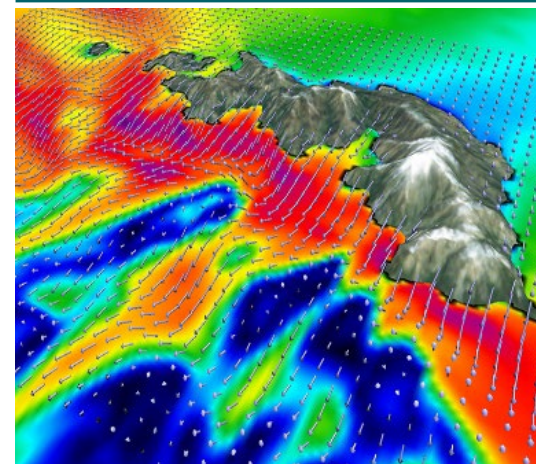
## HD Weather Stations



**1,700+ weather stations** that provide wind speed, humidity and temperature data

**Incorporating machine learning capabilities** to enhance forecasts

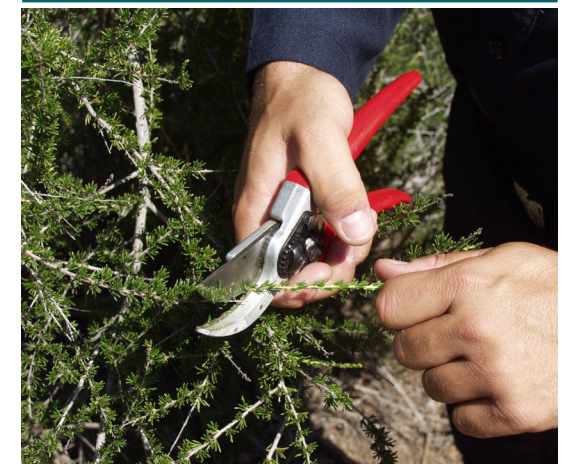
## Weather and Fire Spread Modeling



**State-of-the-art software** with high-resolution model that forecasts weather conditions down to <2 miles

**Millions of simulations run** to determine risk, understand community impacts, and help strategize grid hardening

## Fuel Sampling



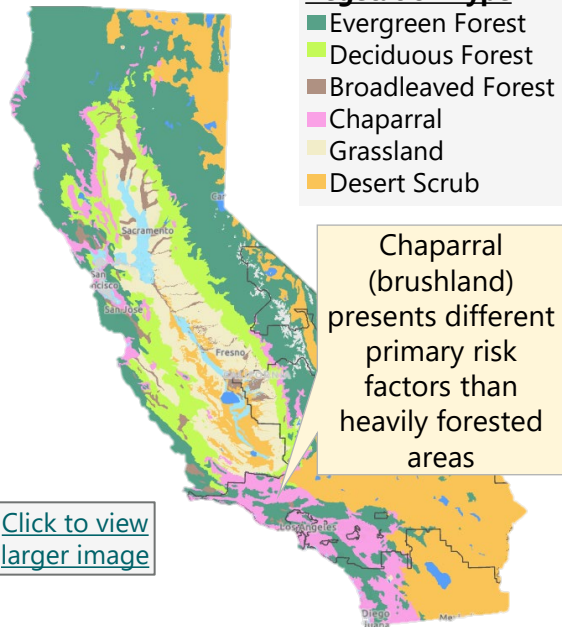
**Measuring vegetation moisture** at 14 sampling sites biweekly to help determine fuel conditions

Using data to **train machine learning fuel moisture model** to enhance operations

# Covered conductor is one of the most effective measures to reduce wildfire and PSPS risks

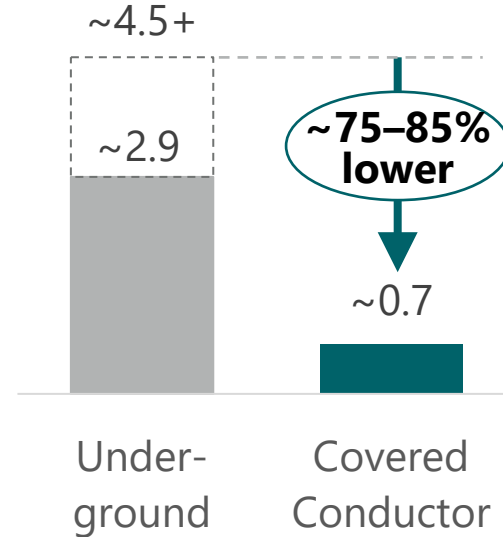
**Covered conductor is a very valuable tool to expeditiously and cost-effectively reduce wildfire risk specific to SCE**  
**Undergrounding pursued for certain locations based on risk profile**

## Geography



## Cost to Implement

Cost per Mile<sup>1</sup>  
\$ in Millions



## Execution Speed

Avg. Implementation Time  
In Months

	Covered Conductor	Underground
Initiate	~2-3	~2-3
Plan	~6-9	~9-15
Schedule	~6-9	~9-15
Execute	~2-3	~5-15
<b>Total</b>	<b>16-24+</b>	<b>25-48+</b>

## Unique Factors

Undergrounding considered where there is:

- Communities of Elevated Fire Concern<sup>3</sup>
- High burn frequency
- Limited egress
- Wind speeds exceeding covered conductor PSPS thresholds
- Exceptionally high potential consequence (> 10,000 acres)
- Operational feasibility

1. Based on data provided in SCE's 2025 GRC

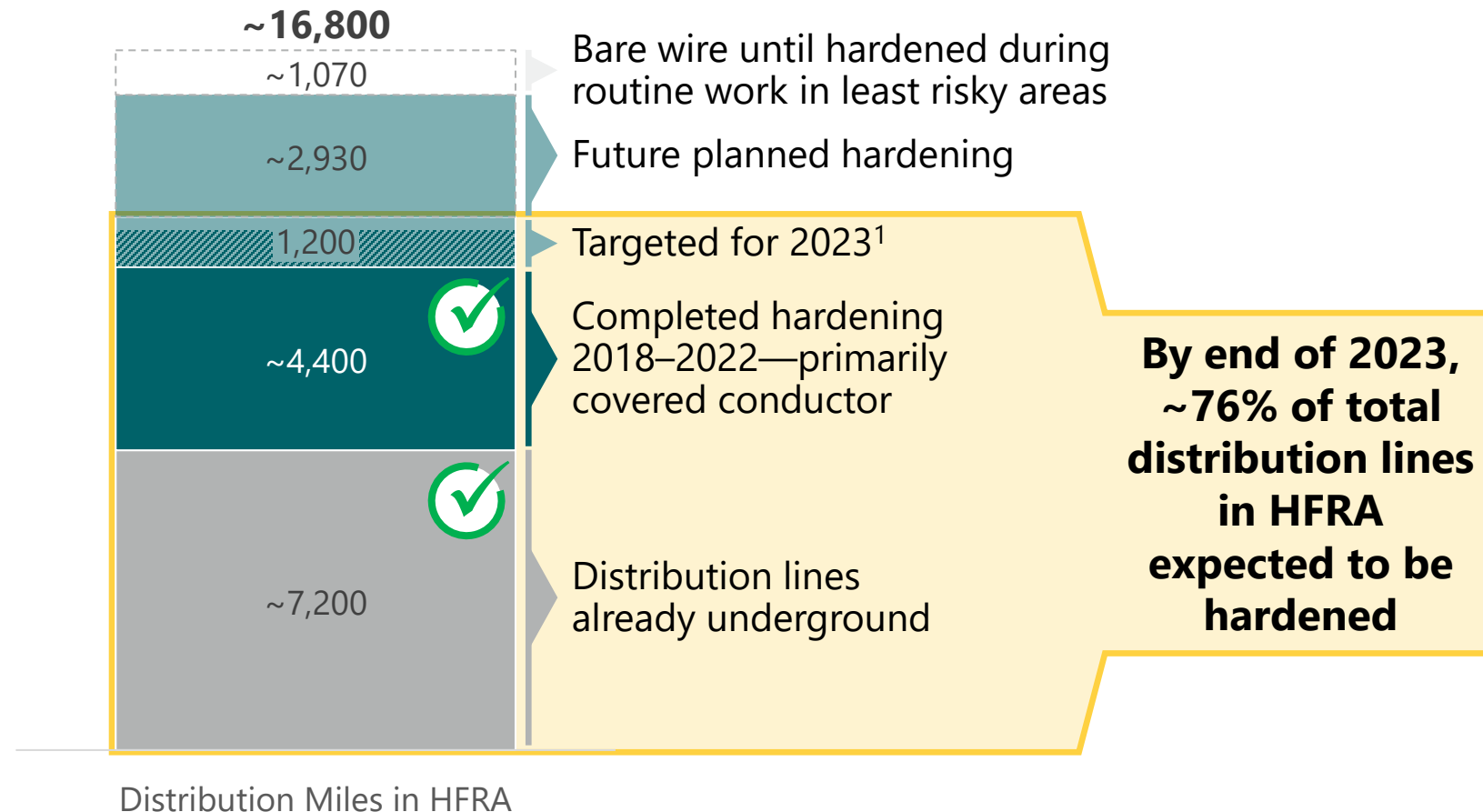
2. The Schedule phase includes verifying permits, obtaining easements, scoping and bundling work, and scheduling construction

3. Communities of Elevated Fire Concern defined as smaller geographic areas where terrain, construction, and other factors could lead to smaller, fast-moving fires threatening populated locations under benign (normal) weather conditions



# SCE has made significant progress hardening the grid to keep its communities safe

## Total Circuit Miles of Distribution Lines in SCE's High Fire Risk Area

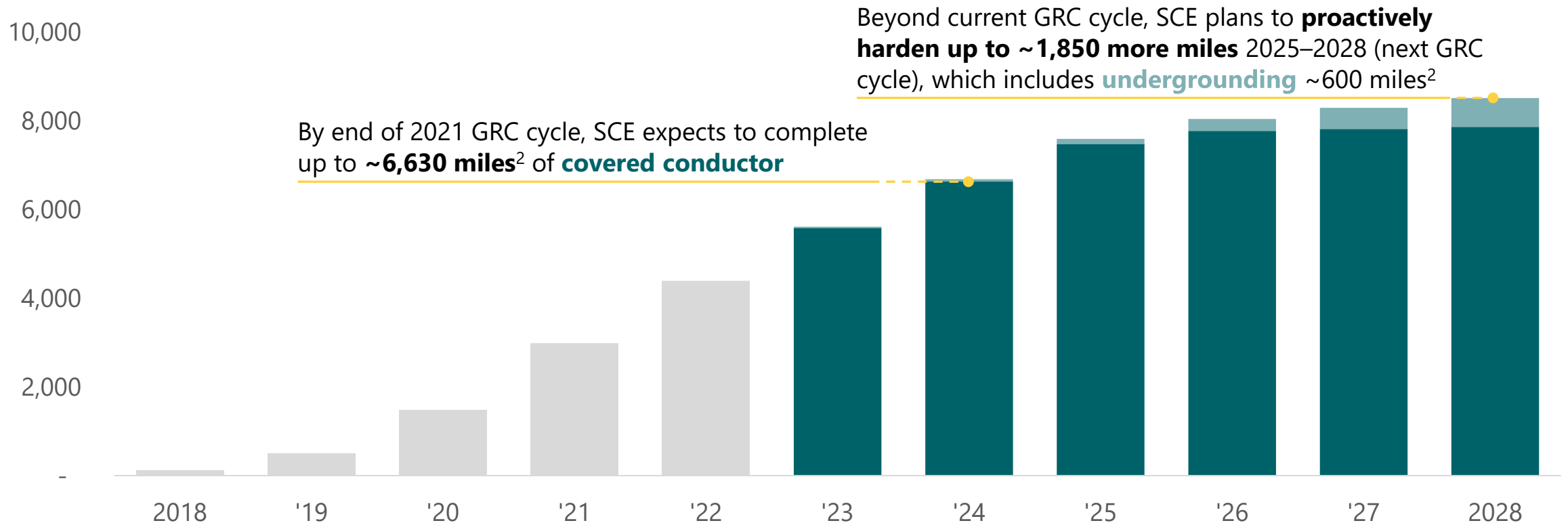


1. Up to 1,200 miles targeted for 2023. Approximately 846 miles completed year-to-date as of September 30, 2023

# Substantial progress in grid hardening — ~58% of overhead bare wire in SCE's HFRA to be covered by end of 2023

## Prioritizing riskier segments first, SCE expects to harden up to ~8,530 circuit miles of overhead distribution lines in HFRA by end of 2028

Circuit miles of hardened overhead distribution infrastructure<sup>1</sup>



1. Refers to circuit miles of overhead distribution infrastructure in SCE's high fire risk areas (HFRA)  
 2. Subject to regulatory approval. SCE has requested funding for 2025–2028 in its 2025 GRC

# SCE estimates its wildfire mitigation and PSPS have reduced probability of losses from catastrophic wildfires by ~85%<sup>1,2</sup>

## SCE expects to further reduce risk and decrease need for PSPS with continued grid hardening

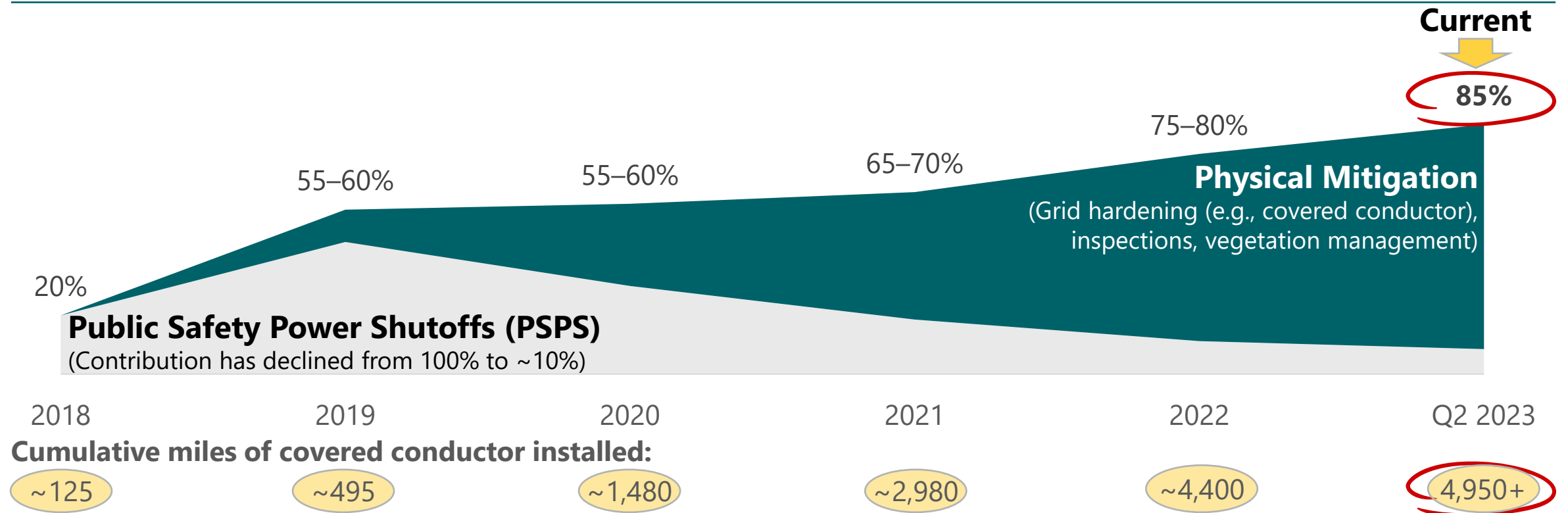
	Pre-2018 <sup>4</sup>	Q2 2023	Estimated Risk Reduction	PSPS Contribution
Annual Risk of ≥\$1.0 billion loss <sup>3</sup>	~5.2%	~0.8%	~85% reduction in estimated probability of accessing the Wildfire Fund	Decreasing dependency on PSPS ~10% of total risk reduction
Risk of ≥\$3.5 billion drawn from Fund over 3 years <sup>3</sup>	~2.9%	~0.4%	~85% reduction in estimated probability of exceeding AB 1054 liability cap	vs. ~15% as of Q4 2022 <sup>4</sup>

1. Baseline risk estimated by Risk Management Solutions, Inc. (Moody's RMS) using its wildfire model, relying on the following data provided by SCE: the location of SCE's assets, CPUC reportable ignitions from 2014–2022, mitigation effectiveness and locations of installed covered conductor, tree removals, inspections, line clearing, fast curve settings, and PSPS de-energization criteria
2. There are risks inherent in the simulation analysis, models and predictions of SCE and Moody's RMS relating to the likelihood of and damage due to wildfires and climate change. As with any simulation analysis or model related to physical systems, particularly those with lower frequencies of occurrence and potentially high severity outcomes, the actual losses from catastrophic wildfire events may differ from the results of the simulation analysis and models of Moody's RMS and SCE. Range may vary for other loss thresholds
3. Includes (i) total potential insured losses estimated by Moody's RMS, and (ii) total potential uninsured losses estimated by SCE based on management experience and consultation with insurance industry experts. "Fund" refers to CA AB 1054 Wildfire Insurance Fund. SCE used Moody's RMS loss estimates along with its estimates of uninsured losses to quantify the reductions in estimated probability
4. Moody's RMS's prior method of analysis regarding wildfire risk on the wildfire models has been updated at SCE's request to incorporate Moody's RMS's newly available climate change models, leading to adjustments to pre-2018 probabilities and in quantifying the current probabilities

# Covered conductor deployment has reduced SCE's use of PSPS for lowering wildfire risk

## SCE's wildfire risk mitigation is differentiated by its speed of hardening its infrastructure

Estimated reduction in probability of losses from catastrophic wildfires compared to pre-2018 levels<sup>1,2,3</sup>



1. Baseline risk estimated by Risk Management Solutions, Inc. (Moody's RMS) using its wildfire model, relying on the following data provided by SCE: the location of SCE's assets, reported ignitions from 2014–2022, mitigation effectiveness and locations of installed covered conductor, tree removals, inspections, line clearing, fast curve settings, and PSPS de-energization criteria.
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3. PSPS and System Hardening Values are estimated by SCE based on operational experience in 2018–2020 compared to the subsequent modeled years.

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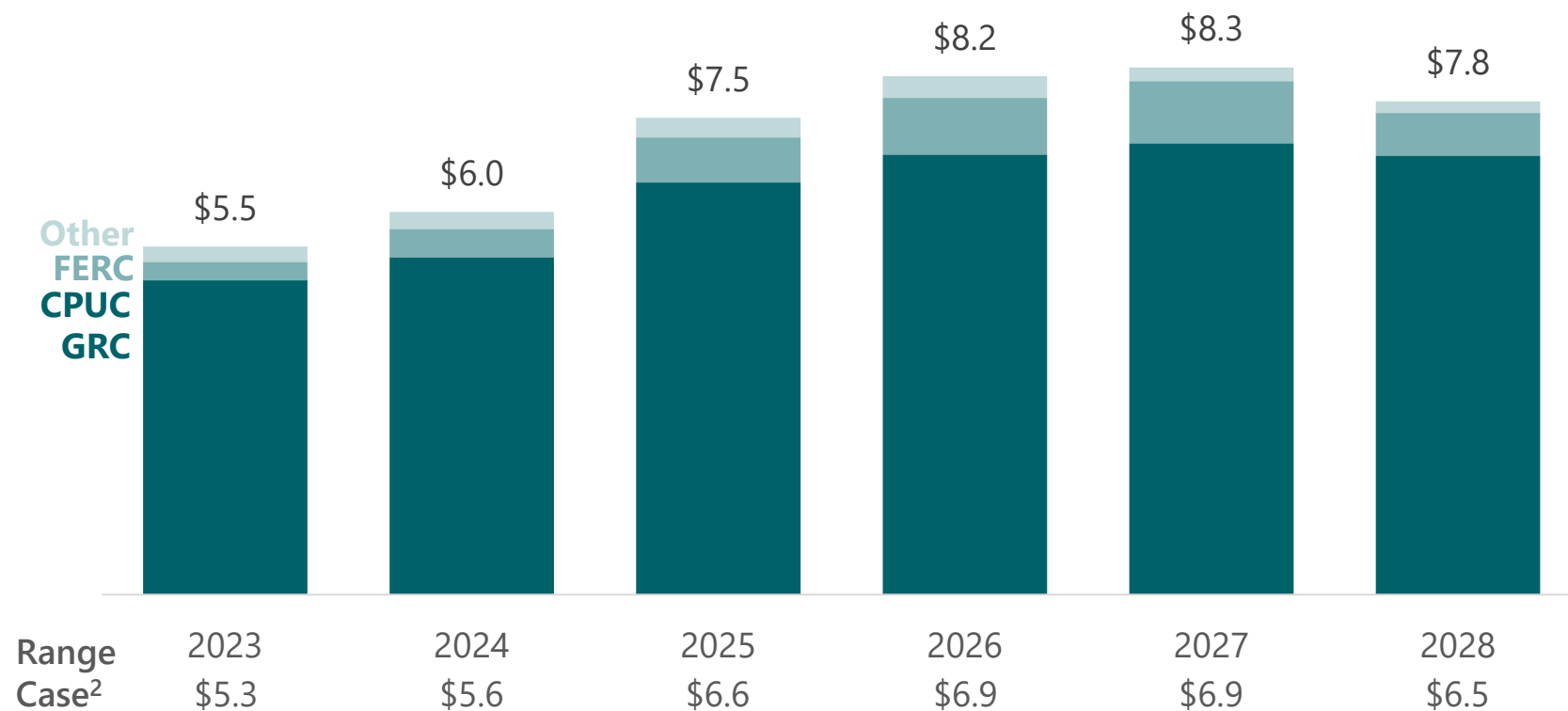
# FINANCIAL INFORMATION



# GRC underpins ~\$38–43 billion 2023–2028 capex forecast; substantial additional investment opportunities offer upside

## Capital deployment expected to increase in 2025–2028<sup>1</sup>

Capital Expenditures, \$ in Billions



### Forecast does not include substantial additional capital deployment opportunities

1. NextGen ERP
  2. Advanced Metering Infrastructure (AMI) 2.0
  3. Other potential investments in the grid supporting reliability, resilience, and readiness
  4. FERC transmission
- \$2bn+ (for items 2, 3, and 4)  
\$2bn+ (for item 4)

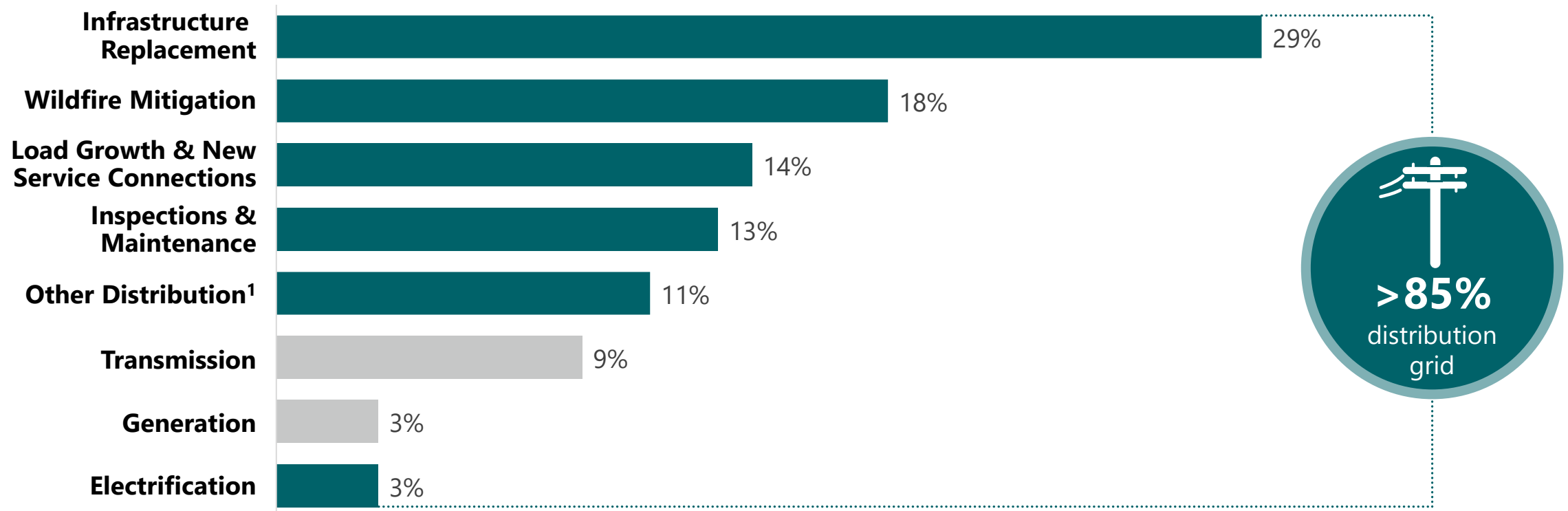
1. Forecast for 2024 reflects settlement of track 4 of SCE's 2021 GRC. Forecast for 2025 includes amounts requested in SCE's 2025 GRC filing. Additionally, reflects non-GRC spending subject to future regulatory requests beyond GRC proceedings and FERC Formula Rate updates  
2. Annual Range Case capital reflects variability associated with future requests based on management judgment, potential for permitting delays and other operational considerations

# Over 85% of SCE’s capital investments are in its distribution grid and essential to reliability, resiliency, and readiness objectives

## SCE forecasts investing \$38–43 billion from 2023 to 2028 to support SCE’s wildfire mitigation strategy and clean energy transformation in California

Percentage of 2023–2028 capital plan

● Distribution ● Non-distribution

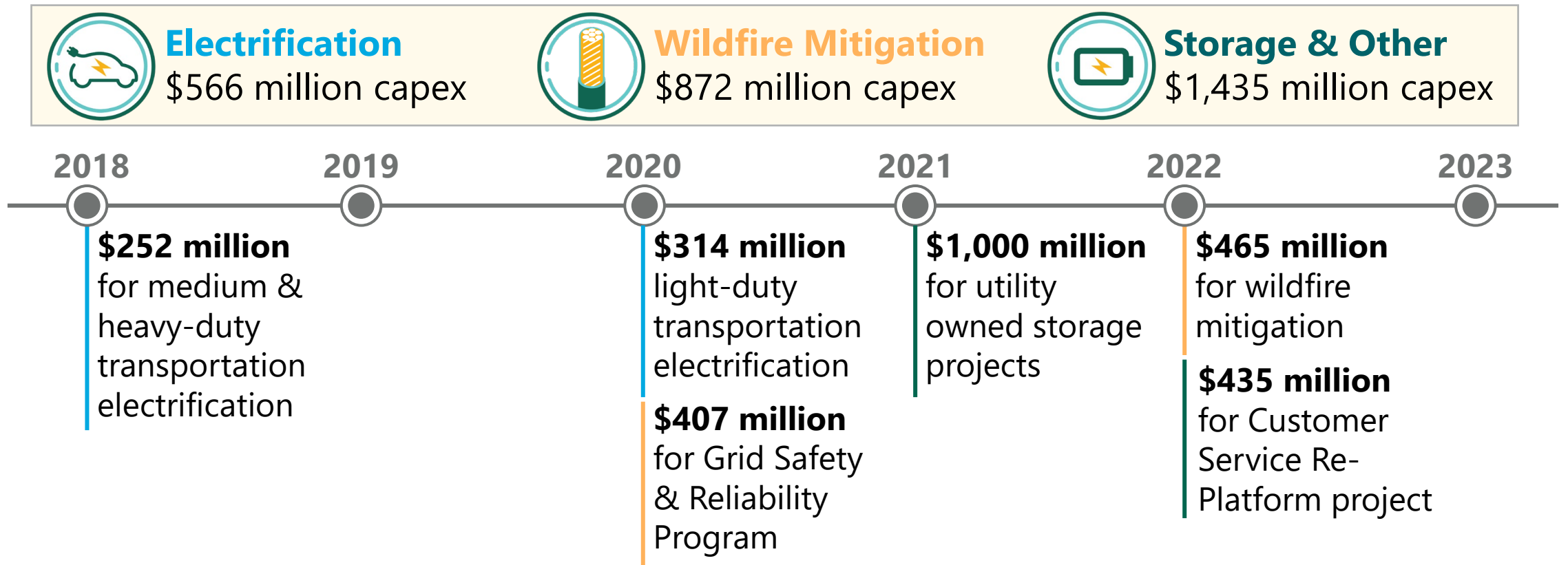


1. Includes utility-owned storage

# SCE has obtained approvals of standalone applications for ~\$3 billion of capex over past two rate case cycles

## Standalone application approvals of incremental capital spending during 2018 and 2021 GRC cycles

Only capital expenditure components of CPUC decisions shown below

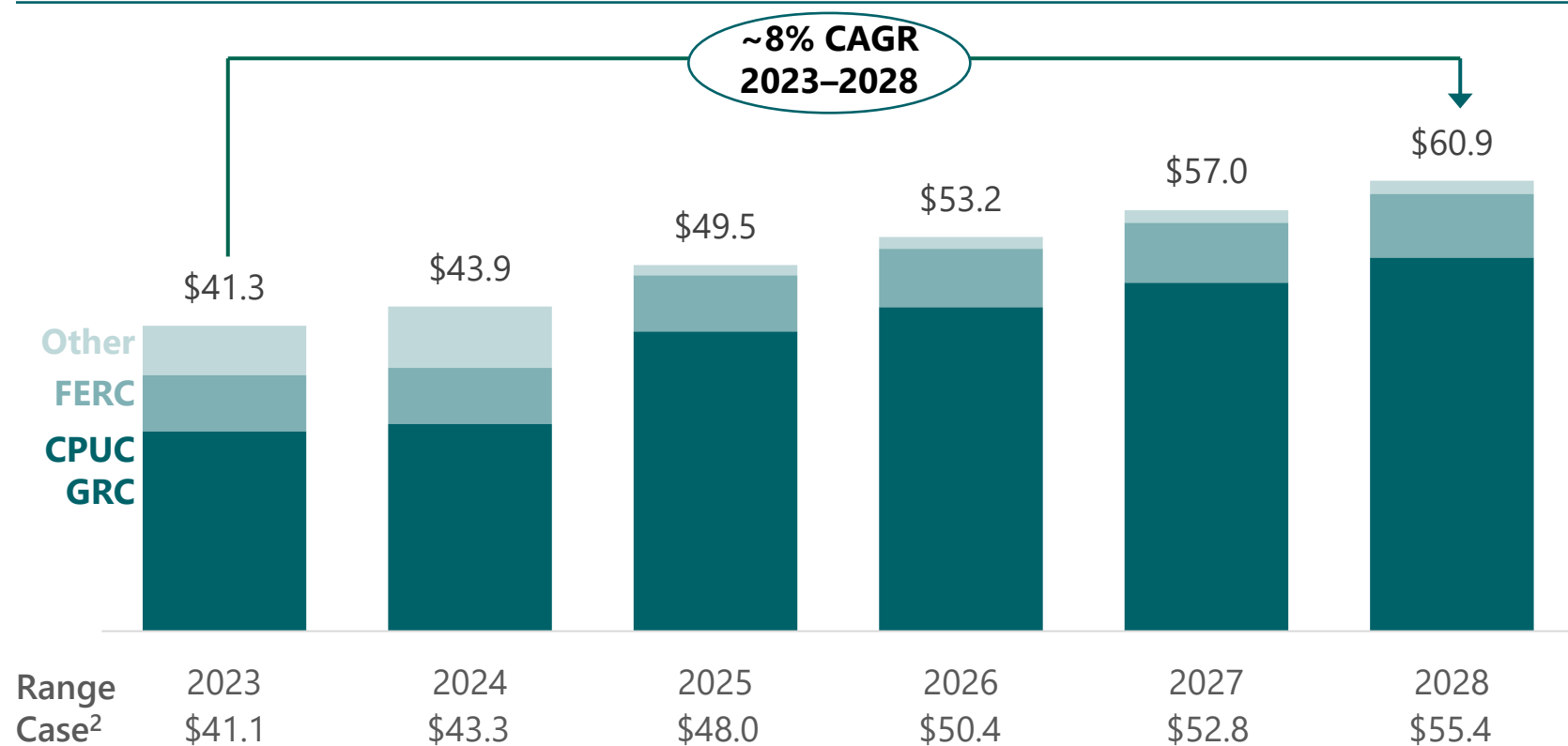




# GRC request supports ~6–8% rate base growth 2023–2028; substantial additional investment opportunities offer upside

**Strong rate base growth driven by wildfire mitigation and important grid work to support California's leading role in clean energy transition**

Rate Base<sup>1</sup>, \$ in Billions



1. Weighted-average year basis

2. Range Case rate base reflects only changes in forecast capital expenditures

**Forecast does not include substantial additional capital deployment opportunities**

1. NextGen ERP
  2. Advanced Metering Infrastructure (AMI) 2.0
  3. Other potential investments in the grid supporting reliability, resilience, and readiness
  4. FERC transmission
- \$2bn+ (for items 1-3)  
\$2bn+ (for item 4)

# SCE's long-term growth drivers highly aligned with California's public policy goals

**Safe, Reliable, and Affordable Electricity Service**

**&**

**Decarbonization of California**



**Infrastructure Replacement**



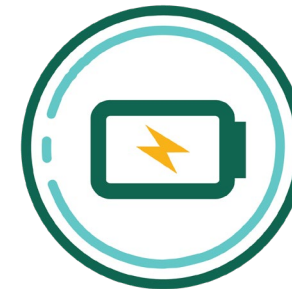
**Wildfire Mitigation**



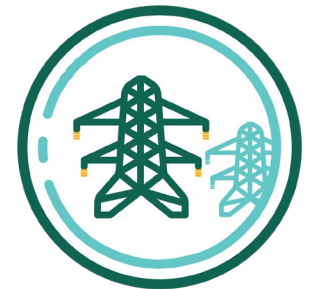
**Grid Modernization**



**Electrification**



**Energy Storage**



**Transmission**

# Cash flow from memo account recovery and securitization strengthens our balance sheet and credit metrics

## GRC, Wildfire-related, and Wildfire Insurance Applications

\$ in Millions

### Approved Applications

Application / Account	Balance @ Sept. 30	Recovery Through	Remaining Rate Recovery by Year		
			Q4 2023	2024	2025
✓ GRC Track 3	267	Sept. '25	33	134	100
✓ CSRP Track 1	239	Dec. '25	50	87	102
✓ GRC Track 2	190	Feb. '25	34	134	22
✓ WEMA2	138	May '24	52	86	–
✓ Others <sup>1</sup>	138	Varies	37	82	19
✓ GRC Track 1 (Jan.–Sept. 2021 Balance)	80	Dec. '23	80	–	–
<b>Total</b>	<b>1,052</b>		<b>285</b>	<b>523</b>	<b>244</b>

### Pending Applications<sup>2</sup> (Subject to CPUC Authorization)

Application	Request <sup>2</sup>	Expected Amort. <sup>2</sup>	Expected Rate Recovery by Year		
			Q4 2023	2024	2025
2022 Wildfire Mitigation & Vegetation Mgmt. (WM/VM)	384	12 months	–	–	384
2021 Wildfire Mitigation & Vegetation Mgmt. (WM/VM)	327	12 months	–	273	55
2022 CEMA <sup>3</sup>	198	12 months	–	198	–
2021 CEMA <sup>3</sup>	132	12 months	–	132	–
<b>Total</b>	<b>1,041</b>		<b>–</b>	<b>603</b>	<b>438</b>

1. Includes 2020-2022 Residential Uncollectibles, CSRP Track 2, and Vegetation Management Z-Factor

2. Pending Applications reflects applications already submitted to the CPUC. Additional CEMA applications will be made for other events. Requested revenue requirement shown. Amounts and amortization subject to CPUC approval

3. Reflects request at the time of the application. SCE continues to record capital-related revenue requirements and interest in CEMA that would also be authorized upon commission approval

Note: Numbers may not add due to rounding

# In August, SCE filed first 2017/2018 cost recovery application (\$2.4Bn), proposing CPUC decision in early 2025

## 3Q Update: Best estimate adjusted by \$475MM

Driven by settlements being resolved at higher levels than originally estimated and assuming trend continues; and have more refined information about claim types

## Application for TKM events in progress<sup>1</sup>

Request:

- \$2.4 billion (settlements + financing and legal costs)
- Securitization of approved amounts
  - TKM Application: ~\$1.50/month for average residential customer bill (vs. current average residential bill of ~\$175)
  - System average rate sensitivity: *Less than* half a penny per kWh for each \$1 billion of recovery (vs. current system average rate of 26.5¢/kWh)

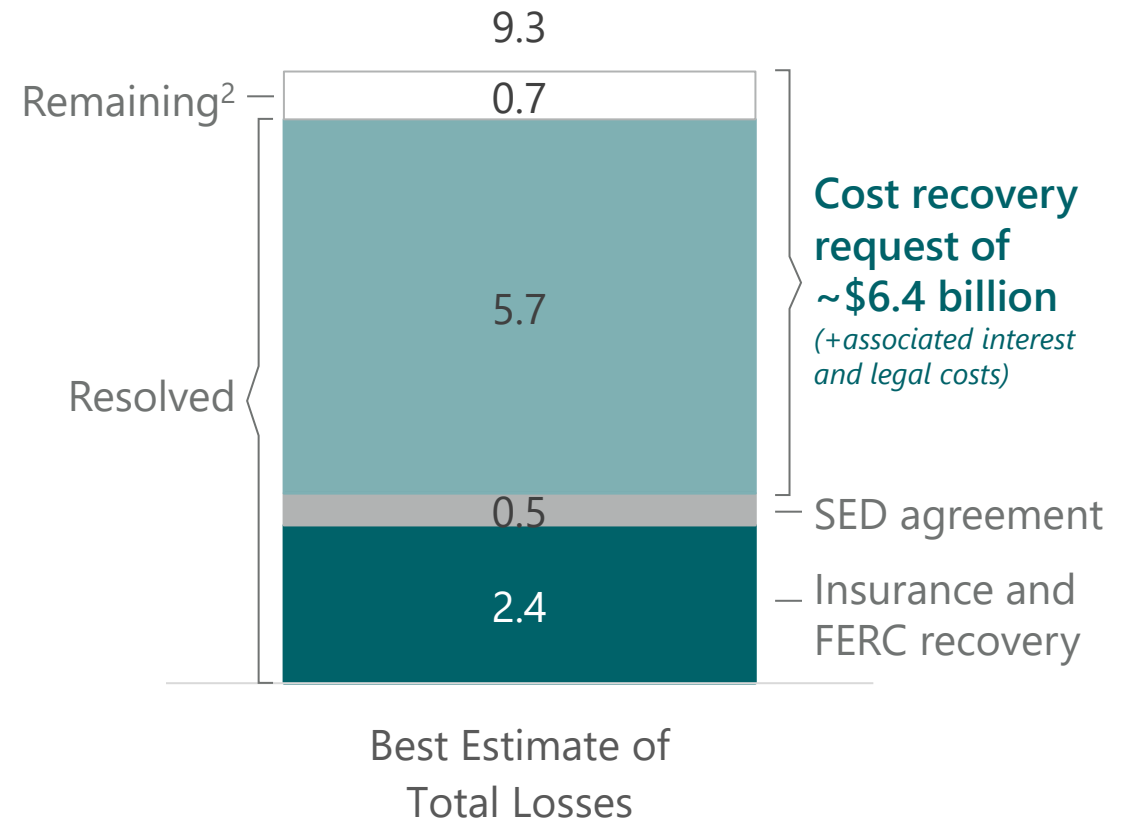
Separate application for Woolsey

1. TKM: Collectively, the Thomas Fire, the Koenigstein Fire, and the Montecito Mudslides

2. After giving effect to all payment obligations under settlements entered into through September 30, 2023, including under the agreement with the Safety and Enforcement Division of the CPUC

## Substantial progress resolving claims

\$ in Billions, as of September 30, 2023



# Cost recovery for 2017/2018 events benefits financial strength of the utility and reduces costs for customers

*Modeling sensitivities:*  
**For each \$1 billion of cost recovery...**



**Debt paydown** **\$1 billion**  
 with proceeds of securitization<sup>2</sup>

**Higher FFO-to-Debt** **~40–50 bps**

**Reduced interest expense** **~\$35 million**  
**(~9¢/share)**

**Reduces overall costs to customers<sup>2</sup>**



**Total potential avoided excess financing costs<sup>3</sup>** **As high as \$4.9 billion**  
 for SCE debt issued over next 10 years

1. SCE's pending application seeks a reasonableness review of the costs incurred and indicates an intent to seek authority for securitization after a final decision on cost recovery

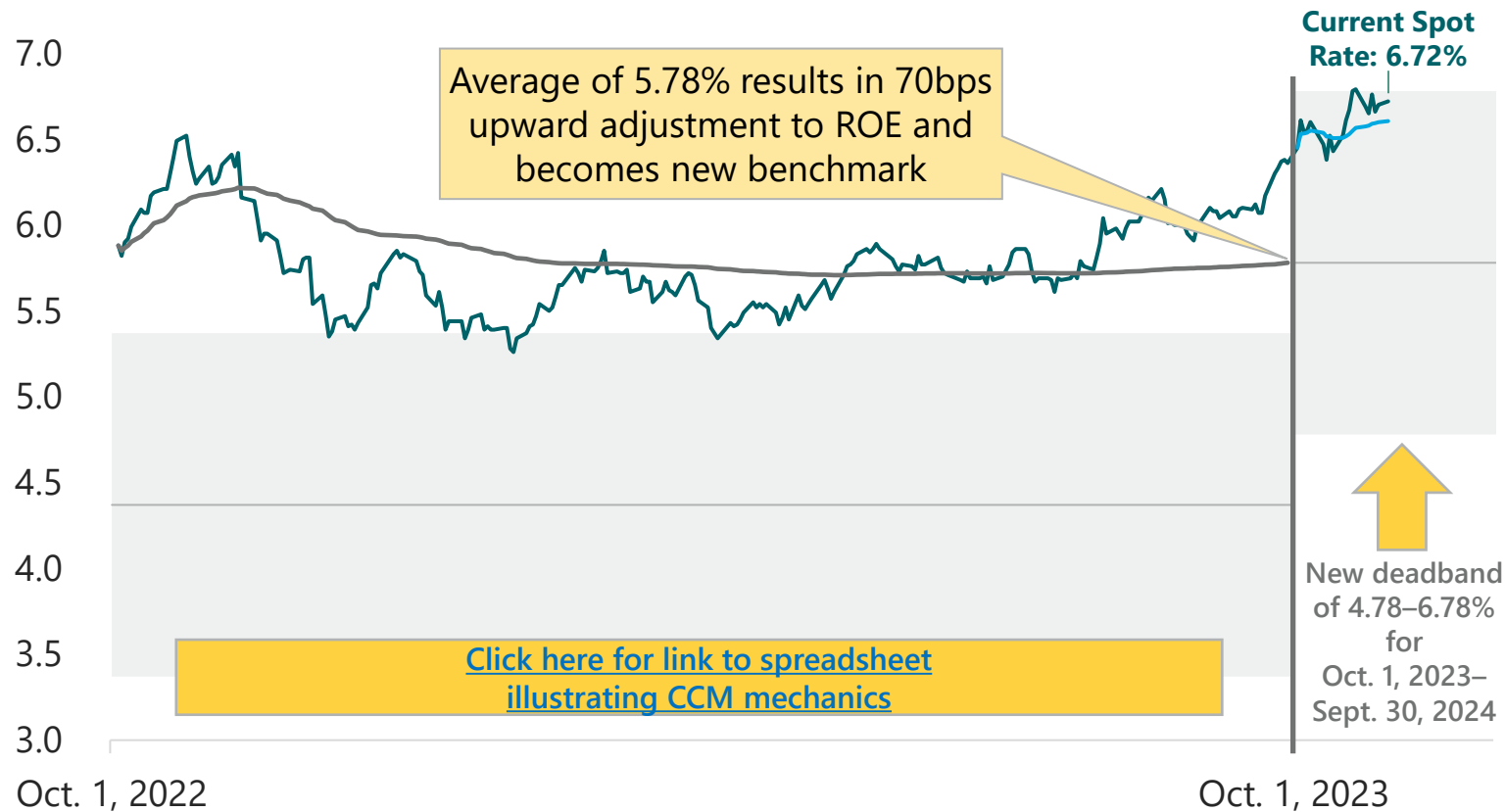
2. Bill impact of \$0.63/month for each \$1 billion of recovery, with no impact to low-income customers. This will be offset by avoided excess financing costs for all customers

3. Represents the high end of the total estimated avoided excess debt costs realized through the narrowing of the debt issuance financing cost spread between SCE and its non-California peers if investors find the decision in this proceeding to be reasonable based on the underlying facts. For additional description and detail, see Thomas Fire and Debris Flow Cost Recovery Application – Financial Policy Testimony (SCE-01, Volume 3)

# CPUC cost of capital mechanism adjusts ROE for 2024 and 2025 upward to 10.75%; also resets costs of debt and preferred

## CPUC Cost of Capital Adjustment Mechanism (CCM)

Moody's Baa Utility Bond Index Rate (%), as of October 30, 2023



Advice letter to implement 70 bps upward adjustment filed October 13 for rates effective January 1, 2024

- New deadband becomes  $\pm 100\text{bps}$  around 5.78%

Next Steps:

- Intervenors may file protests by November 2
- CPUC Energy Division can approve advice letter or refer to full CPUC for approval

# EIX and SCE committed to investment grade credit ratings

## Long-term Issuer Rating and Outlook

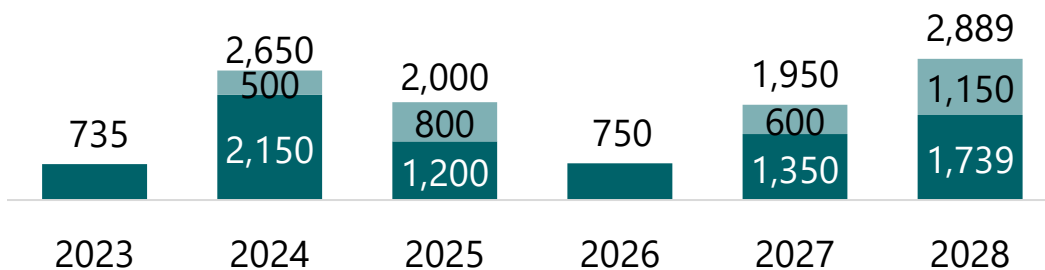
As of November 1, 2023

	SCE	EIX
<b>Moody's</b>	<b>Baa1</b> Stable	<b>Baa2</b> Stable
<b>S&amp;P</b>	<b>BBB</b> Stable	<b>BBB</b> Stable
<b>Fitch</b>	<b>BBB</b> Stable	<b>BBB</b> Stable

## Long-term Debt Maturities<sup>1</sup>

\$ in Millions, as of September 30, 2023

● EIX Parent ● SCE



1. Excludes amortization of securitized bonds related to SCE's AB 1054 Excluded Capital Expenditures, short-term debt

2. As of September 30, 2023, ~\$1.2 billion at EIX Parent & Other (cash on hand of \$129 million and available credit facility of ~\$1.1 billion) and ~\$2.8 billion at SCE (cash on hand of \$317 million and available credit facility of ~\$2.5 billion)

EIX and SCE **upgraded one notch by Moody's** in February and **upgraded one notch by Fitch in April**, reflecting decline in wildfire risk facing SCE

Investment grade ratings at SCE and EIX, targeting EIX long-term FFO-to-Debt ratio of 15–17%

Total liquidity of ~\$4 billion<sup>2</sup>

Manageable long-term debt maturities

Credit strengths include:

- Stable, regulated T&D operations
- Extensive cost recovery mechanisms
- Credit supportive measures under AB 1054
- Wildfire mitigation investments

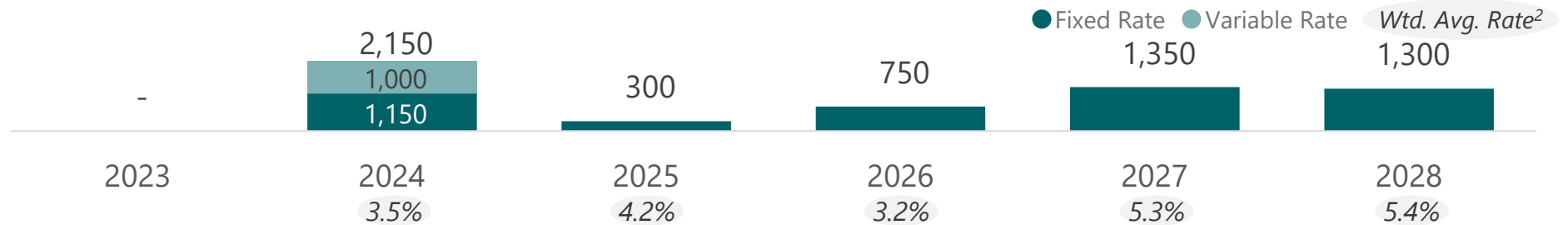
# EIX & SCE have limited variable-rate exposure

## Approximately \$11 billion of the total ~\$31 billion long-term debt portfolio matures through 2028<sup>1</sup>

Outstanding Short- and Long-Term Debt Maturities (2023–2028)<sup>1</sup> as of September 30, 2023, \$ in Millions

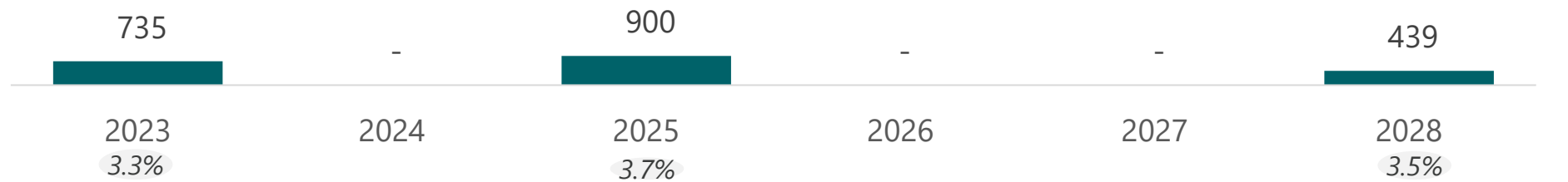
### SCE Wildfire

Interest expense will be included in cost recovery applications

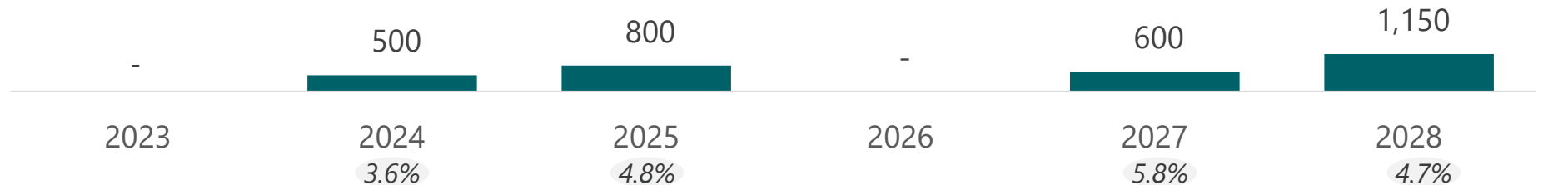


### SCE Operational

Minimal exposure based on authorized cost of capital



### EIX Parent



1. Does not include commercial paper or amortization of secured recovery bonds issued by SCE Recovery Funding LLC. The chart shows the 2023 mandatory purchase of \$135 million of tax-exempt bonds as a maturity in 2023

2. For variable rate debt, based on effective rates as of September 30, 2023



# EIX reaffirms 2023 core EPS guidance of \$4.55–4.85

## EIX 2023 Core Earnings Per Share Guidance Range

Building from SCE Rate Base EPS

	2023 YTD	2023 Guidance
<b>Rate Base EPS</b>	4.13	5.58
<b>SCE Operational Variances</b>	0.49	0.58–0.75
<b>SCE Costs Excluded from Authorized</b>	(0.50)	(0.74)–(0.73)
<b>EIX Parent and Other</b>		
Operational expense	(0.08)	(0.12)–(0.11)
Interest expense, preferred dividends (incl. dilution)	(0.56)	(0.75)–(0.64)
<b>EIX Consolidated Core EPS</b>	<b>\$3.48</b>	<b>\$4.55–4.85</b>
<i>Share Count (in millions)<sup>2</sup></i>	383.0	382.2

## Rate Base

	CPUC	FERC
Rate Base (\$Bn)	\$33.7	\$7.6
Equity Ratio	52.00%	47.50%
ROE	10.05%	10.30%
EPS	\$4.61	\$0.97

## Modeling Considerations

AFUDC	0.43
2022 CEMA decision true-up	0.14
Wildfire fund debt cost	(0.09)
Wildfire claims debt cost <sup>1</sup> <i>(to be requested for recovery)</i>	(0.45)
Exec. compensation not in rates	(0.20)

1. SCE is unable to conclude, at this time, that these amounts are probable of recovery; however, recovery will be sought as part of future cost recovery applications

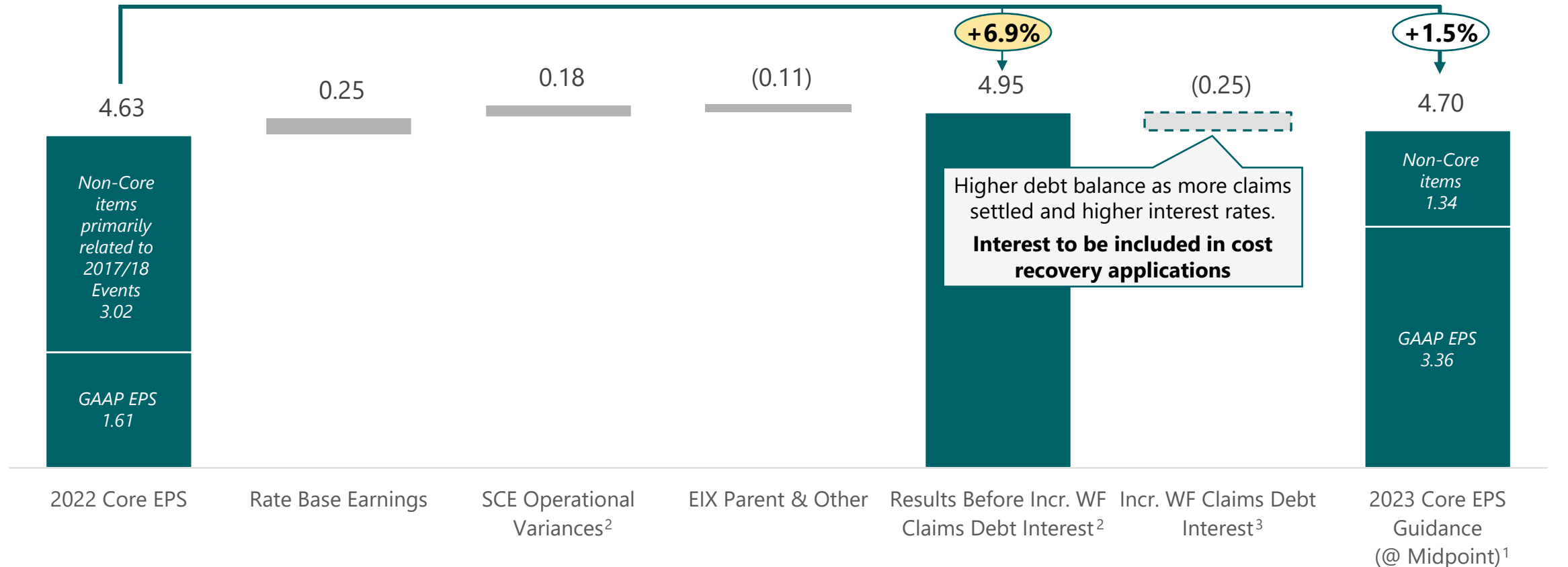
2. 2023 guidance share count reflects shares outstanding as of Dec. 31, 2022. Dilution from shares issued during 2023 are reflected in EIX Parent and Other. 2023 YTD results based on weighted average share count in Q3 2023

Note: See Earnings Per Share Non-GAAP Reconciliations and Use of Non-GAAP Financial Measures in Appendix. All tax-effected information on this slide is based on our current combined statutory tax rate of approximately 28%. Totals may not add due to rounding

# Gap between 2023 rate base and core EPS growth largely driven by interest on debt for wildfire claims payments<sup>1</sup>

## Earnings from strong 7% 2023 rate base growth offset by higher interest expense

2022 Core EPS vs. 2023 Core EPS Guidance at Midpoint of \$4.55–4.85 Range<sup>1</sup>



1. See Earnings Per Share Non-GAAP Reconciliations and Use of Non-GAAP Financial Measures in Appendix. Non-core items are presented as recorded

2. Includes SCE Operational variances plus interest expense on wildfire fund contribution debt and executive compensation not in rates. Excludes incremental interest expense on debt funding wildfire claims payments

3. Variance reflects 2022 expense of 8¢ related to financing of unmonetized tax benefits associated with wildfire claims payments previously categorized as an SCE Operational Variance

# Significant portion of EIX 2023 financing plan accomplished, with strong investor support for offerings

## EIX 2023 Debt Maturities

\$ in Millions

**\$1,400**

\$400 term loan due November	✓
\$600 term loan due April	✓
\$400 2.95% senior notes due March	✓

## EIX 2023 Financing Plan Status<sup>1</sup>

As of September 30, 2023

- ✓ Expect to issue securities with \$300–400 million of equity content:
  - ✓ In March, issued \$500 million of junior subordinated notes (\$250 million equity content<sup>2</sup>)
  - ✓ Expect to generate ~\$100 million common equity via internal programs (\$74 million complete YTD)
- ✓ Expect to issue parent debt for remainder
  - ✓ In May, issued \$600 million of senior unsecured debt @5.25%
- Up to \$750 million tender offer for outstanding preferred equity; equity content of repurchased securities to be replaced through an equity content financing (e.g., junior subordinated notes)

1. Financing plans are subject to change  
2. Equity content based on S&P methodology

# EIX has a strong track record of meeting or exceeding EPS guidance and growing dividend

## Core EPS Guidance Performance

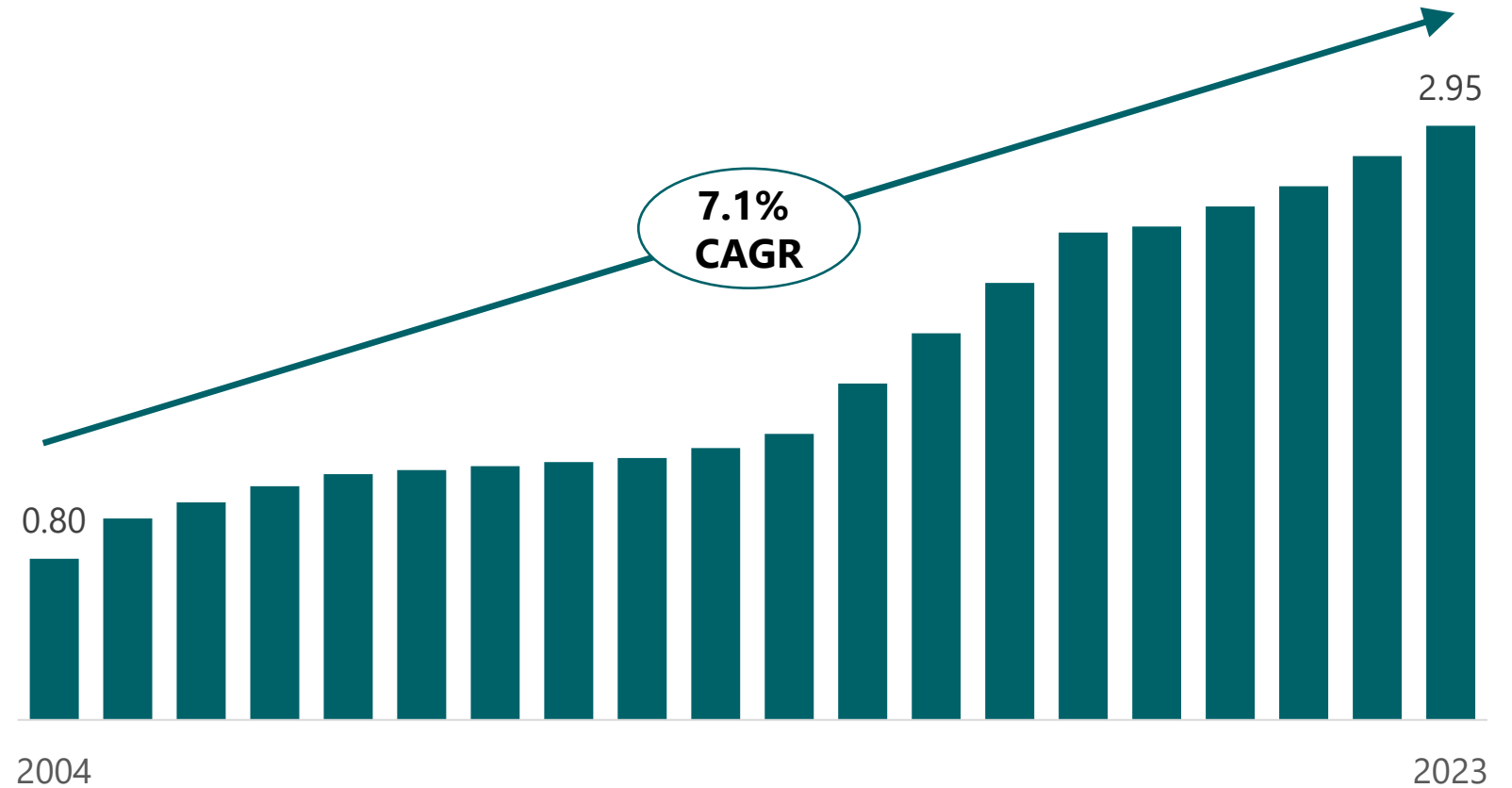
Core EPS Relative to Guidance Range

2004	Exceeded
2005	Exceeded
2006	Exceeded
2007	Exceeded
2008	In-line
2009	Exceeded
2010	In-line
2011	Exceeded
2012	N/A <sup>1</sup>
2013	Exceeded
2014	Exceeded
2015	Exceeded
2016	In-line
2017	Exceeded
2018	N/A <sup>1</sup>
2019	In-line
2020	In-line
2021	Exceeded
2022	In-line

1. EPS guidance was not provided in 2012 or 2018 because of the timing of final decisions in SCE's 2012 and 2018 General Rate Cases, respectively  
2. 2023 dividend annualized based on dividend declaration on December 8, 2022

## EIX has 19 consecutive years of dividend growth<sup>2</sup>

Dividends per Share (in Dollars)



# SCE's operational excellence efforts are producing O&M savings for its customers

**~\$160  
million  
annually**

## **Insurance:** Wildfire Self-Insurance Program

- Expanded use of customer funded self-insurance in place since 2021
- Approved by CPUC; effective July 2023
- Potential for greater long-term savings

**~\$55  
million  
Over GRC  
cycle<sup>1</sup>**

## **Work Planning:** Transformed Inspection Process

- ~216,000 HFRA structures inspected every year
- Combined ground and aerial inspections into single 360° inspection
- Reduces drive time, benefits safety, and improves quality

**~\$50  
million  
Over GRC  
cycle<sup>1</sup>**

## **Procurement:** Finding Ways to Buy Better

- Reevaluated healthcare benefit providers
- Switched vendors while maintaining level of employee benefits and service

1. Cumulative over 2025–2028

# EIX reaffirms 5–7% 2021–2025 EPS growth rate target, which would result in 2025 EPS of \$5.50–5.90<sup>1</sup>

## Pursuing opportunities to deliver 5–7% growth rate<sup>1</sup>

2025 Core Earnings per Share Component Ranges<sup>2</sup>

Component	Modeling Considerations
<b>Rate Base EPS</b> <i>(based on capex levels)</i> 6.50–6.75	<ul style="list-style-type: none"> <li>• CPUC ROE of 10.05% and FERC ROE 10.30%</li> <li>• Does not include upside from implementation of Cost of Capital Mechanism increasing CPUC ROE by 70bps (~\$0.39)</li> </ul>
<b>SCE Op. Variances</b> 0.65–0.75	<ul style="list-style-type: none"> <li>• Includes AFUDC of ~\$0.30 to \$0.35, regulatory applications, operational efficiencies, among other items</li> </ul>
<b>SCE Costs Excluded from Authorized</b> (0.70)–(0.65)	<ul style="list-style-type: none"> <li>• Primarily wildfire claims payment-related debt</li> <li>• Current interest rate assumption of 5.3% (sensitivity: ~1¢ EPS per ±20bps change)</li> </ul>
<b>EIX Parent &amp; Other</b> <i>(including dilution)</i> (0.80)–(0.95)	<ul style="list-style-type: none"> <li>• Current interest rate assumption of 6.1% (sensitivity: ~1¢ EPS per ±20bps change)</li> </ul>

1. Based on the midpoint of initial 2021 Core EPS guidance range of \$4.42–4.62 established September 16, 2021. Growth in any given year can be outside the range

2. Components are rounded to the nearest 5 cents and based on EIX 2022 guidance share count of 381.4 million shares. For purposes of this illustration, all costs and dilution associated with any equity content issued beyond 2022 are reflected in EIX Parent and Other. Actual financing activity may vary and is subject to change

# EIX expects 5–7% core EPS growth for 2025–2028<sup>1</sup>, with minimal equity needs

1

Core driver for earnings trajectory is SCE's strong rate base growth, driven by investing in the reliability, resilience, and readiness of the grid

2

2025–2028 core EPS growth achievable at current ROEs and projected interest rates

3

Stabilization of variables by 2025 allows for simplified growth story; opportunity to efficiently manage operational and financing costs to drive growth

4

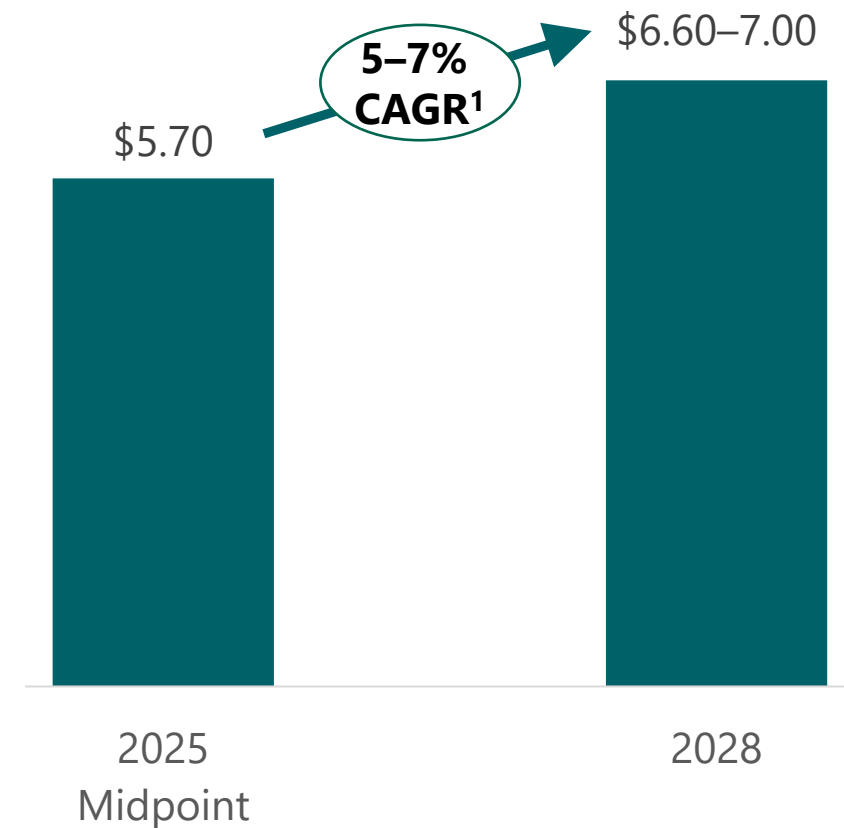
For 2025 through 2028, we expect equity needs fulfilled using internal programs: ~\$100 million/year

5

EPS guidance does not incorporate potential cost recovery for 2017/2018 Wildfire/Mudslide Events

## Achievable EPS growth for 2028

Core Earnings per Share Guidance<sup>1</sup>



1. For 2025, represents the midpoint of the 2025 core EPS guidance range for \$5.50–5.90

# Key 2028 Earnings Sensitivities

	Variable	Sensitivity <i>("Per year" amounts refer to 2025–2028)</i>	2028 EPS <sup>1</sup>
<b>Capex &amp; Rate Base</b>	Rate Base	\$100 million/year of capex	5¢
	AFUDC <i>(~45¢/share)</i>	Annual capex of \$200 million	1¢
	Requested ~\$400 million increase in depreciation in 2025 GRC	If requested increase not authorized	+15–35¢ <i>(on range case)</i>
<b>Rates &amp; Financing</b>	CPUC ROE <i>(Currently 10.05%)</i>	10 bps	7¢ <sup>2</sup>
	FERC ROE <i>(Currently 10.30%)</i>	10 bps	1¢ <sup>2</sup>
	Wildfire Debt Rate <i>(4.6% weighted average portfolio)</i>	20 bps	2¢
	EIX Parent Debt Rate <i>(5.0% weighted average portfolio)</i>	20 bps	2¢
	Equity <i>(~\$100 million/year 2025–2028)</i>	For each \$10 million/year reduction	+1¢

1. Assumes ~390 million shares outstanding for 2028

2. Based on a CPUC / FERC rate base mix of 86% CPUC / 14% FERC and current authorized capital structures



# EIX offers double-digit total return potential

**5–7% core EPS CAGR<sup>1</sup>  
2021–2025 and 2025–2028**

Underpinned by strong rate base growth of ~6–8%  
\$38–43 billion 2023–2028 capital program

**~4%  
current dividend yield<sup>2</sup>**

19 consecutive years of dividend growth  
Target dividend payout of 45–55% of SCE core earnings

**Investments in safety and  
reliability of the grid**

Wildfire mitigation execution reduces risk for customers  
Creates strong foundation for climate adaptation and the clean energy transition

**One of the strongest electrification  
profiles in the industry**

Industry-leading programs for transportation electrification and  
building electrification<sup>3</sup>  
Potential for 35% load growth by 2035 and 80% by 2045

**9–11% total return opportunity<sup>4</sup> before potential P/E multiple expansion driven by estimated 85%  
wildfire risk reduction<sup>5</sup>, and ongoing utility and government wildfire mitigation efforts**

1. Compound annual growth rate (CAGR) based on the midpoint of the 2021 Core EPS guidance range of \$4.42–4.62 established on September 16, 2021; CAGR for 2025–2028 based on the midpoint of 2025 Core EPS guidance range of \$5.50–5.90  
2. Based on EIX stock price on October 31, 2023  
3. Building electrification programs subject to CPUC approval  
4. At current P/E multiple. Excludes changes in P/E multiple and potential dividend growth  
5. Risk reduction based on mitigations through June 30, 2023

# APPENDIX



# Edison Energy enables organizations to address key industry challenges



**Partners with market leaders to deliver on their strategic, financial, and sustainability goals by addressing carbon, cost, complex choices, and creating energy justice across communities**

**Provide independent, expert advice and services**

Using an integrated approach to design and implement strategic energy roadmaps for clients to achieve the right sustainability, performance, and cost outcomes for their organizations

**Deliver comprehensive data-driven portfolio solutions**

Provides individualized strategies across sustainability, renewables, energy optimization, energy supply, transportation electrification, and analytics

**Serve large-scale, global customer base**

Clients include 48 of the Fortune 500

Offices in North America and Europe — serving customers in 30+ countries globally

Helped customers execute renewable energy agreements totaling 1.5 GW in 2022, bringing total offsite procurement to 11.2+ GW

**Provide insights for clean energy efforts**

Supports Edison International's clean energy, electrification, and sustainability efforts

# SCE Key Regulatory Proceedings

	Proceeding	Description	Next Steps
<b>Base Rates</b>	<b>2021 GRC Track 4</b> (A.19-08-013)	Set CPUC base revenue requirement for third attrition year (2024)	<i>Settlement agreement filed with CPUC pending approval</i>
	<b>2025 GRC</b> (A.23-05-010)	Sets CPUC base revenue requirement for 2025–2028. <a href="#">For more information, see the Investor Guide to SCE's 2025 GRC</a>	<i>Intervenors' prepared direct testimony due February 2024</i>
<b>Wildfire</b>	<b>2021 Wildfire Mitigation &amp; Vegetation Management</b> (A.22-06-003)	Requesting approval of ~\$327MM of rev. req. for incremental 2021 wildfire mitigation capex and O&M, and incremental 2021 veg. management O&M	<i>PD scheduled for Dec '23 / Jan '24</i>
	<b>2022 Wildfire Mitigation &amp; Vegetation Management</b> (A.23-10-001)	Requesting approval of ~\$383MM of rev. req. for incremental 2022 wildfire mitigation capex and O&M, and incremental 2022 veg. management O&M; also requested interim rate recovery beginning Mar '24	<i>Protests and responses and reply to protests and responses due in November</i>
	<b>2021 CEMA</b> (A.21-09-019)	Request recovery of costs associated with various events 2018–2020. \$9MM capital, \$127MM O&M; Rev. Req.: \$132MM	<i>Comments on proposed decision due Nov. 20. Scheduled to be voted on at Nov. 30 CPUC mtg.</i>
	<b>2022 CEMA</b> (A.22-03-018)	Request recovery of costs assoc. with 2019 winter storms and 2020 firestorms. \$312MM capital, \$207MM O&M; Rev. Req.: \$198MM	<i>Awaiting proposed decision</i>
	<b>TKM Cost Recovery</b> (A.23-08-013)	Request recovery of \$2.4 billion of costs to resolve claims associated with the Thomas Fire and Montecito Mudslides and \$65 million of restoration costs	<i>Prehearing conference expected by Nov. 2023</i>
	<b>2023 WMP</b> (2023-2025-WMPs)	New 3-year Wildfire Mitigation Plan covering 2023–2025	<i>Final approval received from Office of Energy Infrastructure Safety; CPUC ratification scheduled to be voted on at Nov. 30 CPUC mtg.</i>
	<b>2023 Annual Safety Certification</b>	Annual request for safety certification submitted to OEIS	<i>Final approval expected in December</i>

# 2025 GRC Schedule

Event	Scoping Ruling Date
✓ <a href="#">Application</a> Filed	<i>Complete</i>
✓ Mandated Workshop	<i>Complete</i>
✓ Protests and Responses to Application	<i>Complete</i>
✓ Pre-hearing Conference	<i>Complete</i>
Intervenors' Prepared Direct Testimony	2/29/2024
2023 Recorded Expenditures Served by SCE	3/11/2024
Prepared Rebuttal Testimony	4/15/2024
Evidentiary Hearings	5/6–5/24/2024
Update Testimony	6/7/2024
Hearings on Update Testimony, if necessary	6/17/2024
Opening Briefs	7/8/2024
Reply Briefs	7/29/2024
Proposed Decision	Within 90 days after submission
Final Decision	No sooner than 30 days after proposed decision

# TKM Cost Recovery Proposed Schedule

Event	SCE Proposal
✓ <a href="#">Application</a> Filed	<i>Complete</i>
✓ Protests and responses	<i>Complete</i>
✓ SCE's reply to protests	<i>Complete</i>
Pre-hearing Conference	By November 2023
Scoping ruling issued	December 2023
Public Advocates Office and intervenor testimony	Late April/Early May 2024
Rebuttal testimony	Late June 2024
Evidentiary Hearings	Early September 2024
Opening Briefs	Early November 2024
Reply Briefs	Early December 2024
Proposed Decision	February 2025
Final Decision	March 2025

# SCE continues to fund wildfire claims payments with debt

## Wildfire Claims Payment-Related Debt Issuances

\$ in Millions except percentages, as of September 30, 2023

Series	Principal	Due	Rate
2021C	400	4/1/24	SOFR + 83bps
2021E	700	4/1/24	1.100%
Term Loan	600	5/7/24	Adj. SOFR + 90bps
2021K	450	8/1/24	0.975%
2022C	300	6/1/25	4.200%
2020C	350	2/1/26	1.200%
2023C	400	6/1/26	4.900%
2022D	600	6/1/27	4.700%
2022F	750	11/1/27	5.850%
2023A	750	3/1/28	5.300%
2023E	550	10/1/28	5.650%
2022E	350	6/1/52	5.450%
<b>Total</b>	<b>\$6,200</b>	<b>Annualized Interest<sup>1</sup>: ~\$274</b>	

1. Pre-tax. Based on SOFR of 5.40% as of September 30, 2023

Interest expense not currently recoverable in rates, however, will be included in 2017/2018 Wildfire/Mudslide Events cost recovery applications

SCE has waiver from CPUC, allowing exclusion with respect to certain current and future charges to equity and associated debt for calculating SCE's regulatory equity ratio

- Waiver approved through August 2025 (with ability to seek additional extension via application) or until CPUC makes a final determination on cost recovery for 2017/2018 Wildfire/Mudslide Events

# EIX Core EPS Non-GAAP Reconciliations

## Reconciliation of EIX Basic Earnings Per Share to EIX Core Earnings Per Share

EPS Attributable to Edison International

	Midpoint of Guidance Range	
	2023	2022
<b>Basic EPS</b>	<b>\$ 3.36</b>	<b>\$ 1.61</b>
<b>Non-Core Items</b>		
SCE		
2017/2018 Wildfire/Mudslide Events claims and expenses, net of recoveries	(1.46)	(3.25)
Wildfire Insurance Fund expense	(0.42)	(0.42)
2021 NDCTP probable disallowance	(0.08)	—
Customer cancellations of certain ECS data services	(0.04)	—
Employment litigation matter, net of recoveries	0.03	(0.06)
Other wildfire claims and expenses, net of recoveries <sup>1</sup>	(0.02)	—
Upstream Lighting Program decision	—	(0.21)
Impairments	—	(0.16)
Organizational realignment charge	—	(0.04)
Income tax benefit <sup>2</sup>	0.56	1.14
EIX Parent & Other		
Customer revenues for EIS insurance contract, net of claims	0.11	0.04
Income tax expense <sup>2</sup>	(0.02)	(0.01)
<i>Less: Total non-core items</i>	<i>(1.34)</i>	<i>(2.97)</i>
<b>Core EPS</b>	<b>\$ 4.70</b>	<b>\$ 4.58</b>

1. Beginning in Q3 2023 management no longer believes that wildfire-related claims are representative of ongoing earnings, due to the implementation of the customer-funded self-insurance

2. SCE non-core items are tax-effected at an estimated statutory rate of approximately 28%; customer revenues for EIS insurance contract, net of claims are tax-effected at an estimated statutory rate of approximately 20%



# Earnings Per Share Non-GAAP Reconciliations

## Reconciliation of EIX Basic Earnings Per Share Guidance to EIX Core Earnings Per Share Guidance

2023 EPS Attributable to Edison International

	<u>Low</u>	<u>High</u>
<b>Basic EIX EPS</b>	<b>\$3.21</b>	<b>\$3.51</b>
Total Non-Core Items <sup>1</sup>	(1.34)	(1.34)
<b>Core EIX EPS</b>	<b>\$4.55</b>	<b>\$4.85</b>

1. Non-core items are presented as they are recorded

# Use of Non-GAAP Financial Measures

Edison International's earnings are prepared in accordance with generally accepted accounting principles used in the United States. Management uses core earnings (losses) internally for financial planning and for analysis of performance. Core earnings (losses) are also used when communicating with investors and analysts regarding Edison International's earnings results to facilitate comparisons of the company's performance from period to period. Core earnings (losses) are a non-GAAP financial measure and may not be comparable to those of other companies. Core earnings (losses) are defined as earnings attributable to Edison International shareholders less non-core items. Non-core items include income or loss from discontinued operations and income or loss from significant discrete items that management does not consider representative of ongoing earnings, such as write downs, asset impairments, wildfire-related claims, and other income and expense related to changes in law, outcomes in tax, regulatory or legal proceedings, and exit activities, including sale of certain assets and other activities that are no longer continuing.

A reconciliation of Non-GAAP information to GAAP information is included either on the slide where the information appears or on another slide referenced in this presentation.

## **EIX Investor Relations Contact**

Sam Ramraj, Vice President

(626) 302-2540

[Sam.Ramraj@edisonintl.com](mailto:Sam.Ramraj@edisonintl.com)

Derek Matsushima, Principal Manager

(626) 302-3625

[Derek.Matsushima@edisonintl.com](mailto:Derek.Matsushima@edisonintl.com)