

SOUTHERN CALIFORNIA EDISON COMPANY

CHARTER FOR THE AUDIT COMMITTEE

OF THE BOARD OF DIRECTORS

Adopted by the Board of Directors

October 27, 2011

ARTICLE I – PURPOSE

The purpose of the Audit Committee (“Committee”) of the Board of Directors (“Board”) of Southern California Edison Company (“Company”) is to assist the Board in its oversight of:

- the integrity of the Company’s financial statements;
- the Company’s systems of disclosure and internal control regarding finance, accounting, legal compliance and ethics that management and the Board have established;
- the Company’s compliance with legal and regulatory requirements;
- the qualifications and independence of the Independent Registered Public Accounting Firm retained by the Company (the “Auditors”) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services; and
- the performance of the Auditors and of the Company’s internal audit function;

and to produce a report of the Committee annually for inclusion in the Company’s proxy statement, in accordance with applicable Securities and Exchange Commission (“SEC”) rules and regulations.

ARTICLE II – AUTHORITY

The Committee shall have the authority (without having to seek Board approval) and appropriate funding provided by the Company, to obtain advice and assistance from the Auditors and from outside legal, accounting and other advisors, and to incur ordinary administrative expenses as it deems necessary or appropriate to carry out its duties. The Committee may also request the Auditors, the Edison International Chief Ethics and Compliance Officer (“EIX CECEO”),

the Company's chief internal auditor (“General Auditor”) or management and any other internal or external advisors to conduct any investigations, reviews or studies of any matter within the scope of the Committee’s duties and responsibilities. In connection with any such investigation, the Committee shall have unrestricted access to Company personnel and documents.

ARTICLE III – COMPOSITION OF THE COMMITTEE

1. Appointment. The Committee shall consist of not less than three members of the Board. Each Committee member shall be appointed by resolution adopted by a majority of the exact number of authorized Directors and shall serve until a successor shall be appointed by the Board. In the event any member of the Committee shall cease to be a director of the Company, the vacancy thus created shall either be filled by the Board or, at the Board’s discretion, left unfilled, provided that in no event shall the Committee consist of less than three members. 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. If the Chair is not present, the Committee may designate an acting Chair.

2. Independence of Members. Each member of the Committee shall be independent as determined pursuant to any applicable law, regulation, stock exchange listing standard and director independence standards set by the Board, subject to any exceptions provided for in any of the aforementioned standards. No Committee member may be an “affiliated person” (as defined in Rule 10A-3(e) under the Securities Exchange Act of 1934, as amended, and hereinafter referred to as the “Act”) of the Company or any of its subsidiaries, subject to the exception provided in SEC Rule 10A-3(b)(1)(iv)(B) that a Committee member may sit on the board of a Company affiliate provided that director also otherwise meets the independence requirements for such affiliate. No Committee member may accept, directly or indirectly from the Company or any of its subsidiaries, any consulting, advisory or other compensatory fee other than (a) fees paid to Directors for service on the Board, (b) additional fees paid to Directors for service on a committee of the Board (including the Committee) and/or for serving as the chair of such a committee and (c) fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company that is not contingent on continued service on the Board. If a member of the Committee ceases to be independent for reasons

outside the member's reasonable control, that member, with notice by the Company to the applicable stock exchanges, may remain a Committee member until the earlier of the Company's next annual shareholders' meeting or one year from the occurrence of the event that caused the member to be no longer independent.

3. Financial Literacy and Expertise. Each member of the Committee shall be financially literate as determined by the Board, 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. The Board shall determine and disclose in the Company's annual proxy statement or Annual Report on Form 10-K whether at least one member of the Committee qualifies as an "audit committee financial expert" in compliance with the criteria described in Item 407 (or any successor provision thereto) of Regulation S-K under the Act. If the Board determines that a member of the Committee so qualifies, the Board may presume that such Committee member has accounting or related financial management expertise.

4. Other Audit Committee Appointments. No Director may serve as a member of the Committee if such Director serves on the audit committee of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such Director to effectively serve on the Committee.

5. Subcommittees. Except as otherwise expressly provided in this Charter, neither the Board nor the Committee may delegate to any Subcommittee of this Committee the authority to perform any responsibilities of the Committee set forth in this Charter. The Board or the Committee may form Subcommittees from time to time to gather information, carry out investigations, or prepare reports, for consideration and action by the Committee.

ARTICLE IV – MEETINGS AND OTHER ACTIONS

The Committee shall meet at least four times per year, with one meeting to be held at the completion of the annual audit and before the Company's annual financial statements are published, and three meetings to be scheduled at the direction of the Chair in connection with the review and release of quarterly financial results. Additional meetings may be held as needed to

fulfill the Committee's responsibilities. Additional meetings may be requested by any Committee member. The frequency, length, and agendas of meetings shall be determined by the Chair in consultation with Committee members and Company management. Any Committee member may request the inclusion of items on the agenda or raise subjects at a meeting that are not on the meeting agenda. Periodically, the Committee shall meet with Company management, the General Auditor, the CECO and the Auditors in separate executive sessions to discuss any matters that the Committee believes warrant Committee attention. The Committee shall also meet separately or with combinations of the foregoing groups in carrying out its duties and responsibilities set forth in Article V below.

One-third of the members of the Committee shall constitute a quorum for the transaction of business, provided that in no event shall a quorum be less than two members.

The Company's Secretary shall keep, or appoint an appropriate person to keep, regular minutes of all Committee proceedings. If no appointed person is present, the Committee may designate an acting secretary. 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 and on any other matters required to be reported by this Charter in connection with execution of its duties and responsibilities 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, and the Committee shall have all of the authority of the Board in fulfilling its duties and responsibilities, except as limited by any applicable law, regulation or stock exchange listing standard or Article III of the Bylaws of the Company.

ARTICLE V – DUTIES AND RESPONSIBILITIES

The Committee shall have the following duties and responsibilities which shall not be delegated to any other Board Committee.

External Audit Responsibilities

1. The Committee shall exercise the exclusive authority and direct responsibility to appoint, retain, compensate and oversee the Auditors, who shall report directly to the Committee. Under the Committee's overall direction, the Auditors shall interact with management to the fullest extent necessary to fulfill the Auditors' responsibilities.

2. At least annually, the Committee shall obtain and review a report from the Auditors describing:

- their internal quality-control procedures;
- any material issues raised by their most recent internal quality-control review or peer review, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, with respect to any independent audit carried out by the Auditors, and any steps taken to deal with any such issues; and
- all relationships between the Auditors and the Company, including the matters covered by the Public Company Accounting Oversight Board (United States) ("PCAOB") requirements regarding the Auditor's communication with the Committee concerning independence, to assist the Committee in its determination of the objectivity and independence of the Auditors.

After reviewing the report and the Auditors' work throughout the year, the Committee shall evaluate the Auditors' qualifications, performance and independence. This evaluation shall include a review of the lead partner of the Auditors. In addition, the Committee shall ensure that the audit partners are rotated to the extent required by the Act. The Committee shall also consider whether there should be regular rotation of the Auditors.

In making its evaluation, the Committee shall take into account the opinions of the Company's management and General Auditor.

The Committee shall present its conclusions to the Board.

3. The Committee shall review with management and pre-approve all the audit services to be performed by the Auditors, including the Auditors' engagement letter for the annual audit of the Company in accordance with the standards of the PCAOB and the proposed fees in connection with such audit.
4. The Committee shall discuss with the Auditors the scope, plans for and results of, the annual audit conducted by the Auditors, and any additional work the Committee has requested that the Auditors perform.
5. Prior to the filing with the SEC of the Company's Annual Report on Form 10-K, the Committee shall review with the Auditors:
 - the matters required to be discussed by Statement on Auditing Standards No. 61 relating to communications with audit committees;
 - all critical accounting policies and practices to be used by the Company;
 - alternative treatments within accounting principles generally accepted in the United States ("GAAP") for policies and practices related to material items discussed with Company management, the effects of using or not using such treatments and the Auditors' preferred treatment; and
 - any other material written communications between the Auditors and Company management, including any management or internal control letter or schedule of unadjusted differences.
6. Prior to the filing with the SEC of the Company's Annual Report on Form 10-K, the Committee shall examine and review with the Auditors, the General Auditor and the Company's chief financial and accounting officers the comments and recommendations contained in the Auditors' and the internal auditors' internal control reports presented to the Committee.
7. The Committee shall establish and maintain clear policies with respect to the hiring by the Company of employees or former employees of the Auditors.

8. The Committee shall review with management and pre-approve the scope and extent of all non-audit services to be performed by the Auditors that are not prohibited under the Act and that require pre-approval under the Act, and consider whether the Auditors' performance of those services is compatible with the Auditors' independence. The Committee's pre-approval responsibilities under this paragraph and under paragraph 3 above may be delegated to one or more members of the Committee, provided that such delegate or delegates present any pre-approval decisions to the Committee at its next meeting.

9. The Committee shall review with the Auditors any audit problems or difficulties and significant disagreements with management encountered in the course of the audit, and management's response thereto. Such review shall include any restrictions on the scope of the Auditors' activities or on access to requested information. Such review shall include any accounting adjustments that were noted or proposed by the Auditors but were "passed" (as immaterial or otherwise). Such review shall include a discussion of the budget, staffing and responsibilities of the Company's internal audit organization. The Committee is directly responsible for resolving any disagreements between Company management and the Auditors regarding financial reporting.

Internal Audit Responsibilities

1. The Committee shall concur in the appointment and the dismissal of the General Auditor, in proposals to outsource any internal audit functions, and in significant changes to the internal audit budget or resource levels. At least annually, the Committee shall review the performance of the General Auditor. Periodically, the Committee shall receive reports from the General Auditor regarding the results of audit activities and significant observations, and on the sufficiency of resources and staff qualifications of the Company's internal audit organization. At least annually, the Committee shall review the charter for the Company's internal audit organization. The Committee shall approve such charter and any material changes thereto.

2. The Committee shall review and approve the annual internal audit plan. At least annually, the Committee shall review the progress made with respect to executing the internal audit plan as well as any modifications made to the plan.

3. The Committee shall review with the General Auditor any audit problems or difficulties and significant disagreements with management encountered in the course of the internal audits, and management's response thereto.

Financial Reporting Processes and Financial Statements

1. Prior to the filing with the SEC of the Company's Annual Report on Form 10-K, in consultation with Company management (including the chief executive officer and the chief financial officer), the General Auditor, the Auditors and/or representatives of the Company's Disclosure Committee, the Committee shall review:

- the effectiveness of the Company's external financial reporting processes, and the internal controls over financial reporting (including systems of disclosure); and
- disclosures made by the Company's chief executive officer and chief financial officer regarding compliance with their certification obligations under the Act.

2. The Committee shall make a recommendation to the Board with respect to the inclusion of the Company's audited financial statements in the Company's Annual Report on Form 10-K.

3. The Committee shall prepare and approve a report annually for inclusion in the Company's proxy statement, in accordance with applicable SEC rules and regulations, and such other reports as may from time to time be necessary or appropriate.

4. The Committee shall review and discuss with Company management (including the Company's chief executive officer and chief financial officer) and the Auditors:

- the Company's annual audited and quarterly financial statements, including all notes thereto and the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations"; and
- any change in the Company's internal controls over financial reporting that occurred in the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

5. The Committee periodically shall review and discuss:

- major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles, and major issues as to the adequacy of the Company’s internal controls and any special audit steps adopted in light of material control deficiencies;
- analyses prepared by management or the Auditors setting forth significant financial reporting issues, judgments and estimates made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; and
- the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company’s financial statements.

6. In conjunction with the filing with the SEC of the Company’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, the Committee shall receive oral or written reports from management or the Company’s Disclosure Committee if there are any matters of concern as of the end of the last fiscal quarter regarding the Company’s systems of disclosure and the Company’s Disclosure Committee’s quarterly process.

7. The Committee shall review with Company management quarterly and annual earnings press releases (including any “pro forma” or “adjusted” non-GAAP information), as well as financial information and earnings guidance provided to analysts and rating agencies, on a general basis (i.e., types of information to be disclosed and presentation to be made).

Ethics and Compliance

1. At least quarterly, the Committee shall receive a written report from the EIX CECO regarding the status of the Ethics and Compliance program, including information about Ethics and Compliance Helpline calls and investigation trends, training, and other information. The Chair shall be notified promptly, and in no event subsequent to the final disposition of the matter, by the EIX CECO of any “significant” matters, as defined in the EIX CECO position charter.

2. The EIX CECO shall annually present to the Committee for review the annual ethics and compliance goals and plans for future activities relating to ethics and compliance. The EIX

CECO will also annually present a report on the progress made with respect to executing the approved goals and future plans and on the effectiveness of the Ethics and Compliance Program.

3. The Committee also shall review with the EIX CECO the processes for monitoring compliance with the Company's ethics and compliance code ("Ethics Code"), and shall establish and update as needed procedures for reviewing, granting and, to the extent required by any applicable law, regulation or stock exchange listing standard, promptly disclosing any waivers of the Ethics Code sought for the Company's Directors and executive officers. Requests for Ethics Code waivers shall be presented to the Committee by the EIX CECO and shall be presented to the Board for approval.

Risk Management

1. The Committee periodically shall discuss the Company's guidelines and policies with respect to risk assessment and risk management, the Company's major financial and key enterprise risk exposures and the steps management has taken to mitigate, monitor and control these risks.

2. The Committee periodically shall review information provided by management and the Company's legal counsel on litigation and regulatory proceedings.

Other Responsibilities

1. The Committee shall perform an annual evaluation of its own performance and of the adequacy of this Charter, and submit to the Board that evaluation, including any recommended changes to the Committee's membership, Charter or procedures.

2. The Committee shall establish and maintain procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by Company employees of concerns regarding questionable accounting or auditing matters.

3. The Committee shall review with the Board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or

regulatory requirements, the performance and independence of the Auditors or the performance of the Company's internal audit function.

4. The Committee shall perform such additional functions as are necessary or prudent to fulfill the Committee's duties and responsibilities.

The Committee's function is one of oversight. The Committee recognizes that the Company's management, internal auditors, and Auditors have more knowledge and information about the Company than do Committee members. Consequently, in carrying out its oversight responsibilities, the Committee does not provide any special assurance as to the Company's financial statements or internal controls or any professional certification as to the Auditors' work, nor is it the Committee's duty to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and in accordance with GAAP. While the Committee shall foster adherence to laws, regulations, stock exchange listing standards, the Ethics Code and the Company's other policies, procedures and practices, it is not the Committee's duty to assure compliance therewith.

ARTICLE VI – POSTING OF CHARTER

This Charter shall be available on the Company's Internet website, as disclosed in the Company's annual proxy statement.