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# SCE Provides an Update on the Circumstances Pertaining to the 2017 Thomas Fire

ROSEMEAD, Calif., Oct. 30, 2018 — Southern California Edison remains committed to our customers and the communities affected by the 2017 Thomas Fire and wants to ensure that they and other important stakeholders are aware of updated information concerning the Thomas Fire. This information was included in SCE's Form 10-Q filed today with the Securities and Exchange Commission (SEC).

As noted in that filing, SCE believes its electrical equipment was associated with an ignition near Koenigstein Road in Santa Paula — one of at least two origin points for the Thomas Fire. The company also continues to cooperate with the investigations being conducted by the California Department of Forestry and Fire Protection (CAL FIRE), the Ventura County Fire Department (VCFD) and the California Public Utilities Commission's Safety & Enforcement Division (SED) and will thoroughly review any findings and the associated evidence when they are made available.

Based on currently available information, SCE believes that there are at least two separate points where the Thomas Fire started, one in the Anlauf Canyon area of Ventura County and another near Koenigstein Road in the city of Santa Paula. Witnesses have reported that a fire ignited along Koenigstein Road near an SCE power pole, and SCE believes that its equipment was associated with this ignition.

SCE is continuing to analyze the progression of the fire from the Koenigstein Road ignition point and the extent of damages that may be attributable to that ignition. SCE has not determined whether the Anlauf Canyon area ignition involved SCE equipment.

CAL FIRE has removed equipment located in the general vicinity of Koenigstein Road, and SCE has not been able to inspect it. SCE will not be able to determine the specific cause of the Koenigstein Road ignition until it can analyze the equipment currently in CAL FIRE's possession. CAL FIRE has also removed SCE equipment located in the Anlauf Canyon area, which SCE has likewise not been able to inspect. SCE cannot predict when the ongoing joint investigation by CAL FIRE and VCFD or the investigation being conducted by SED will be completed.

As it does in all wildfire matters in which its equipment or infrastructure may or are alleged to be involved, SCE is conducting its own review of the facts and circumstances of the Thomas Fire. SCE's ongoing internal review of the Thomas Fire is complex and examines various matters including possible ignition points, the location of those ignition points, the fire progression from each ignition point and the attribution of damages to fires with separate ignition points.

For further information regarding these matters, please consult Edison International's and SCE's combined 2018 Third Quarter Form 10-Q report filed today with the SEC.

## Edison's Efforts to Manage the Wildfire Threat in California

Safety is the company's top priority and a core value for SCE. SCE's employees work vigilantly year-round to strengthen the electric system and protect the public and employees against a variety of natural and manmade threats. SCE has long taken substantial steps to reduce the risk of wildfires across its service territory and continues to look for ways to enhance operational practices and infrastructure. SCE employs design and construction standards, vegetation management practices and other operational practices to mitigate wildfire risk and has collaborative partnerships with fire agencies to maintain fire safety.

With the increasingly severe wildfire threat to California, it is unmistakably clear that further work needs to be done to develop thoughtful, comprehensive policies to address this statewide problem. While the state legislature has taken an important initial step to mitigate wildfire risks through the passage of SB 901 (Dodd, D-Napa), much more work is needed to address the critical issues of fire prevention, suppression efforts and liability allocation.

The new Commission on Catastrophic Wildfire Cost and Recovery established under SB 901 provides an opportunity for a thoughtful, in-depth examination of how state policy allocates liability and compensates for fire damage. Without continued focus, the wildfire threat will only become more acute as the climate continues to change.

SCE strongly supports the increased funding for fire suppression and improved forest and land use management policies included in SB 901. SCE will continue to invest in hardening its infrastructure and implementing industry-leading safety practices, as demonstrated by SCE's recent <u>Grid Safety and Resiliency</u> <u>Program (GS&RP) filing</u> at the CPUC and as will be further laid out in SCE's wildfire mitigation plan required by SB 901.

Under the GS&RP, SCE is incorporating leading mitigation measures to enhance the significant practices already in place to reduce the risk of wildfires. Key elements of the plan include reducing the risk of sparks that can ignite fires by replacing nearly 600 miles of overhead power lines in high fire risk areas with insulated wire (often referred to as "covered conductors") by the end of 2020 and another 3,400 miles of overhead lines with insulated wire between 2021 and 2025.

SCE believes the state can do more, including enacting fire-smart building codes, particularly in high fire risk areas, and ensuring the proper allocation of legal responsibility — including SCE's where appropriate — for the often-tragic consequences of wildfires.

### Many Factors Contribute to Rising Wildfire Risk

Multiple factors contribute to wildfires across SCE's service territory and throughout California. This includes the buildup of dry vegetation in areas severely impacted by years of historic drought; the failure of multiple responsible parties to clear the buildup of hazardous fuels; increasing temperatures; lower humidity; and strong Santa Ana winds. Such factors can trigger wildfires for a variety of reasons and strain or damage utility facilities, no matter how well designed, constructed and maintained. Wildfire risk is increasing at the same time more and more residential and commercial development is occurring in some of the highest-risk areas — with over a quarter of SCE's service territory in high fire risk areas identified on the CPUC's fire risk maps.

### About Southern California Edison

An Edison International (NYSE:EIX) company, Southern California Edison is one of the nation's largest electric utilities, serving a population of approximately 15 million via 5 million customer accounts in a 50,000-square-mile service area within Central, Coastal and Southern California.

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#### Safe Harbor Statement for Investors

Statements contained in this press release about the Thomas Fire, and other statements that do not directly relate to a historical or current fact, are forward-looking statements. In this press release, the words "believes," "continuing to," "predict," "plan," "may," "will" and variations of such words and similar expressions, or discussions of strategy or plans, are intended to identify forward-looking statements. Such statements reflect our current expectations; however, such statements necessarily involve risks and uncertainties. Actual results could differ materially from current expectations. Important factors that could cause different results include the timing and outcome of the investigations and internal review of the Thomas Fire. Other important factors are discussed in Southern California Edison's Form 10-K, most recent Form 10-Q and other reports filed with the Securities and Exchange Commission, which are available on our website: www.edisoninvestor.com.

Edison International and Southern California Edison Company have no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events or otherwise.

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