

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES  
EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1993

-----  
COMMISSION FILE NUMBER 1-9936

SCECORP

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

CALIFORNIA  
(STATE OR OTHER JURISDICTION OF  
INCORPORATION OR ORGANIZATION)

95-4137452  
(I.R.S. EMPLOYER  
IDENTIFICATION NO.)

2244 WALNUT GROVE AVENUE  
ROSEMEAD, CALIFORNIA  
(ADDRESS OF PRINCIPAL  
EXECUTIVE OFFICES)

91770  
(ZIP CODE)

(818) 302-2222  
(REGISTRANT'S TELEPHONE  
NUMBER, INCLUDING AREA CODE)

Securities registered pursuant to Section 12(b) of the Act:

TITLE OF EACH CLASS -----	NAME OF EACH EXCHANGE ON WHICH REGISTERED -----
Common Stock	New York and Pacific (also listed on London Exchange)

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

The aggregate market value of registrant's voting stock held by non-affiliates was approximately \$8,118,598,988 on or about March 1, 1994, based upon prices reported on the New York Stock Exchange. As of March 1, 1994, there were 447,799,172 shares of Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the following documents listed below have been incorporated by reference into the parts of this report so indicated.

(1)	Designated portions of the Annual Report to Shareholders for the year ended December 31, 1993 . . . . .	Parts I, II and IV
(2)	Designated portions of the Joint Proxy Statement relating to registrant's 1994 Annual Meeting of Shareholders . . . . .	Part III

TABLE OF CONTENTS

ITEM -----	PAGE -----
PART I	
1. Business . . . . .	1
Business of SCEcorp . . . . .	1
Regulation of SCEcorp . . . . .	1
Environmental Matters . . . . .	2
Business of Southern California Edison Company . . . . .	4
Regulation of Edison . . . . .	5
Rate Matters . . . . .	5
Fuel Supply . . . . .	11
Business of The Mission Group and its Subsidiaries . . . . .	13
2. Properties . . . . .	14
Existing Utility Generating Facilities . . . . .	14
El Paso Electric Company ("El Paso") Bankruptcy . . . . .	16
Construction Program and Capital Expenditures . . . . .	16
Nuclear Power Matters . . . . .	18
Nuclear Waste Policy Act . . . . .	19
Competitive Environment . . . . .	20
3. Legal Proceedings . . . . .	21
Antitrust Matters . . . . .	21
Environmental Litigation . . . . .	22
San Onofre Personal Injury Litigation . . . . .	23
4. Submission of Matters to a Vote of Security Holders . . . . .	23
Executive Officers of the Registrant . . . . .	24
PART II	
5. Market for Registrant's Common Equity and Related Stockholder Matters . . . . .	30
6. Selected Financial Data . . . . .	30
7. Management's Discussion and Analysis of Results of Operations and Financial Condition . . . . .	30
8. Financial Statements and Supplementary Data . . . . .	30
9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure . . . . .	30
PART III	
10. Directors and Executive Officers of the Registrant . . . . .	31
11. Executive Compensation . . . . .	31
12. Security Ownership of Certain Beneficial Owners and Management . . . . .	31
13. Certain Relationships and Related Transactions . . . . .	31
PART IV	
14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K . . . . .	31
Report of Independent Public Accountants on Supplemental Schedules . . . . .	33
Signatures . . . . .	49
Exhibit Index . . . . .	50

PART I

ITEM 1. BUSINESS

BUSINESS OF SCECORP

SCEcorp was incorporated on April 20, 1987, under the laws of the State of California for the purpose of becoming the parent holding company of

Southern California Edison Company ("Edison"), a California public utility corporation. SCEcorp owns all of the issued and outstanding common stock of Edison and, in addition, owns all of the issued and outstanding capital stock of The Mission Group ("Mission Group"), which in turn owns the stock of subsidiaries engaged in nonutility businesses. These subsidiaries are currently engaged in developing cogeneration and other energy projects ("Mission Energy"), making financial investments in electric generating facilities and other assets ("Mission First Financial") and developing, managing, and selling existing real estate projects ("Mission Land").

SCEcorp is engaged solely in the business of holding for investment the stock of its subsidiaries and is not presently conducting any independent business activities. For the year ended December 31, 1993, Edison and Mission Group accounted for 99.3% and 0.7%, respectively, of the net income of SCEcorp. At December 31, 1993, Edison had 16,487 full-time employees and Mission Group and its subsidiaries had 706 full-time employees. Currently, SCEcorp has no employees of its own.

The principal executive offices of SCEcorp are located at 2244 Walnut Grove Avenue, Rosemead, California 91770, and its telephone number is (818) 302-2222.

#### REGULATION OF SCECORP

SCEcorp and its subsidiaries are exempt from all provisions, except Section 9(a)(2), of the Public Utility Holding Company Act of 1935 ("Holding Company Act") on the basis that SCEcorp and Edison are incorporated in the same state and their business is predominately intrastate in character and carried on substantially in the state of incorporation. It is necessary for SCEcorp to file an annual exemption statement with the Securities and Exchange Commission ("SEC"), and the exemption may be revoked by the SEC upon a finding that the exemption may be detrimental to the public interest or the interest of investors or consumers. SCEcorp has no intention of becoming a registered holding company under the Holding Company Act.

SCEcorp is not a public utility under the laws of the State of California and is not subject to regulation as such by the California Public Utilities Commission ("CPUC"). See "Business of Southern California Edison Company--Regulation of Edison" below for a description of the regulation of Edison by the CPUC. However, the CPUC decision authorizing Edison to reorganize into a holding company structure contains certain conditions, which, among other things, ensure the CPUC access to books and records of SCEcorp and its affiliates which relate to transactions with Edison; require SCEcorp and its subsidiaries to employ accounting and other procedures and controls to ensure full review by the CPUC and to protect against subsidization of nonutility activities by Edison's customers; require that all transfers of market, technological or similar data from Edison to SCEcorp or its affiliates be made at market value; preclude Edison from guaranteeing any obligations of SCEcorp without prior written consent from the CPUC; provide for royalty payments to be paid by SCEcorp or its subsidiaries in connection with the transfer of product rights, patents, copyrights or similar legal rights from

Edison; and prevent SCEcorp and its subsidiaries from providing certain facilities and equipment to Edison except through competitive bidding. In addition, the decision provides that Edison shall maintain a balanced capital structure in accordance with prior CPUC decisions, that Edison's dividend policy shall continue to be established by Edison's Board of Directors as though Edison were a comparable stand-alone utility company, and that the capital requirements of Edison, as determined to be necessary to meet Edison's service obligations, shall be given first priority by the Boards of Directors

of SCEcorp and Edison.

## ENVIRONMENTAL MATTERS

Legislative and regulatory activities in the areas of air and water pollution, waste management, hazardous chemical use, noise abatement, land use, aesthetics and nuclear control continue to result in the imposition of numerous restrictions on SCEcorp's subsidiaries with respect to the operation of existing facilities, on the timing, cost, location, design, construction and operation of new facilities required to meet future load requirements, and on the cost of mitigating the effect of past operations on the environment. These activities substantially affect future planning and will continue to require modifications of existing facilities and operating procedures. SCEcorp is unable to predict the extent to which additional regulations may affect the operations and capital expenditure requirements of its subsidiaries.

The Clean Air Act provides the statutory framework to implement a program for achieving national ambient air quality standards and provides for maintenance of air quality in areas exceeding such standards. The Clean Air Act was amended in 1990, giving the South Coast Air Quality Management District ("SCAQMD") 20 years to achieve all the federal air quality standards. The SCAQMD's Air Quality Management Plan ("AQMP"), adopted in 1991, demonstrates a commitment to attain federal air quality standards within 20 years. Consistent with the requirements of the AQMP and the Clean Air Act Amendments of 1990 ("CAAA"), the SCAQMD adopted rules to reduce emissions of oxides of nitrogen ("NOx") from combustion turbines, internal combustion engines, industrial coolers and utility boilers. On October 15, 1993, the SCAQMD adopted the Regional Clean Air Incentives Market ("RECLAIM") which replaces most of the previous rule requirements with a market mechanism for NOx emission trading (trading credits). RECLAIM will, however, still require Edison to reduce NOx emissions through retrofit or purchase of trading credits on all basin generation by over 86% by 2003. In Ventura County, a NOx rule was adopted requiring more than an 88% NOx reduction by June 1996 at all utility boilers. Edison's expected total cost to meet these requirements is approximately \$330,000,000 of capital expenditures.

The CAAA do not require any significant additional emissions control expenditures that are identifiable at this time. The amendments call for a five-year study of the sources and causes of regional haze in the southwestern U.S. The extent to which this study may require sulfur dioxide emissions reductions at Edison's Mohave Generating Station ("Mohave") is not known. The acid rain provisions of the amended Clean Air Act also put an annual limit on sulfur dioxide emissions allowed from power plants. Edison will receive more sulfur dioxide allowances than it requires for its projected operations. The CAAA also require the Environmental Protection Agency ("EPA") to carry out a three-year study of risk to public health from emissions of toxic air contaminants from power plants, and to regulate such emissions only if required. As a result of a petition by Mohave County in the State of Arizona, the Nevada Department of Environmental Protection ("NDEP") studied the impact of the plume from Edison's Mohave plant on the Mohave area air quality. The

5  
regulatory outcome requires Edison to meet a new lower opacity limit in early 1994. The NDEP will review the opacity limit again in 1995 in conjunction with an ongoing tracer study being conducted by the EPA and evaluate potential impacts on visibility in the Grand Canyon from sulfur dioxide emissions. Until more definitive information on tracer study results are available, Edison expects to meet all the present regulations through improved operations at the plant.

Regulations under the Clean Water Act require permits for the

discharge of certain pollutants into waters of the United States. Under this act, the EPA issues effluent limitation guidelines, pretreatment standards and new source performance standards for the control of certain pollutants. Individual states may impose even more stringent limitations. In order to comply with guidelines and standards applicable to steam electric power plants, Edison incurs additional expenses and capital expenditures. Edison presently has discharge permits for all applicable facilities.

The Safe Drinking Water and Toxic Enforcement Act prohibits the exposure to individuals of chemicals known to the State of California to cause cancer or reproductive harm and the discharge of such listed chemicals into potential sources of drinking water. Additional chemicals are continuously being put on the state's list, requiring constant monitoring by Edison.

The State of California has adopted a policy discouraging the use of fresh water for plant cooling purposes at inland locations. Such a policy, when taken in conjunction with existing federal and state water quality regulations and coastal zone land use restrictions, could substantially increase the difficulty of siting new generating plants anywhere in California.

SCEcorp has identified 46 sites for which any of its subsidiaries, are or may be, responsible for remediation under environmental laws. SCEcorp's subsidiaries are participating in investigations and cleanups at a number of these sites and SCEcorp has recorded a \$60,000,000 liability for the estimated minimum costs to clean up several sites. Additional costs may be incurred as progress is made in determining the magnitude of required remedial actions, as the share of these costs attributable to SCEcorp's subsidiaries in proportion to other responsible parties is determined and as additional investigations and cleanups are performed.

The CPUC currently allows Edison rate recovery of environmental-cleanup costs, subject to reasonableness reviews. Edison filed for a reasonableness review of costs incurred through 1991 at two hazardous substance sites. Hearings have been delayed due to a 1992 CPUC decision involving another California utility, which concluded that the current procedure may not be appropriate for these costs and requested interested parties to recommend alternatives. In November 1993, the major California utilities, the DRA and others filed a collaborative report recommending an incentive mechanism, which would require shareholders to fund 10% of cleanup costs. Shareholders would have the opportunity to recover these costs through insurance. Accordingly, Edison has recorded a regulatory asset which represents 90% of the estimated cleanup costs for sites covered by this proposed mechanism. The remaining sites' cleanup costs are expected to be immaterial and would be recovered through base rates. If approved by the CPUC, Edison would be allowed to recover 90% of cleanup costs incurred to date under the reasonableness review procedure (\$11,000,000). A March 10, 1994 proposed decision issued by a CPUC ALJ accepted the collaborative report's recommendation. A final CPUC decision is expected in early 1994.

Twenty of the 46 sites identified are Edison's former manufactured gas plant sites. Edison's cleanup responsibility for these sites is based on Edison's, or a predecessor company's, ownership or operation of the plants. These gas plants were operated for the production of gas prior to the widespread availability of natural gas. The EPA and the California Department of Toxic Substances Control have determined that specified constituents of the gas plant by-products are hazardous substances or hazardous wastes, and may require removal or other remedial action.

The Resource Conservation and Recovery Act ("RCRA") provides the statutory authority for the EPA to implement a regulatory program for the safe treatment, recycling, storage and disposal of solid and hazardous wastes.

There is an unresolved issue regarding the degree to which coal wastes should be regulated under RCRA. Increased regulation may result in an increase in expenses related to the operation of Mohave.

The Toxic Substance Control Act and accompanying regulations govern the manufacturing, processing, distribution in commerce, use and disposal of polychlorinated biphenyls, a toxic substance used in certain electrical equipment ("PCB waste"). Current costs for deposal of PCB waste are immaterial.

Edison's capitalized expenditures for environmental protection for the years 1969 through 1993 and its currently estimated capital expenditures for such purpose for the years 1994 through 1998 are as follows:

YEARS	TOTAL	(IN THOUSANDS)					ADDITIONAL PLANT CAPACITY	MISCELLANEOUS
		AIR POLLUTION CONTROL	WATER POLLUTION CONTROL	SOLID WASTE DISPOSAL	NOISE ABATEMENT	AESTHETICS		
1969-1993	\$3,823,749	\$770,911	\$285,648	\$60,320	\$15,323	\$2,454,146	\$16,531	\$220,870
1994 . . .	277,198	68,104	17,531	11,108	260	176,339	--	3,856
1995 . . .	285,484	42,649	26,979	25,376	231	186,306	--	3,943
1996 . . .	286,080	41,698	26,912	14,435	148	202,273	--	614
1997 . . .	254,861	11,534	14,389	11,900	199	216,583	--	256
1998 . . .	227,631	11,374	9,471	3,577	1,103	201,217	--	889

These estimates include budgeted and forecasted plant expenditures responsive to currently effective legislation. Projected capital expenditures for environmental protection are subject to continuous review and periodic revisions because of escalation in engineering and construction costs, additions and deletions of planned facilities, changes in technology, evolving environmental regulatory requirements and other factors beyond Edison's control. Edison believes that costs incurred for these environmental purposes will be recognized by the CPUC and the FERC as reasonable and necessary costs of service for rate recovery purposes.

BUSINESS OF SOUTHERN CALIFORNIA EDISON COMPANY

Edison was incorporated under California law in 1909. Edison is a public utility primarily engaged in the business of supplying electric energy to a 50,000 square-mile area of central and southern California, excluding the City of Los Angeles and certain other cities. This area includes some 800 cities and communities and a population of nearly 11 million people. As of December 31, 1993, Edison had 16,487 full-time employees. During 1993, 37% of Edison's total operating revenue was derived from commercial customers, 36% from residential customers, 13% from industrial customers, 8% from public authorities, 4% from agricultural and other customers and 2% from resale customers. Edison comprises the major portion of the assets and revenues of SCEcorp, its parent holding company.

REGULATION OF EDISON

Edison's retail operations are subject to regulation by the CPUC. The CPUC has the authority to regulate, among other things, retail rates, issuances of securities and accounting and depreciation practices. Edison's resale operations are subject to regulation by the Federal Energy Regulatory Commission ("FERC"). The FERC has the authority to regulate resale rates as well as other matters, including transmission service pricing, accounting and depreciation practices and licensing of hydroelectric projects.

Edison is subject to the jurisdiction of the Nuclear Regulatory

Commission ("NRC") with respect to its nuclear power plants. NRC regulations govern the granting of licenses for the construction and operation of nuclear power plants and subject those power plants to continuing review and regulation.

The construction, planning and siting of Edison's power plants within California are subject to the jurisdiction of the California Energy Commission and the CPUC. Edison is subject to rules and regulations promulgated by the California Air Resources Board and local air pollution control districts with respect to the emission of pollutants into the atmosphere, the regulatory requirements of the California State Water Resources Control Board and regional boards with respect to the discharge of pollutants into waters of the state and the requirements of the California Department of Toxic Substances Control with respect to handling and disposal of hazardous materials and wastes. Edison is also subject to regulation by the EPA, which administers certain federal statutes relating to environmental matters. Other federal, state and local laws and regulations relating to environmental protection, land use and water rights also impact Edison. (See previous discussion of Environmental Matters under the Business of SCEcorp, above.)

The California Coastal Commission has continuing jurisdiction over the coastal permit for San Onofre Nuclear Generating Station ("San Onofre") Units 2 and 3. Although the units are operating, the permit remains open. This jurisdiction may continue for several years because it involves oversight on mitigation measures arising from the permit.

The Department of Energy ("DOE") has regulatory authority over certain aspects of Edison's operations and business relating to energy conservation, solar energy development, power plant fuel use and disposal, coal conversion, public utility regulatory policy and natural gas pricing.

#### RATE MATTERS

##### CPUC Retail Ratemaking

The rates for electricity provided by Edison to its retail customers comprise several major components established by the CPUC to compensate Edison for basic business and operational costs, fuel and purchased power costs, and the costs of adding major new facilities.

Basic business and operational costs are recovered through base rates, which are determined in general rate case proceedings held before the CPUC every three years. During a general rate case, the CPUC critically reviews Edison's operations and general costs to provide service (excluding energy costs and, in certain instances, major plant additions). The CPUC then determines the revenue requirement to cover those costs, including items such as depreciation, taxes, cost of capital, operation, maintenance, and administrative and general expenses. The revenue

requirement is forecasted on the basis of a specified test year. Following the revenue requirement phase of a general rate case, Edison and the CPUC proceed to a rate design phase which allocates revenue requirements and establishes rate levels for customers.

Base rates may be adjusted in the years between general rate case years through an attrition year allowance. The attrition year allowance is intended to allow Edison to recover, without lengthy hearings, specific uncontrollable cost changes in its base rate revenue requirement and thereby preserve Edison's opportunity to earn its authorized rate of return in the years that are not general rate case test years.

In December 1993, Edison filed an application with the CPUC in which it proposed a performance-based ratemaking procedure for recovery of operation and maintenance ("O&M") expenses and capital-related costs. Such costs have traditionally been recovered through general rate cases, attrition proceedings, and cost of capital proceedings.

Edison proposed that the CPUC authorize a base rate revenue indexing formula which would combine O&M and capital-related cost recovery. In addition, Edison proposed that the period between general rate cases be lengthened from three to six years. Cost of capital proceedings would occur only after significant changes in utility capital markets.

Edison's fuel, purchased power and energy-related costs of providing electrical service are recovered through a balancing account mechanism called the Energy Cost Adjustment Clause ("ECAC"). Under the ECAC balancing account procedure, fuel, purchased power and energy-related revenues and costs are compared and the difference is recorded as either an undercollection or overcollection. The amount recorded in the balancing account is periodically amortized through rate changes which return overcollections to customers by reducing rates or collect undercollections from customers by increasing rates. The costs recorded in the ECAC balancing account are subject to review by the CPUC and allowed for rate recovery only to the extent they are found to be reasonable. Certain incentive provisions are included in the ECAC that can affect the amount of fuel and energy-related costs actually recovered. Edison is required to make an ECAC filing for each calendar year, and must also make a second filing for a mid-year adjustment if such filing would result in an ECAC rate change exceeding 5% of total annual revenue.

For Edison's interest in the three units of the Palo Verde Nuclear Generating Station ("Palo Verde"), the CPUC authorized a 10-year rate phase-in plan which deferred \$200,000,000 of investment-related revenue during the first four years of operations for each of the three units, commencing on their respective commercial operation dates. Revenue deferred for each unit under the plan for years one through four was \$80,000,000, \$60,000,000, \$40,000,000 and \$20,000,000, respectively. The deferrals and related interest are being recovered over the final six years of each unit's phase-in plan.

The CPUC has also adopted a nuclear unit incentive procedure which provides for a sharing of additional energy costs or savings between Edison and its ratepayers when operation of any of the units of San Onofre or Palo Verde is outside a specified target capacity factor ("TCF") range. For San Onofre Units 2 and 3, and Palo Verde Units 1, 2 and 3 the TCF range is 55% to 80% of their rated capacity.

The Electric Revenue Adjustment Mechanism ("ERAM") reflects the difference between the recorded level of base rate revenue and the authorized level of base rate revenue. This mechanism has been adopted by the CPUC primarily to minimize the effect on earnings of fluctuations in retail kilowatt-hour sales.

#### General Rate Case ("GRC")

In December 1991, the CPUC issued a decision on the revenue requirement phase of Edison's 1992 test year GRC application. The CPUC authorized a \$72,000,000 or 1% increase in Edison's base rate revenues, effective January 20, 1992. The decision did not adopt Edison's request to capitalize, rather than expense, computer software development and research, development and demonstration ("RD&D") expenditures, but did allow Edison to file additional information regarding such capitalization.

In April 1992, Edison filed supplemental testimony supporting its



request to capitalize application software development costs, and proposed to decrease its authorized level of base rate revenues ("ALBRR") by \$53,000,000 in 1993 and 1994. Edison and the CPUC's Division of Ratepayer Advocates ("DRA") entered into a settlement agreement to allow rate recovery of capitalized software expenditures in which Edison agreed to an additional \$32,000,000 base rate revenue decrease. The CPUC approved the settlement agreement in November 1992, and authorized a \$48,900,000 decrease to Edison's ALBRR effective January 1, 1993. The related base rate revenue decrease was included in Edison's January 15, 1993, consolidated revenue change. The CPUC also authorized a \$12,900,000 increase to Edison's ALBRR effective January 1, 1994. The related base rate revenue increase was included in Edison's January 24, 1994, consolidated revenue change.

In September 1992, Edison filed supplemental testimony supporting its request to capitalize RD&D expenditures. In the additional filing, Edison proposed to capitalize approximately \$9,000,000 in RD&D project expenditures. The DRA's supplemental testimony alleged that Edison did not comply with a CPUC order regarding joint remote meter reading and recommended a \$10,000,000 penalty for non-compliance. Additionally, the DRA proposed to disallow approximately \$4,500,000 of capital costs associated with Edison's research on off-grid generation technology. The CPUC's decision is expected by the end of 1994.

In December 1992, the CPUC approved an ALBRR increase of \$110,000,000, effective January 1, 1993, for the 1993 attrition year allowance. The related base rate revenue increase was included in Edison's January 15, 1993 consolidated revenue change. In April 1993, the CPUC modified its decision (pursuant to a petition by Edison), and approved an ALBRR increase of \$10,400,000 effective April 28, 1993. The related base rate revenue increase was included in Edison's January 24, 1994, consolidated revenue change.

In December 1993, the CPUC approved an ALBRR increase of \$97,200,000 effective January 1, 1994, for: (1) the 1994 attrition year allowance; (2) increased federal income taxes pursuant to the Revenue Reconciliation Act of 1993; and, (3) reduction in Edison's California property tax liability resulting from a settlement agreement with the California State Board of Equalization.

Each year, the CPUC reviews the components of the cost of capital for all the California energy utilities in a generic cost of capital proceeding. On December 3, 1993, the CPUC issued a final decision resulting in a \$108,000,000 reduction to Edison's ALBRR effective January 1, 1994. The decision also resulted in a reduction of Edison's overall rate of return from 9.94% to 9.17%, a reduction in return on common equity from 11.80% to 11.00%, and an increase to Edison's common equity capital ratio from 46.00% to 47.25% effective January 1, 1994. The related base rate revenue decrease was included in Edison's January 24, 1994, consolidated revenue change.

In December 1993, Edison filed with the CPUC its 1995 GRC application. In its application, Edison requested an increase to the ALBRR of \$117,000,000 above the expected year-end 1994 ALBRR level to become effective January 1, 1995. On March 14, 1994, the DRA issued a report which, based on Edison's preliminary review, recommended a \$269,000,000 reduction to Edison's expected year-end 1994 authorized level of base rate revenue. Evidentiary hearings are expected to commence in April 1994, with a final CPUC decision anticipated in December 1994.

In January 1994, the CPUC approved an ALBRR increase of \$8,800,000 effective January 24, 1994, for base rate recovery of the permanent component of Edison's fuel oil inventory. The related base rate revenue increase was included in Edison's January 24, 1994, consolidated revenue change.

In November 1993, the CPUC approved an ALBRR increase of: (1) \$64,400,000 effective December 31, 1993; and (2) \$63,100,000 effective January 1, 1994, to reflect cost recovery of employee post-retirement benefits other than pensions ("PBOP"). In addition, the CPUC approved an ALBRR reduction of \$39,500,000 effective December 30, 1993, to reflect the removal of costs associated with Edison's 1992 PBOP contributions. The related base rate revenue reduction associated with the PBOP ALBRR changes was included in Edison's January 24, 1994, consolidated revenue change, less \$16,000,000 of rate recovery deferred until 1995.

#### Energy Cost Adjustment Clause

In January 1992, the DRA issued a report on the reasonableness of Edison's non-standard, non-affiliate qualifying facilities ("QF") power purchase contracts included in Edison's 1989 and 1990 annual ECAC applications. With respect to both ECAC periods, the DRA asserted that Edison had incorrectly calculated firm capacity payments and bonus capacity payments to QFs by including certain energy deliveries which the DRA contended should be excluded or "truncated" from the calculation. The DRA recommended disallowances of \$2,500,000 for the 1989 record period and \$4,800,000 for the 1990 record period. On April 26, 1993, the DRA withdrew its January 1992 testimony pursuant to an Edison-DRA agreement to jointly petition the CPUC for clarification of the CPUC's intent regarding truncation and two other QF contract administration issues. Edison and the DRA filed their joint petition on April 23, 1993. On November 2, 1993, the CPUC voted to dismiss the joint petition on the basis that the issues presented were complex and could be developed more appropriately in an ECAC proceeding or through direct negotiations among the affected parties. Pursuant to the Edison-DRA agreement, a dismissal on this basis permits the DRA to renew its challenge to Edison's truncation practice beginning with the 1991 ECAC record period and thereafter in each subsequent ECAC record period. To date, the DRA has not recommended further disallowances attributable to the truncation issue.

In March 1992, Edison and the DRA settled disputes relating to Edison's power purchases from the 13 non-utility generation facilities partially owned by Mission Energy. Pursuant to the settlements, Edison agreed not to enter into new power purchase-contracts with Mission Energy and to a one-time disallowance. On March 10, 1993, the CPUC issued a decision approving the settlement and authorizing a ratepayer refund of \$250,000,000 over a two-year period beginning January 1, 1994. The decision also ordered an immediate adjustment to Edison's ECAC balancing account with interest accruing until the rate reduction takes effect. The

11  
\$250,000,000 disallowance is fully reflected in Edison's financial statements.

In October 1993, the DRA issued its report on QF reasonableness issues for the ECAC record period April 1990 through March 1991. In its report, the DRA recommended that the CPUC disallow \$1,574,000 in power purchase expenses incurred as a result of purchases during the record period under a QF contract with Mojave Cogeneration Company, a nonutility generator. In its report, the DRA also alleged that in 1990 and 1991 Edison imprudently renegotiated Mojave Cogeneration Company's contract with Edison, resulting in higher ratepayer costs. The DRA further alleged that ratepayers may be harmed in the amount of \$31,600,000 (present value) over the contract's twenty-year life. The DRA found the execution of five other QF contracts to be reasonable. Hearings will likely be held no earlier than the second half of 1994.

The DRA issued four reports addressing Edison's non-QF reasonableness showing for the April 1, 1991 through March 31, 1992 period. The DRA recommended: 1) a disallowance of \$2,205,000 of replacement power costs

associated with extended outage duration or reduced power production at Edison's nuclear units, which was allegedly caused by human error; and 2) a reduction of \$1,203,000 to Edison's proposed TCF reward for San Onofre Unit 3, based on excluding generation above the unit capacity rating. A January 25, 1994 ALJ proposed decision found three nuclear plant outages unreasonable, resulting in a potential \$1,600,000 disallowance, but rejected the DRA's recommendations for reducing Edison's TCF reward. Edison filed comments on the proposed decision on February 14, 1994. The final CPUC decision is expected in March 1994.

On May 28, 1993, Edison requested a \$152,000,000 annual rate increase for service beginning January 1, 1994, for changes to the Energy Cost Adjustment Billing Factor, Electric Revenue Adjustment Balancing Accounts ("ERABF"), Low Income Surcharge and base rate levels. Edison also made a rate stabilization proposal which defers recovery of approximately \$200,000,000 of 1994 fuel and purchased-power expenses until 1995. In July 1993, Edison updated its ECAC request to a \$181,000,000 increase. The DRA proposed a \$105,000,000 increase. In October 1993, Edison and the DRA stipulated to a proposed \$164,688,000 ECAC revenue increase subject to adjustment for incorporating Edison's forecast December 31, 1993 balance in the ECAC, Low Income Ratepayer Assistance, and ERABF to reflect more recent recorded data. On January 19, 1994, the CPUC issued its decision which adopted a revenue increase of \$274,600,000. When this revenue change is combined with other revenue changes which occurred on or before January 1, 1994, the total combined revenue change is \$232,101,000.

On May 28, 1993, Edison filed the non-QF portion of its Reasonableness of Operations Report, which included power purchases and exchanges and the operation of its hydro, coal, gas and nuclear resources for the period April 1, 1992 through March 31, 1993. In February 1994, the DRA recommended: (1) a \$7,200,000 disallowance relating to fuel oil inventory management; and (2) a \$5,000,000 disallowance for transmission loss revenues. Hearings on this matter are scheduled for October 1994.

Edison filed its QF Reasonableness of Operations Report on September 1, 1993. It is presently unknown when the DRA will file testimony in the QF reasonableness phase.

#### Palo Verde Outage Review

In March 1989, Palo Verde Units 1 and 3 experienced automatic shutdowns. Since the resultant outages overlapped previously scheduled refueling outages, normal refueling, maintenance, inspection, surveillance, modification and testing activities were conducted at the units, as well as modifications to the plants required by the NRC. Unit 3 was restored to service on December 30, 1989, and Unit 1 was restored to service on July 5, 1990.

In December 1989, the CPUC instituted an investigation into the outages pursuant to the California Public Utilities Code ("Code"). The Code requires the CPUC to institute an investigation when any portion of a utility's generating facilities has been out of service for nine consecutive months. The CPUC order required that the subsequent collection of rates associated with Palo Verde Units 1 and 3 be subject to refund pending review of the outages. In November 1991, the DRA issued a report recommending disallowances totaling more than \$160,000,000 including a \$63,000,000 disallowance for revenue collected during the outages (including interest).

In September 1993, Edison and the DRA agreed to settle these disputes for \$38,000,000 (including \$29,000,000 for replacement power costs, \$2,000,000 for capital projects and approximately \$7,000,000 for interest), subject to

CPUC approval. The settlement resolves all issues related to the 1989-1990 outages at Palo Verde. The effect of the settlement has been fully reflected in the financial statements. Edison expects a CPUC decision regarding the settlement in mid 1994.

#### Mohave Order Instituting Investigation ("OII")

In April 1986, the CPUC began investigating the 1985 rupture of a high pressure steam pipe at Mohave. Edison is the plant operator and 56% owner. The CPUC's OII reviewed Edison's share of repair costs and replacement fuel and energy related costs associated with the outage. Edison incurred costs of approximately \$90,000,000 (including interest) to repair damage from the accident and provide replacement power during the six-month outage. This total is net of Edison's recovery of expenses from the settlement of lawsuits with contractors and insurance.

In May 1991, the DRA and its consultant issued reports alleging that Edison imprudently operated the Mohave plant and therefore contributed to the accident. As a result, the DRA recommended that all expenses incurred because of the accident be disallowed in rates. The DRA did not quantify its proposed disallowance. Edison believes that metallurgical and physical characteristics of a weld reduced the otherwise expected pipe life to the point of failure after 15 years of service. Edison filed testimony contesting the allegations in May 1992, in December 1992, and on March 1, 1993. In March 1994, the CPUC issued a decision finding that Edison acted unreasonably in failing to implement an inspection program. The CPUC decision ordered a second phase of this proceeding to quantify the disallowance.

#### High Voltage Direct Current Expansion Project ("HVDCEP")

The HVDCEP began operation in 1989. In October 1989, Edison filed a report with the CPUC requesting recovery of \$72,600,000 in project costs. Subsequently, Edison and the DRA agreed on an accounting adjustment of \$150,000, and a settlement agreement was filed. A February 3, 1993 CPUC decision upheld the settlement agreement allowing Edison recovery in rates of approximately \$72,450,000. In its 1995 GRC, Edison is requesting rate recovery of an additional \$7,000,000 associated with completion items and

10

13

other HVDCEP-related expenditures. The total amount of rate recovery for the HVDCEP that Edison will be allowed remains subject to further adjustment pending a final determination of the cost-effectiveness of the project in comparison with the power exchange agreement between Edison and the Los Angeles Department of Water and Power.

#### FERC Resale Ratemaking

Edison sells electricity to public power utilities (the cities of Anaheim, Azusa, Banning, Colton, Riverside and Vernon), Southern California Water Company and Arizona Public Service Company ("APS") under rates subject to FERC jurisdiction. In accordance with FERC procedures resale rates are subject to refund with interest if subsequently disallowed. Edison believes any refunds from pending rate proceedings, would not materially affect its results of operations or financial position.

#### FUEL SUPPLY

Fuel and purchased-power costs amounted to approximately \$3.29 billion in 1993, a 7% increase over 1992. Sources of energy and unit costs of fuel for 1989 through 1993 were as follows:

	SOURCES OF ENERGY					AVERAGE COST PER MILLION BTU'S(1)				
	YEAR ENDED DECEMBER 31,					YEAR ENDED DECEMBER 31,				
	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993
Oil . . . . .	4%	2%	*	*	*	\$3.03	\$4.39	\$4.07	\$5.75	\$6.08
Natural Gas . . . . .	24	17	18%	24%	23%	3.24	3.02	2.81	2.78	2.89
Nuclear . . . . .	17	20	21	22	18	1.04	0.94	0.87	0.66	0.51
Coal . . . . .	13	13	14	14	13	1.14	1.21	1.15	1.15	1.19
All Fuels . . . . .	58	52	53	60	54	2.15	1.90	1.64	1.65	1.77
Hydroelectric(2) . . . . .	4	3	4	3	7					
Purchased Power(2):										
Firm . . . . .	6	3	3	3	2					
Economy . . . . .	7	13	8	2	3					
Other power producers:										
Biomass . . . . .	1	2	2	2	3					
Cogeneration . . . . .	17	19	20	20	20					
Geothermal . . . . .	5	6	7	7	8					
Solar . . . . .	1	1	1	1	1					
Wind . . . . .	1	1	2	2	2					
Total	100%	100%	100%	100%	100%					

(1) British Thermal Unit ("BTU") is the standard unit of measure for the heat content of fuels. One BTU is the amount of heat required to raise the temperature of one pound of water, at 39.1 degrees Fahrenheit, by one degree Fahrenheit.

(2) There are no fuel costs associated with these categories.

\* Indicates a source of less than 1%.

Average fuel costs, expressed in cents per kilowatt-hour, for the year ended December 31, 1993, were: oil, 7.996c.; natural gas, 2.930c.; nuclear, 0.537c.; and coal, 1.226c..

14  
Natural Gas Supply

Twelve of Edison's major steam electric generating units are designed to burn oil or natural gas as a primary boiler fuel. In 1990, Edison adopted an all-gas strategy to comply with air quality goals by eliminating burning oil in all but very extreme conditions. In August 1991, the CPUC adopted regulations which made Edison fully responsible for all gas procurement activities previously performed by local distribution companies for natural gas.

To implement its all-gas strategy, Edison acquired a balanced portfolio of gas supply and transportation arrangements. Traditionally, natural gas needs in southern California were met from gas production in the southwest region of the country. To diversify its gas supply, Edison entered into four 15-year natural gas supply agreements with major producers in western Canada. These contracts, totaling 200,000,000 cubic feet per day, have market-sensitive pricing arrangements. This represents about 40% of Edison's current average annual supply needs. The rest of Edison's gas supply is acquired under short-term contracts from West Texas, New Mexico, and the Rocky Mountain region.

Firm transportation arrangements provide the necessary long-term reliability for supply deliverability. To transport Canadian supplies, Edison contracted for 200,000,000 cubic feet per day of firm transportation arrangements on the Pacific Gas Transmission and Pacific Gas & Electric Expansion Project connecting southern California to the low-cost gas producing regions of western Canada. Edison has a 30-year commitment to this project, construction of which was completed in late 1993. In addition, Edison has a

15-year commitment to 200,000,000 cubic feet per day of firm transportation rights on El Paso Natural Gas' pipeline to transport Southwest U.S. gas supplies.

Nuclear Fuel Supply

Edison has contractual arrangements covering 100% of the projected nuclear fuel cycle requirements for San Onofre through the years indicated below:

	UNITS
	2 & 3
	-----
Uranium concentrates(1) . . . . .	1995
Conversion . . . . .	1995
Enrichment . . . . .	1998
Fabrication . . . . .	2000
Spent fuel storage(2) . . . . .	2005/2004

- (1) Assumes the San Onofre participants meet their supply obligations in a timely manner.
- (2) Assumes full utilization of expanded on-site storage capacity and normal operation of the units, including interpool transfers and maintaining full-core reserve. To supplement existing spent fuel storage, a contingency plan is being developed to construct additional on-site storage capacity with initial operation scheduled for no later than 2002. The Nuclear Waste Policy Act of 1982 requires that the DOE provide for the disposal of utility spent nuclear fuel beginning in 1998. The DOE has stated that it is unlikely that it will be able to start accepting spent nuclear fuel at its permanent repository before 2010.

15

Participants in Palo Verde have purchased uranium concentrates sufficient to meet projected requirements through 1997. Independent of arrangements made by other participants, Edison will furnish its share of uranium concentrates requirements through at least 1995 from existing contracts. Contracts to provide conversion services cover requirements through 1994. Enrichment and fabrication contracts will meet Palo Verde requirements through 1995 and 1997, respectively.

Palo Verde on-site expanded spent fuel storage capacity will accommodate needs through 2005 for Units 1 and 2 and 2006 for Unit 3, while maintaining full-core reserve.

BUSINESS OF THE MISSION GROUP AND ITS SUBSIDIARIES

Mission Group was incorporated in 1987 to own the stock and coordinate the activities of several companies engaged in nonutility businesses. The principal subsidiaries of Mission Group are Mission Energy, Mission First Financial and Mission Land. A fourth subsidiary, Mission Power Engineering Company, discontinued operations in 1990. The businesses of these companies are described below. For SCEcorp's business segment information for each of the three years ended December 31, 1993, 1992 and 1991, see Note 12 of "Notes to Consolidated Financial Statements" contained in the 1993 Annual Report to

Shareholders incorporated by reference in this report.

On December 31, 1993, Mission Group had consolidated assets of \$3.3 billion and, for the year then ended, had consolidated operating revenue of \$424,500,000 and consolidated net income of \$3,000,000.

Mission Group's principal executive offices are located at 18101 Von Karman Avenue, #1700, Irvine, California 92715.

Mission Energy. Mission Energy, primarily through its subsidiary corporations, is engaged in the business of developing, owning, and operating cogeneration, small power, geothermal, and other principally energy-related projects. At December 31, 1993, Mission Energy subsidiaries held interests in 33 operating power production facilities with an aggregate power production capability of 4,105 MW, of which 1,862 MW are attributable to Mission Energy's interests. These operating facilities are located in California, Nevada, New Jersey, Pennsylvania, Virginia, Washington, Australia, Spain, and the United Kingdom. In addition, facilities aggregating more than 1,746 MW, of which one 500 MW facility is located in Australia, are in construction or advanced permitting stages. Mission Energy owns interests in oil and gas producing operations and related facilities in Canada and U.S. locations in Texas, Alabama, New Mexico, California and offshore Louisiana. In February 1994, Mission Energy -- as lead developer -- and its partners, General Electric Capital Corporation, Mitsui & Co., Ltd. and P.T. Batu Hitam Perkasa, signed a 30-year power-purchase agreement with the Indonesian government for the 1,230-MW Paiton project.

At December 31, 1993, Mission Energy had total consolidated assets of \$1.8 billion and for the year then ended, had consolidated operating revenue of \$272,800,000 and consolidated net income of \$2,300,000.

Currently, most of Mission Energy's operating power production facilities have QF status under the Public Utility Regulatory Policies Act of 1978 ("PURPA") and the regulations promulgated thereunder. QF status exempts the projects from the application of the Holding Company Act, many provisions of the Federal Power Act, and state laws and regulations respecting rates and financial or organizational regulation of electric

13

16  
utilities. Mission Energy, through wholly-owned subsidiaries, also has ownership interests in two operating power projects that have received exempt wholesale generator status as defined in the Holding Company Act. In addition, some Mission Energy subsidiaries have made fuel-related investments and a limited number of non-energy related investments.

While QF status entitles projects to the benefits of PURPA, each project must still comply with other federal, state and local laws, including those regarding siting, construction, operation, licensing and pollution abatement.

Mission First Financial. Mission First Financial participates in investment opportunities involving leveraged leasing, project financing, affordable housing and cash management. Its investments include interests in nuclear power, cogeneration, waste-to-energy, hydroelectric, electric transportation and affordable housing facilities. Since its inception in 1987, Mission First Financial has invested in 71 projects. In 1993, Mission First Financial invested \$20,000,000 in a sale/leaseback of electric locomotive equipment with the Dutch rail authority. In addition, Mission First Financial invested \$62,000,000 in 23 completed affordable housing projects and signed commitments to invest in 19 additional projects.

At December 31, 1993, Mission First Financial had total consolidated

assets of \$972,000,000 and, for the year then ended, had consolidated operating revenue of \$31,500,000 (including interest income) and consolidated net income of \$29,200,000.

Mission Land. Mission Land is engaged, directly and through its subsidiaries, in the business of developing, owning and managing industrial parks and other real property investments. Mission Land owns and manages commercial and industrial buildings in industrial parks located in Brea, Chino, Garden Grove, Ontario, Oceanside and Rancho Cucamonga, California. Mission Land and its subsidiaries also have interests in industrial, residential and commercial real estate in California; Tolleson, Arizona; Munster, Indiana; Chicago, Illinois and in other locations. SCEcorp has decided no longer to pursue real estate development as one of its core businesses and plans to exit this business in an orderly fashion over time.

At December 31, 1993, Mission Land had total consolidated assets of \$516,300,000 and for the year then ended, had consolidated operating revenue of \$112,500,000 and a consolidated net loss of \$15,300,000. Mission Land has reduced assets by one-third since 1991 primarily through asset sales, reduced debt significantly, improved operating income through higher occupancy rates, and has increased reserves. As a result, Mission Land believes it has improved its ability to systematically exit the real estate business in a self-sustaining way. However, Mission Land may experience additional losses if the real estate market remains weak.

## ITEM 2. PROPERTIES

### EXISTING UTILITY GENERATING FACILITIES

Edison owns and operates 12 oil- and gas-fueled electric generating plants, one diesel-fueled generating plant, 38 hydroelectric plants and an undivided 75.05% interest (1,614 MW net) in Units 2 and 3 at San Onofre. These plants are located in central and southern California. Palo Verde (15.8% Edison-owned, 579 MW net) is located near Phoenix, Arizona. Palo Verde Units 1, 2 and 3 started commercial operation on February 1, 1986, September 19, 1986, and January 20, 1988, respectively. Edison owns a 48% undivided interest (754 MW) in Units 4 and 5 at the Four

14

17

Corners Generating Station ("Four Corners Project"), a coal-fueled steam electric generating plant in New Mexico. Palo Verde and the Four Corners Project are operated by other utilities. Edison operates and owns a 56% undivided interest (885 MW) in Mohave, which consists of two coal-fueled steam electric generating units in Clark County, Nevada. Edison receives an entitlement of 277 MW from the DOE's Hoover Dam Hydroelectric Project. At year-end 1993, the existing Edison-owned generating capacity (summer effective rating) was comprised of approximately 67% gas, 14% nuclear, 11% coal and 8% hydroelectric.

San Onofre, the Four Corners Project, certain of Edison's substations and portions of its transmission, distribution and communication systems are located on lands of the United States or others under (with minor exceptions) licenses, permits, easements or leases or on public streets or highways pursuant to franchises. Certain of such documents obligate Edison, under specified circumstances and at its expense, to relocate transmission, distribution and communication facilities located on lands owned or controlled by federal, state or local governments.

With certain exceptions, major and certain minor hydroelectric projects with related reservoirs, currently having an effective operating capacity of 1,154 MW and located in whole or in part on lands of the United States, are owned and operated by Edison under governmental licenses which



expire at various times between 1994 and 2022. Such licenses impose numerous restrictions and obligations on Edison, including the right of the United States to acquire the project upon payment of specified compensation. When existing licenses expire, FERC has the authority to issue new licenses to third parties, but only if their license application is superior to Edison's and then only upon payment of specified compensation to Edison. Any new licenses issued to Edison are expected to be issued under terms and conditions less favorable than those of the expired licenses. Edison's applications for the relicensing of certain hydroelectric projects referred to above with an aggregate effective operating capacity of 89.0 MW are pending. Annual licenses issued for all Edison projects, whose licenses have expired and are undergoing relicensing, will be renewed until the new licenses are issued.

In 1993, Edison's peak demand was 16,475 MW, set on September 9, 1993. The 1993 peak was 1,938 MW less than Edison's record peak demand of 18,413 MW that occurred on August 17, 1992. Total area system operating capacity of 20,606 MW was available to Edison at the time of the 1993 record peak.

Substantially all of Edison's properties are subject to the lien of a trust indenture securing First and Refunding Mortgage Bonds ("Trust Indenture"), of which approximately \$3.5 billion principal amount was outstanding at December 31, 1993. Such lien and Edison's title to its properties are subject to the terms of franchises, licenses, easements, leases, permits, contracts and other instruments under which properties are held or operated, certain statutes and governmental regulations, liens for taxes and assessments, and liens of the trustees under the Trust Indenture. In addition, such lien and Edison's title to its properties are subject to certain other liens, prior rights and other encumbrances, none of which, with minor or unsubstantial exceptions, affects Edison's right to use such properties in its business, unless the matters with respect to Edison's interest in the Four Corners Project and the related easement and lease referred to below may be so considered.

Edison's rights in the Four Corners Project, which is located on land of The Navajo Tribe of Indians under an easement from the United States and a lease from The Navajo Tribe, may be subject to possible defects. These defects include possible conflicting grants or encumbrances not

ascertainable because of the absence of, or inadequacies in, the applicable recording law and the record systems of the Bureau of Indian Affairs and The Navajo Tribe, the possible inability of Edison to resort to legal process to enforce its rights against The Navajo Tribe without Congressional consent, possible impairment or termination under certain circumstances of the easement and lease by The Navajo Tribe, Congress or the Secretary of the Interior and the possible invalidity of the Trust Indenture lien against Edison's interest in the easement, lease and improvements on the Four Corners Project.

#### EL PASO ELECTRIC COMPANY ("EL PASO") BANKRUPTCY

El Paso owns and leases a combined 15.8% interest in Palo Verde and owns a 7% interest in Units 4 and 5 of the Four Corners Project. In January 1992, El Paso filed a voluntary petition to reorganize under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Western District of Texas. Pursuant to an agreement among the Palo Verde participants and an agreement among the participants in Four Corners Units 4 and 5, each participant is required to fund its proportionate share of operation and maintenance, capital and fuel costs of Palo Verde and Four Corners Units 4 and 5, respectively. The participation agreements provide that if a participant fails to meet its payment obligation, each non-defaulting participant must pay its proportionate share of the payments owed by the defaulting participant. In February 1992, the bankruptcy court approved a stipulation between El Paso and

APS, as the operating agent of Palo Verde, pursuant to which El Paso agreed to pay its proportionate share of all Palo Verde invoices delivered to El Paso after February 6, 1992. El Paso agreed to make these payments until such time, if ever, the bankruptcy court orders El Paso's rejection of the participation agreement governing the relations among the Palo Verde participants. The stipulation also specifies that approximately \$9,200,000 of El Paso's Palo Verde payment obligations invoiced prior to February 7, 1992, are to be considered "pre-petition" general unsecured claims of the other Palo Verde participants.

On August 27, 1993, El Paso filed with the bankruptcy court an Amended Plan of Reorganization and Disclosure Statement ("Amended Plan"). The Amended Plan, which is subject to numerous conditions, proposes a reorganization pursuant to which El Paso will become a wholly-owned subsidiary of Central and South West Corporation. The Amended Plan also proposes, among other things, (i) rejection of the El Paso leases and reacquisition by El Paso of the Palo Verde interests represented by the leases, and (ii) El Paso's assumption of the Four Corners Operating Agreement and the Arizona Nuclear Power Project Participation Agreement. On November 19, 1993, the bankruptcy court approved a Cure and Assumption Agreement among El Paso and the Palo Verde Participants, in which El Paso shall (i) assume the Participation Agreement on the date the Amended Plan becomes effective, and (ii) cure its pre-petition default on the date the court approves the Order Confirming El Paso's Amended Plan. On December 8, 1993, the bankruptcy court confirmed El Paso's Amended Plan. Effectiveness of the Amended Plan is still subject to approval by numerous state and federal agencies. El Paso estimates that it will take about 18 months to obtain all necessary regulatory approvals.

#### CONSTRUCTION PROGRAM AND CAPITAL EXPENDITURES

In April 1992, the CPUC decided how Edison and other California utilities will meet their resource needs through 2002. The CPUC ruled that Edison must obtain 624 MW of new generation through competitive bidding. The decision required that 175 MW be reserved for renewables, such as wind, hydro and geothermal. The competitive bid solicitation was issued in August 1993 and suspended in December 1993 due to the discovery

16

19

of a bidding anomaly that raised prices above those allowed by the rules of the solicitation. After the suspension, Edison requested the solicitation be cancelled because current forecasts show that Edison has no need for additional generating capacity until at least 2005.

From the solicitation results, Edison has estimated that the cost of these resources would be approximately \$530,000,000 (present value in 1997 dollars). However, two events have occurred that should reduce Edison's cost exposure resulting from power purchases under this CPUC mandated process. First, on March 15, 1994, Edison and Kenetech Corporation, a potential winning bidder in Edison's solicitation, signed a memorandum of understanding for a wind resource power purchase. Contingent upon CPUC approval, Kenetech, under this proposed agreement, will provide lower cost resources than those potentially awarded through Edison's solicitation. Second, on March 16, 1994, the CPUC issued an interim decision that reduces Edison's solicitation by 25% and gives Edison authority to eliminate the added costs from the bidding anomaly. Although Edison will likely continue to request cancellation of the competitive solicitation, these two events reduce Edison's exposure. The exact amount of this reduction cannot be estimated until the methodology the CPUC intends for implementation of these changes is known.

Cash required by SCEcorp for its capital expenditures totaled \$1.26 billion in 1993, \$1.24 billion in 1992, and \$1.03 billion in 1991. Construction expenditures for the 1994-1998 period are estimated as follows:

	(IN MILLIONS)					TOTAL
	1994	1995	1996	1997	1998	
Electric generating plant . . . . .	\$ 378	\$ 353	\$ 283	\$ 264	\$ 491	\$1,769
Electric transmission lines and substations . . . . .	131	121	153	173	252	830
Electric distribution lines and substations . . . . .	486	559	529	560	556	2,690
Other expenditures . . . . .	184	194	145	139	92	754
Nonutility expenditures . . . . .	164	147	88	1	1	401
Total . . . . .	1,343	1,374	1,198	1,137	1,392	6,444
Less: allowance for funds used during construction . . . . .	38	44	43	43	43	211
Cash required for construction expenditures . . . . .	\$1,305	\$1,330	\$1,155	\$1,094	\$1,349	\$6,233

Edison's construction program and related expenditures are continuously reviewed and periodically revised because of changes in estimated system load growth, rates of inflation, receipt of adequate and timely rate relief, the availability and timing of environmental, siting and other regulatory approvals, the scope of modifications required by regulatory agencies, the availability and costs of external sources of capital, the development of new technology and other factors beyond Edison's control.

Since the completion of San Onofre Units 2 and 3 and Palo Verde Units 1, 2 and 3, construction work in progress has been significantly reduced. The reduction in construction work in progress caused allowance for funds used during construction ("AFUDC"), which does not represent current cash income, to decline accordingly. Pre-tax AFUDC represented 5.7% of earnings for 1993.

In addition to cash required for construction expenditures for the next five years as discussed above, \$1.3 billion is needed to meet requirements for long-term debt maturities, and sinking fund redemption

20 requirements. The majority of these capital requirements are expected to be met by internally generated sources.

Edison's estimates of cash available for operations for the five years through 1998 assume, among other things, the receipt of adequate and timely rate relief and the realization of its assumptions regarding cost increases, including the cost of capital. Edison's estimates and underlying assumptions are subject to continuous review and periodic revision.

The timing, type and amount of all additional long-term financing are also influenced by market conditions, rate relief and other factors, including limitations imposed by Edison's Articles of Incorporation and Trust Indenture.

NUCLEAR POWER MATTERS

Although higher energy costs will be incurred for replacement generation during any periods the San Onofre and Palo Verde Units are not in operation, substantially all such costs will be included in future ECAC filings. Edison cannot predict what other effects, if any, legislative or regulatory actions may have upon it or upon the future operation of the San Onofre or Palo Verde Units or the extent of any additional costs it may incur as a result thereof, except for those that follow.

## San Onofre Unit 1

On November 30, 1992, Edison discontinued operation of San Onofre Unit 1. The CPUC approved an agreement between Edison and the DRA which allows Edison recovery of its investment of approximately \$350,000,000 (after deferred taxes), including an 8.98% rate of return, by August 1996.

The agreement does not affect Unit 1's decommissioning, scheduled to start in 2013. The estimated current-dollar decommissioning costs for Unit 1 have been recorded as a liability.

## San Onofre Units 2 and 3

In 1974, the California Coastal Commission, as a condition of the San Onofre Units 2 and 3 coastal permit, established a three-member Marine Review Committee ("MRC") to assess the marine environmental effects caused by the Units. In August 1989, the MRC issued its final report which alleged, in part, that San Onofre Units 2 and 3 caused adverse effects to several species of marine life and to the environment.

Based on the MRC findings, the Coastal Commission in 1991 revised the coastal permit for Units 2 and 3 and required Edison to restore 150 acres of degraded wetlands, construct a 300-acre artificial kelp reef, and install fish behavioral barriers inside the Units' cooling water intake structure. Edison is currently in the process of planning and designing these projects, all of which must receive the approval of the Coastal Commission and state and federal resource and regulatory agencies. Current estimates place Edison's share of these capital costs at about \$83,000,000 which is expected to be spent over the next 10 to 12 years.

## Palo Verde Nuclear Generating Station

On March 14, 1993, APS, as operating agent, manually shut down Palo Verde Unit 2 as a result of a steam generator tube leak. Unit 2 remained shut down and began its scheduled refueling outage on March 19, 1993.

An extensive inspection of the Palo Verde Unit 2 steam generators was performed prior to the unit's return to service on September 1, 1993. APS

determined that intergranular attack/intergranular stress corrosion cracking was a major contributor to the tube leak. APS is continuing its evaluation of the effects of possible steam generator tube degradation in all three units (six steam generators) and has instituted several avenues of study and corrective action.

Palo Verde Units 1, 2, and 3 will be operated at reduced power (85%) until the investigation and other associated activities are completed. APS expects to be able to return the units to full power after implementing corrective action.

## Nuclear Facility Decommissioning

Edison's share of costs to decommission nuclear generation facilities is estimated to be \$225,500,000 for San Onofre Unit 1; \$280,900,000 for San Onofre Unit 2; \$365,400,000 for San Onofre Unit 3; \$50,200,000 for Palo Verde Unit 1; \$49,800,000 for Palo Verde Unit 2; and \$55,400,000 for Palo Verde Unit 3. These costs are all in 1993 dollars.

Edison is currently collecting \$104,255,000 annually in rates for its share of decommissioning costs for San Onofre Units 1, 2 and 3 and Palo Verde Units 1, 2 and 3. As of December 31, 1993, Edison's decommissioning trust

funds totaled approximately \$853,000,000 (market value).

In accordance with the Energy Policy Act of 1992, Edison's recorded liability at December 31, 1993, of \$72,300,000 represents its share of the estimated costs to decommission three federal nuclear enrichment facilities. This cost is based on San Onofre's and Palo Verde's past purchases of enrichment services and will be paid over 15 years. These costs are expected to be recovered through the ECAC procedure and from participants.

#### Nuclear Facility Depreciation

To reduce Edison nuclear facilities' capital cost effect on future customer rates, Edison has filed for a \$75,000,000 per year accelerated recovery of its nuclear investments. To offset the increased cost recovery, Edison proposes to lengthen its recovery period for transmission and distribution assets. This proposal would have no significant effect on customer rates. The CPUC held hearings in October 1993 and Edison expects a decision in mid-1994.

#### Nuclear Insurance

Edison carries the maximum insurance coverage reasonably available to protect against losses from damage to its nuclear units and to provide some of its replacement energy costs in the unlikely event of an accident at any of its nuclear units. A description of this insurance is included in Note 10 of "Notes to Consolidated Financial Statements" incorporated herein. Although Edison believes an accident at its nuclear units is extremely unlikely, in the event of an accident, regardless of fault, Edison's insurance coverage might be inadequate to cover the losses to Edison. In addition, such an accident could result in NRC action to suspend operation of the damaged unit. Further, the NRC could suspend operation at Edison's undamaged nuclear units and the CPUC and FERC could deny rate recovery of related costs. Such an accident, therefore, could materially and adversely affect the operations and earnings of Edison.

#### NUCLEAR WASTE POLICY ACT

Under the Nuclear Waste Policy Act of 1982, Edison, acting as agent for the San Onofre participants, has entered into a contract with the DOE for disposal of spent nuclear fuel for San Onofre Units 1, 2 and 3. Under

the terms of the contract, Edison is required to pay a quarterly fee of one mill per kilowatt hour to the DOE for net nuclear power generated and sold on and after April 7, 1983. During 1992, DOE implemented a refund process for overpayments to the Nuclear Waste Fund through credits against future quarterly payments.

For generation prior to April 7, 1983, the contract required payment of a one-time fee equivalent to one mill per kilowatt hour, plus accrued interest. The obligation for this one-time fee was being discharged by equal quarterly payments. In October 1992 and 1993, DOE credits arising from overpayments to the Nuclear Waste Fund were also applied to this obligation. In October 1993, this obligation was paid in full. Expenses associated with the disposal of spent nuclear fuel are recovered through the ECAC procedure and from participants.

#### COMPETITIVE ENVIRONMENT

Under various acts of Congress, federal power projects have been constructed in California and neighboring states. Municipally owned utilities, cooperative utilities and other public bodies have certain preferences over

investor-owned utilities in the purchase of electric power provided by federally funded power projects and, in addition, have certain preferences over investor-owned utilities in connection with the acquisition of licenses to build and/or operate hydroelectric power plants. Any energy which is or may be generated at these projects and transmitted for the account of such other utilities and public bodies over present or future government or utility-owned lines into the territory or markets served by Edison would result in a loss of sales by Edison.

Under the laws of California, utility districts may include incorporated as well as unincorporated territory. Such districts, as well as municipalities, have the right to construct, purchase or condemn and operate electric facilities. In addition, when a city owning an electric system annexes adjacent unincorporated territory which Edison has previously served, Edison may experience a loss of customers.

Edison's construction permits for San Onofre Units 2 and 3 contain certain conditions which require Edison (i) on timely notice, to permit privately or publicly owned utilities, including Edison's resale customers within or adjacent to Edison's service area, to participate on mutually agreeable terms in future nuclear units initiated by Edison, and (ii) to interconnect and coordinate reserves with, furnish emergency service to, sell bulk power to and purchase bulk power from, and provide certain transmission services for such utilities. Edison has also entered into agreements with certain of its resale customers which contemplate their possible participation in jointly owned generating projects initiated by Edison, and the integration of power sources acquired by each such customer, including the dispatching, reserve sharing, partial power-supply requirements and transmission service required in connection with such integrated operations. Pursuant to these agreements, two resale customers exercised an option to participate in Edison's ownership entitlement in San Onofre Units 2 and 3. Effective November 1977, Edison sold an undivided 3.45% interest in San Onofre Units 2 and 3 to these two resale customers for approximately \$90,000,000. Effective September 1981, a further 1.5% interest in Units 2 and 3 was sold to one of these resale customers for approximately \$50,000,000. In addition, since 1986, six of Edison's resale customers have acquired ownership interests in other generating sources and made purchases from other utilities in such amounts as to decrease Edison's revenues from resale cities from 4.4% to 1.6% of sales. This revenue loss has not had a substantial effect on Edison's business and opportunities.

20

23

PURPA has fostered the entry of nonutility companies into the electric generation business. Under PURPA, nonutility power producers are allowed to construct QFs for the production of electricity from certain alternative or renewable energy resources, and utilities are required to purchase the electrical output of these QFs at prices set pursuant to state regulations and, in the future, pursuant to a CPUC- approved competitive bidding process.

Edison is required by contracts and state regulation to continue to buy power generated by QFs, under long-term contracts negotiated earlier at prices that are most often higher than the power Edison can produce or purchase from other sources. Edison is presently managing contracts with QF developers to reduce ratepayer impacts and to more closely match Edison's needs with proposed development. Further, certain operators of QFs sell power they produce to large industrial and commercial customers of Edison from projects located on-site. Further loss of sales from such customers may be aggravated in the future as a result of attempts by these producers to gain access to a utility's transmission lines to sell power directly to retail customers now being served by that utility--an activity called "retail wheeling." Edison opposes any attempt to impose mandatory wheeling to Edison's retail customers.

In late 1992, Congress passed the Energy Policy Act of 1992. This Act

creates a new class of Exempt Wholesale Generators ("EWGs") who are exempt from the restrictions otherwise imposed on utilities under the Public Utility Holding Company Act. The effect of this exemption is to facilitate the development of more independent third-party generators potentially available to satisfy utilities' needs for increased power supplies. However, unlike purchases from QFs, utilities have no statutory obligation to purchase power from EWGs. Furthermore, EWGs are precluded from making direct sales to retail electricity customers.

The Energy Policy Act also broadens the authority of the FERC to require a utility to transmit power produced by a wholesale producer to another utility. Municipal utilities are eligible applicants for such transmission service. However, the FERC is precluded from ordering a utility to transmit power from another entity directly to a retail customer. The authority of states to order such retail wheeling is unclear; but, to the extent such authority exists, it is explicitly preserved by the Energy Policy Act.

### ITEM 3. LEGAL PROCEEDINGS

#### ANTITRUST MATTERS

In 1983, a public power utility, the City of Vernon, filed a complaint against Edison in the United States District Court for the Central District of California, alleging violation of certain antitrust laws. The complaint alleged that Edison engaged in anticompetitive behavior by restricting access to Edison transmission facilities and foreclosing Vernon from purchasing bulk power supplies from other sources. Vernon also alleged that Edison unlawfully designed its resale rates and claimed damages of approximately \$60,000,000 before trebling. Edison filed three motions for Summary Judgment and the District Court entered final judgment in favor of Edison in August 1990. In October 1990, Vernon appealed the District Court decision to the Ninth Circuit Court of Appeals. In February 1992, the Court of Appeals affirmed the District Court's rulings on all issues but one, involving injunctive relief only, and remanded that issue back to the District Court for consideration. In July 1992, Vernon filed a writ of certiorari to the U.S. Supreme Court which was denied. On July 13, 1993, Edison and Vernon settled the remaining issue regarding injunctive relief. The settlement is part of a broader settlement of regulatory issues that was approved by the FERC on October 27, 1993.

On January 31, 1991, California Energy Company ("CEC") filed a lawsuit in United States District Court for the Northern District of California against SCEcorp, Edison, several nonutility subsidiaries, selected individuals, and Kidder, Peabody & Co. CEC alleged antitrust violations of the Sherman Act, conspiracy to interfere with contractual relations and common law unfair competition. CEC asked for treble damages (as proved at trial) for antitrust violations and compensatory and punitive damages for the pendent claims. Furthermore, CEC requested that SCEcorp divest itself of Mission Energy. On April 30, 1993, Edison and CEC reached a settlement. In June 1993, a nonutility affiliate and CEC settled a related lawsuit concerning construction of CEC's power plants. Pursuant to the settlements, the case was dismissed.

Further terms of the CEC settlement relate to litigation involving Mission Power Engineering Company in connection with a construction contract. In June 1990, Mission Power filed suit to foreclose on mechanics liens against CEC, Coso Finance Partners, Coso Energy Developers, Coso Power Developers ("Coso Entities") and Credit Suisse in California Superior Court in Inyo County. Mission Power claimed damages in excess of \$79,000,000 and alleged breach of contract, fraud and negligent misrepresentation. In December 1990, the Coso Entities filed a cross-complaint against Mission Power and The Mission Group alleging \$97,000,000 plus punitive damages for breach of contract, negligence, and misrepresentations. On June 10, 1993, the parties

announced they had reached a settlement of all outstanding disputes regarding construction of the Coso Geothermal Project. Under the settlement, Coso Partnerships made a net payment of \$20,000,000 to Mission Power. This was less than the amount of revenue Mission Power had previously recorded, resulting in a one-time charge of \$11,000,000 after tax for the second quarter.

Transphase Systems, Inc. filed a lawsuit on May 3, 1993, in the United States District Court for the Central District of California against Edison and San Diego Gas & Electric Company ("SDG&E"). The complaint alleged that Transphase was competitively disadvantaged because it could not directly access the demand side management funds Edison collects from its ratepayers to fund conservation and demand side management activities and that the utilities willfully acquired and maintain monopoly power in the energy conservation industry. The complaint sought \$50,000,000 in damages before trebling. Edison filed a motion to dismiss the complaint on the grounds that it was without merit. The court granted Edison's motion on October 7, 1993, and denied plaintiffs the opportunity to replead the case. Plaintiffs have appealed to the Ninth Circuit Court of Appeals.

#### ENVIRONMENTAL LITIGATION

On November 8, 1990, an environmental organization and two individuals filed a lawsuit against Edison in United States Federal District Court for the Southern District of California. The lawsuit alleges Edison's operation of San Onofre Units 2 and 3 is in violation of its National Pollutant Discharge Elimination System permits. The basis for the allegations was a report prepared for the California Coastal Commission on the marine environmental effects of the generating station. The plaintiffs requested that the Court enjoin operation of Units 2 and 3, impose civil penalties, and order Edison to repair the alleged damage to the marine environment. After mediation by the court, the parties agreed on a settlement that includes: (i) \$2,000,000 in wetlands research which will be undertaken by the Pacific Estuarine Research Laboratory at San Diego State University; (ii) \$7,500,000 in additional wetland restoration within the San Dieguito River Valley; (iii) a \$5,500,000, 10 year, Marine Education Program which will be based at Edison's Redondo Generating Station; and (iv) \$1,400,000 in attorney's fees. The court approved the settlement on June 15, 1993.

22

25

On September 23, 1993, the California Department of Toxic Substances Control ("DTSC") issued a Report of Violation to Edison, alleging various hazardous waste violations of the California Health & Safety Code at several Edison facilities. Edison is currently in settlement negotiations with DTSC regarding these alleged violations and tentatively has reached an agreement in principle for settlement in the amount of \$1,900,000.

#### SAN ONOFRE PERSONAL INJURY LITIGATION

In 1993, a former NRC inspector who was assigned to San Onofre in 1985 and 1986 filed a lawsuit against Edison, SDG&E and a fuel rod manufacturer in Los Angeles County Superior Court, Central District. The case was subsequently transferred to the Federal District Court for the Southern District of California. The inspector claimed that exposure to radioactive materials at the plant caused her leukemia. Plant records showed that the inspector's exposure to radiation was well below NRC regulatory levels. Plaintiff nevertheless alleged that she was exposed to radioactive fuel particles, that this caused a radiation exposure above the NRC levels and that this exposure was a legal cause for her illness. Plaintiff sought compensatory and punitive damages. The defendants denied having liability for plaintiff's illness.

A jury trial began on January 4, 1994. In closing arguments at the end of the trial, plaintiff's counsel requested damages between \$4,000,000 and



\$4,500,000 for medical costs and economic losses and asked for three to five times that amount for pain and suffering compensatory damages. After deliberations, the jury reported that it was "hung" and could not reach a unanimous verdict on the threshold question of whether plaintiff was exposed to radiation levels above the NRC-defined levels. (A 7-2 majority of the jury had concluded that plaintiffs exposure did exceed these levels). Finding itself hung on the exposure question, the jury did not decide the other questions regarding causation, the amount of compensatory damages and whether Edison's conduct warranted punitive damages. If the jury had found that punitive damages should be assessed, the trial would have resumed to decide the amount of such damages.

On February 8, 1994, the trial judge declared a mistrial because of the hung jury. The second trial was scheduled to begin on March 15, 1994. On March 14, 1994, the case was settled. The amount of the settlement payment will not have a material adverse effect on Edison's net income.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Inapplicable.

Pursuant to Form 10-K's General Instruction ("General Instruction") G(3), the following information is included as an additional item in Part I:

EXECUTIVE OFFICERS OF THE REGISTRANT (1) (2)

SCECORP

EXECUTIVE OFFICER -----	AGE AT DECEMBER 31, 1993 -----	COMPANY POSITION -----	EFFECTIVE DATE -----
John E. Bryson	50	Chairman of the Board, Chief Executive Officer and Director	October 1, 1990
Bryant C. Danner	56	Senior Vice President and General Counsel	July 1, 1992
Alan J. Fohrer	43	Senior Vice President, Treasurer and Chief Financial Officer	January 21, 1993
Richard K. Bushey	53	Vice President and Controller	July 21, 1988
Kenneth S. Stewart	42	Assistant General Counsel and Corporate Secretary	November 19, 1992

- (1) The Executive Officers of SCEcorp include the Chairman of the Board and Chief Executive Officer, the elected Vice Presidents and the Secretary of SCEcorp and Edison as well as the Chief Executive Officers and Presidents, Executive Vice Presidents and Senior Vice Presidents of Mission Energy, Mission Financial, and Mission Land (collectively "The Mission Companies") all of whom may be deemed policy makers of SCEcorp.
- (2) Effective March 1, 1993, Michael R. Peevey retired from his position as President of SCEcorp.

None of SCEcorp's elected executive officers are related to each other by blood or marriage. As set forth in Article IV of SCEcorp's Bylaws, the elected officers of SCEcorp are chosen annually by and serve at the pleasure of

SCEcorp's Board of Directors and hold their respective offices until their resignation, removal, other disqualification from service, or until their respective successors are elected. Each of the elected executive officers of SCEcorp holds an identical position with Edison except for Alan J. Fohrer, who does not hold the Treasurer position at Edison and has been actively engaged in the business of Edison for more than five years except for Bryant C. Danner. Those officers who have not held their present position with SCEcorp and/or Edison for the past five years had the following business experience during that period:

John E. Bryson	Executive Vice President and Chief Financial Officer of SCEcorp Executive Vice President and Chief Financial Officer of Edison	May 1988 to September 1990 January 1985 to September 1990
Bryant C. Danner	Partner with law firm of Latham & Watkins(1)(2)	January 1970 to June 1992
Alan J. Fohrer	Vice President, Treasurer and Chief Financial Officer of SCEcorp and Edison Assistant Treasurer of SCEcorp  Assistant Treasurer and Manager of Cost Control of Edison	April 1991 to January 1993 July 1988 to March 1991 September 1987 to March 1991

Kenneth S. Stewart	Assistant General Counsel of Edison and SCEcorp Senior Counsel of Edison  Attorney of Edison	March 1992 to October 1992 March 1989 to February 1992 June 1987 to February 1989
--------------------	--	--

- - - - -

- (1) Prior to leaving the law firm of Latham & Watkins, Bryant C. Danner was in the firm's environmental department.
- (2) This entity is not a parent, subsidiary or other affiliate of Edison.

EDISON

EXECUTIVE OFFICER	AGE AT DECEMBER 31, 1993	COMPANY POSITION(1)(2)	EFFECTIVE DATE
John E. Bryson	50	Chairman of the Board, Chief Executive Officer and Director	October 1, 1990
Bryant C. Danner	56	Senior Vice President and General Counsel	July 1, 1992
Alan J. Fohrer	43	Senior Vice President and Chief Financial Officer	June 17, 1993
Charles B. McCarthy, Jr.	53	Senior Vice President	June 1, 1990
Harold B. Ray	53	Senior Vice President (Power Systems)	June 1, 1990
R. H. Bridenbecker	50	Vice President (Customer Solutions)	June 1, 1990
Vikram S. Budhraj	46	Vice President (Planning and Technology)	February 1, 1992
Richard K. Bushey	53	Vice President and Controller	January 1, 1984
Ronald Daniels	54	Vice President (Regulatory Projects)	August 10, 1992
John R. Fielder	48	Vice President (Regulatory Policy and Affairs)	February 1, 1992
Robert G. Foster	46	Vice President (Public Affairs)	November 18, 1993
L. D. Hamlin	49	Vice President (Power Production)	February 1, 1992
Margaret H. Jordan	50	Vice President (Health Care and and Employee Services)	December 7, 1992
Russell W. Krieger	45	Vice President (Nuclear Generation)	June 17, 1993
J. Michael Mendez	52	Vice President (Regional Leadership)	February 8, 1993
Georgia R. Nelson	43	Vice President (Performance Support)	March 18, 1993
Lewis M. Phelps	50	Vice President (Corporate Communications)	May 1, 1989

Richard M. Rosenblum	43	Vice President (Engineering and Technical Services)	June 17, 1993
C. Alex Miller	36	Treasurer	June 17, 1993
Kenneth S. Stewart	42	Assistant General Counsel and Corporate Secretary	November 19, 1992

- 
- (1) Effective March 1, 1993, Michael R. Peevey retired from his position as President of Edison, and Harry E. Morgan, Jr. retired from his position as Vice President of Edison and Site Manager of San Onofre. At December 31, 1993, Charles B. McCarthy, Jr. was Senior Vice President of Edison; however, effective January 1, 1994, Mr. McCarthy retired from this position.
- (2) John E. Bryson, Bryant C. Danner, Richard K. Bushey and Kenneth S. Stewart also hold the same positions with SCEcorp. Alan J. Fohrer holds the office of Senior Vice President, Treasurer and Chief Financial Officer of SCEcorp. SCEcorp is the parent holding company of Edison.

None of Edison's executive officers are related to each other by blood or marriage. As set forth in Article IV of Edison's Bylaws, the officers of Edison are chosen annually by and serve at the pleasure of Edison's Board of Directors and hold their respective offices until their resignation, removal, other disqualification from service, or until their respective successors are elected. All of the executive officers have been actively engaged in the business of Edison for more than five years except for Bryant C. Danner and Margaret H. Jordan. Those officers who have not held their present position for the past five years had the following business experience during that period:

John E. Bryson	Executive Vice President and Chief Financial Officer	January 1985 to September 1990
Bryant C. Danner	Partner with Law Firm of Latham & Watkins(1)(3)	January 1970 to June 1992
Harold B. Ray	Vice President -- Nuclear Engineering Safety and Licensing Vice President -- Fuel Supply, Procurement and Material Management	August 1989 to May 1990 January 1988 to July 1989
R. H. Bridenbecker	Vice President and Site Manager -- San Onofre Nuclear Generating Station Vice President (Customer Service)	September 1989 to May 1990 January 1988 to August 1989
Vikram S. Budhraj	Vice President -- System Planning and Fuel Supply Manager -- Electric System Planning	April 1991 to January 1992 September 1986 to March 1991
Ronald Daniels	Vice President -- Revenue Requirements  Manager -- Revenue Requirements	August 1989 to July 1992 September 1975 to July 1989
John R. Fielder	Vice President -- Information Services	January 1989 to January 1992
Alan J. Fohrer	Vice President, Treasurer and Chief Financial Officer Assistant Treasurer and Manager -- Cost Control	April 1991 to January 1993 September 1987 to March 1991
L. D. Hamlin	Manager -- Steam Generation  Manager -- Research, System Planning and Research Department	April 1990 to January 1992 September 1986 to April 1990

Robert G. Foster	Regional Vice President (Sacramento Office)	January 1988 to October 1993
Margaret H. Jordan	Vice President -- Kaiser Foundation Health Plan of Texas(2) (3)	March 1986 to December 1992
Russell W. Krieger	Station Manager (San Onofre) Station Operation Manager (San Onofre)	August 1990 to May 1993 August 1985 to July 1990

J. Michael Mendez	Vice President -- Human Resources Division Vice President -- Customer Service Division Manager -- Customer Service Manager -- Personnel and Employee Relations	August 1991 to February 1993 January 1991 to July 1991 September 1989 to January 1991 September 1985 to September 1989
Georgia R. Nelson	Special Assistant to the Chairman Manager -- Procurement and Material Management Manager -- Telecommunications	February 1992 to March 1993 September 1989 to January 1992 November 1987 to August 1989
Lewis M. Phelps	Manager -- Corporate Communications	July 1985 to April 1989
Richard M. Rosenblum	Manager of Nuclear Regulatory Affairs Manager of Nuclear Oversight	June 1989 to May 1993 September 1986 to May 1989
C. Alex Miller	Assistant Treasurer Manager of Financial Planning and Regulatory Finance	April 1991 to May 1993 September 1987 to March 1991
Kenneth S. Stewart	Assistant General Counsel Senior Counsel Attorney	March 1992 to November 1992 March 1989 to February 1992 June 1987 to February 1989

- 
- (1) Prior to leaving the law firm of Latham & Watkins, Bryant C. Danner was in the firm's environmental department.
  - (2) As Vice President of the Kaiser Foundation Health Plan of Texas, Margaret H. Jordan was responsible for serving over 124,000 members in 10 multispecialty medical offices in the Dallas/Fort Worth area.
  - (3) This entity is not a parent, subsidiary or other affiliate of Edison.

THE MISSION COMPANIES

EXECUTIVE OFFICER -----	AGE AT DECEMBER 31, 1993 -----	COMPANY POSITION(1) -----	EFFECTIVE DATE -----
Edward R. Muller	41	President and Chief Executive Officer -- Mission Energy	August 23, 1993

Robert M. Edgell	46	Executive Vice President -- Mission Energy	April 1, 1988
Robert Dietch	55	Senior Vice President, Project Management/Operations -- Mission Energy	February 1, 1992
Alan M. Fenning	43	Senior Vice President and General Counsel -- Mission Energy	April 1, 1988

27

30

James V. Iaco, Jr.	49	Senior Vice President and Chief Financial Officer -- Mission Energy	January 24, 1994
S. Daniel Melita	42	Senior Vice President -- Mission Energy	November 1, 1993
Thomas R. McDaniel	44	President and Chief Executive Officer -- Mission First Financial and Mission Land	January 1, 1988
Lawrence W. Yu	40	Executive Vice President -- Mission First Financial	October 15, 1993
Michael L. Noel	52	Executive Vice President -- Mission Land	January 17, 1994
Charles W. Johnson	47	Executive Vice President -- Mission Land	August 7, 1992

(1) Effective August 1, 1993, James S. Pignatelli resigned from his position as President and Chief Executive Officer of Mission Energy. Alan J. Fohrer served as interim Vice Chairman and interim Chief Executive Officer of Mission Energy prior to Edward R. Muller's appointment as President and Chief Executive Officer. John A. Moriarty served as Senior Vice President of Mission Land until April 15, 1993; Mr. Moriarty currently serves as Vice President of Mission Land.

None of The Mission Companies' executive officers are related to each other by blood or marriage. As set forth in Article IV of their respective Bylaws, the officers of The Mission Companies are chosen annually by and serve at the pleasure of the respective Boards of Directors and hold their respective offices until their resignation, removal, other disqualification from service, or until their respective successors are elected. All of the executive officers have been actively engaged in the business of the respective Mission Companies and/or SCEcorp and Edison for more than five years except for Edward R. Muller, James V. Iaco, Jr., S. Daniel Melita and Charles W. Johnson. Those officers who have not held their present position for the past five years had the following business experience during that period:

Edward R. Muller	Vice President, Chief Financial Officer, General Counsel and Secretary, Whittaker Corporation(1) (13)	October 1992 to July 1993
	Vice President, Chief Administrative Officer, General Counsel and Secretary, Whittaker Corporation(2) (13)	March 1988 to September 1992
James V. Iaco, Jr.	President, James V. Iaco & Associates(3) (4) (13)	October 1993 to January 1994
	Independent Business Consultant(5) (13)	October 1992 to September 1993
	Independent Business Consultant(6) (13)	November 1991 to September 1992
	Senior Vice President, Chief Financial	January 1990 to

	Officer, Intermark, Inc.(7)(13)	October 1991
	Senior Vice President, Chief Financial Officer and Treasurer, MAXXAM Inc.(8)(13)	September 1981 to October 1990
Robert Dietch	Vice President, Engineering, Planning and Research of Edison	January 1987 to January 1992

28

31

S. Daniel Melita	Vice President, Mission Energy(9)(13)	September 1992 to October 1993
	Vice President, International Operations of EBASCO Constructors, Inc., EBASCO Overseas Corporation(10)(13)	October 1989 to August 1992
Michael L. Noel	Senior Vice President and Chief Financial Officer of Mission Energy Senior Vice President of Edison	February 1992 to December 1993 April 1991 to January 1992
	Vice President, Treasurer and Chief Financial Officer of SCEcorp and Edison Vice President and Treasurer of SCEcorp	October 1990 to March 1991 July 1988 to September 1990
	Vice President and Treasurer of Edison	July 1980 to September 1990
Lawrence W. Yu	Senior Vice President of Mission First Financial Vice President of Mission First Financial	July 1991 to September 1993 September 1987 to June 1991
Charles W. Johnson	President, Glenfed Development Corp.(11)(13) Executive Vice President/Deputy Subsidiary Group Administrator, Glenfed Service Corporation(12)(13)	September 1990 to June 1992 August 1987 to August 1990

- 
- (1) Edward R. Muller served as Chief Financial Officer and General Counsel (the second most senior officer) of Whittaker Corporation, a company during the period from 1992 to 1993 engaged in various aerospace businesses.
  - (2) Edward R. Muller served as Chief Administrative Officer and General Counsel (the third most senior officer) of Whittaker Corporation, a company during the period from 1988 to 1992 engaged in various aerospace, chemical and biotechnology businesses and which underwent significant restructurings, including a leveraged recapitalization and a tax-free spin off.
  - (3) James V. Iaco, Jr. was elected Senior Vice President and Chief Financial Officer of Mission Energy Company effective January 24, 1994.
  - (4) As President of James V. Iaco & Associates, James V. Iaco, Jr. provided consultant services specializing in mergers and acquisitions, restructurings, financing crisis management and other management services.
  - (5) As an independent business consultant, James V. Iaco, Jr. completed the disposition of subsidiaries of Phoenix Distributors, Inc. ("Phoenix"). Phoenix was one of the largest independent industrial gas and welding supply distributor in the United States. Mr. Iaco acted as the Company's chief financial officer, completing the refinancing and restructuring of the remaining operation of the Company.
  - (6) James V. Iaco, Jr. served as an independent business consultant

primarily engaged as the chief operating officer of a major developer of time-share resort properties at the request of the shareholders.

(7) As Senior Vice President, Chief Financial Officer, James V. Iaco, Jr. developed debt reduction and restructuring plans.

29

32

- (8) James V. Iaco, Jr. served as Senior Vice President, Chief Financial Officer and Treasurer at MAXXAM, Inc., a Fortune 200 company engaged in aluminum production, forest products operations and real estate development.
- (9) As Director International Business Development, S. Daniel Melita planned and implemented international marketing and sales strategies for all business units and was responsible for selecting team partners and establishing joint venture companies.
- (10) As Vice President, International Operations of EBASCO Constructors, Inc./EBASCO Overseas Corporation, S. Daniel Melita was responsible for all overseas activities including operations and business development, consulting construction management and lump sum turn key construction.
- (11) As President, Charles W. Johnson directed all real estate operations and business combinations which included direct development, joint ventures and syndications.
- (12) As Executive Vice President, Charles W. Johnson directed all real estate operations where Glenfed had made a direct equity investment. This included August Financial Corporation, Glenfed Development Corporation and Glenfed Properties.
- (13) This entity is not a parent, subsidiary or other affiliate of SCEcorp.

## PART II

### ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Information responding to Item 5 is included in SCEcorp's Annual Report to Shareholders for the year ended December 31, 1993, ("Annual Report") under "Quarterly Financial Data" on page 38 and under "Shareholder Information" on page 41, and is incorporated by reference pursuant to General Instruction G(2). The number of Common Stock shareholders of record was 140,600 on March 4, 1994. Additional information concerning the market for SCEcorp's Common Stock is set forth on the cover page hereof.

### ITEM 6. SELECTED FINANCIAL DATA

Information responding to Item 6 is included in the Annual Report under "Selected Financial and Operating Data: 1989-1993" on page 40, and is incorporated herein by reference pursuant to General Instruction G(2).

### ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Information responding to Item 7 is included in the Annual Report under "Management's Discussion and Analysis" on pages 21 through 29 and is incorporated herein by reference pursuant to General Instruction G(2).

### ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Certain information responding to Item 8 is set forth after Item 14 in Part IV. Other information responding to Item 8 is included in the Annual Report on pages 23 through 40 and is incorporated herein by reference pursuant to General Instruction G(2).

### ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

30

33

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information concerning executive officers of SCEcorp is set forth in Part I in accordance with General Instruction G(3), pursuant to Instruction 3 to Item 401(b) of Regulation S-K. Other information responding to Item 10 is included in the Joint Proxy Statement ("Proxy Statement") filed with the Commission in connection with SCEcorp's Annual Meeting to be held on April 21, 1994, under the heading, "Election of Directors of SCEcorp and Edison," and is incorporated herein by reference pursuant to General Instruction G(3).

ITEM 11. EXECUTIVE COMPENSATION

Information responding to Item 11 is included in the Proxy Statement under the heading "Election of Directors of SCEcorp and Edison," and is incorporated herein by reference pursuant to General Instruction G(3).

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information responding to Item 12 is included in the Proxy Statement under the headings "Election of Directors of SCEcorp and Edison," and "Stock Ownership of Certain Shareholders" and is incorporated herein by reference pursuant to General Instruction G(3).

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Information responding to Item 13 is included in the Proxy Statement under the heading "Election of Directors of SCEcorp and Edison," and is incorporated herein by reference pursuant to General Instruction G(3).

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(A) (1) FINANCIAL STATEMENTS

The following items contained in the 1993 Annual Report to Shareholders are incorporated by reference in this report.

Management's Discussion and Analysis of Results of Operations and Financial Condition  
Responsibility for Financial Reporting  
Report of Independent Public Accountants  
Consolidated Statements of Income -- Years Ended December 31, 1993, 1992 and 1991  
Consolidated Balance Sheets -- December 31, 1993, and 1992  
Consolidated Statements of Cash Flows -- Years Ended December 31, 1993, 1992 and 1991  
Consolidated Statements of Retained Earnings -- Years Ended December 31, 1993, 1992 and 1991  
Notes to Consolidated Financial Statements

31



(2) REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS AND SCHEDULES  
SUPPLEMENTING FINANCIAL STATEMENTS

The following documents may be found in this report at the indicated page numbers.

	PAGE
	-----
Report of Independent Public Accountants on Supplemental Schedules . . . . .	33
Schedule III--Condensed Financial Information of Parent . . . . .	34
Schedule V--Property, Plant and Equipment for the Years Ended December 31, 1993, 1992 and 1991 . . . . .	36
Schedule VI--Accumulated Depreciation and Amortization of Property, Plant, and Equipment for the Years Ended December 31, 1993, 1992 and 1991 . . . . .	39
Schedule VII--Guarantees of Securities of Other Issuers for the Year Ended December 31, 1993 . . . . .	42
Schedule VIII--Valuation and Qualifying Accounts for the Years Ended December 31, 1993, 1992 and 1991 . . . . .	43
Schedule IX--Short-Term Borrowings For Each of the Three Years in the Period Ended December 31, 1993 . . . . .	46
Schedule X--Supplementary Income Statement Information For Each of the Three Years in the Period Ended December 31, 1993 . . . . .	47
Schedule XIII--Other Investments, December 31, 1993 . . . . .	48

Schedules I through XIII, inclusive, except those referred to above, are omitted as not required or not applicable.

(3) EXHIBITS

See Exhibit Index on page 50 of this report.

(B) REPORTS ON FORM 8-K

October 12, 1993

Item 5: Other Events: Termination of Mission Energy Company Project in Mexico

October 27, 1993

Item 5: Other Events: Earnings Report

Item 7: Financial Statements: Pro Forma Financial Information and Exhibits

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS  
ON SUPPLEMENTAL SCHEDULES

To SCEcorp:

We have audited, in accordance with generally accepted auditing standards, the consolidated financial statements included in the 1993 Annual Report to Shareholders of SCEcorp, incorporated by reference in this Form 10-K, and have issued our report thereon dated February 4, 1994. Our audits of the consolidated financial statements were made for the purpose of forming an

opinion on those basic consolidated financial statements taken as a whole. The supplemental schedules listed in Part IV of this Form 10-K which are the responsibility of SCEcorp's management are presented for purposes of complying with the Securities and Exchange Commission's rules and regulations, and are not part of the basic consolidated financial statements. These supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, fairly state in all material respects the financial data required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

ARTHUR ANDERSEN & CO.  
ARTHUR ANDERSEN & CO.

Los Angeles, California  
February 4, 1994

33

36

SCECORP

SCHEDULE III -- CONDENSED FINANCIAL INFORMATION OF PARENT

CONDENSED BALANCE SHEETS

	December 31,	
	1993	1992
	(IN THOUSANDS)	
ASSETS:		
Cash and equivalents . . . . .	\$ 6,004	\$ 11,353
Other current assets . . . . .	143,607	158,640
<b>Total current assets . . . . .</b>	<b>149,611</b>	<b>169,993</b>
Investments in subsidiaries . . . . .	5,927,922	5,943,771
Accumulated deferred income taxes -- net . . . . .	46,768	1,030
Other assets . . . . .	258	552
<b>Total assets . . . . .</b>	<b>\$6,124,559</b>	<b>\$6,115,346</b>
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Accounts payable . . . . .	\$ 4,630	\$ 3,353
Other current liabilities . . . . .	162,348	158,256
<b>Total current liabilities . . . . .</b>	<b>166,978</b>	<b>161,609</b>
Common shareholders' equity . . . . .	5,957,581	5,953,737
<b>Total liabilities and shareholders' equity . . . . .</b>	<b>\$6,124,559</b>	<b>\$6,115,346</b>

CONDENSED STATEMENTS OF INCOME  
FOR THE YEARS ENDED DECEMBER 31, 1993, 1992, AND 1991

	1993	1992	1991
	(IN THOUSANDS, EXCEPT PER-SHARE AMOUNTS)		
Operating revenue and interest income . . . . .	\$ 18,914	\$13,974	\$ 8,662
Operating expenses and income taxes . . . . .	20,231	14,611	9,454

Loss before equity in earnings of subsidiaries . . . . .	----- (1,317)	----- (637)	----- (792)
Equity in earnings of subsidiaries . . . . .	640,364	739,357	703,397
Net income . . . . .	----- \$ 639,047 -----	----- \$738,720 -----	----- \$702,605 -----
Weighted-average shares of common stock outstanding . . . . .	447,754	445,489	437,321
Earnings per share . . . . .	----- \$ 1.43 -----	----- \$ 1.66 -----	----- \$ 1.61 -----

Note: Per-share figures reflect the two-for-one split of SCEcorp common stock effective June 1, 1993.

SCECORP

SCHEDULE III--CONDENSED FINANCIAL INFORMATION OF PARENT (CONTINUED)

CONDENSED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 1993, 1992, AND 1991

	1993	1992	1991
	-----	-----	-----
		(IN THOUSANDS)	
Cash Flows From Operating Activities . . . . .	\$ (46,143)	\$ 1,404	\$ (71)
Cash Flows From Financing Activities:			
Capital contributions . . . . .	41,250	(64,020)	69,505
Cash Flows From Investing Activities . . . . .	(456)	3,380	--
Increase (Decrease) in cash and equivalents . . . . .	(5,349)	(59,236)	69,434
Cash and equivalents at beginning of period . . . . .	11,353	70,589	1,155
Cash and Equivalents at the End of Period . . . . .	----- \$ 6,004 -----	----- \$ 11,353 -----	----- \$ 70,589 -----
Cash dividends received from Southern California Edison Company . . . . .	\$631,325	\$613,816	\$588,513
	-----	-----	-----

SCECORP

SCHEDULE V -- PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED DECEMBER 31, 1993

	BALANCE AT	ADD (DEDUCT)			BALANCE
DESCRIPTION	BEGINNING OF	ADDITIONS	RETIREMENTS	OTHER	AT END OF
-----	PERIOD	AT COST		CHANGES	PERIOD
	-----	-----		-----	-----
			(IN THOUSANDS)		
Steam production . . . . .	\$2,151,082	\$130,586	\$ (33,221)	\$ 4,687	\$ 2,253,134

Nuclear production . . . . .	5,380,457	61,597	(2,958)	--	5,439,096
Hydro production . . . . .	571,859	11,864	(453)	--	583,270
Other production . . . . .	396,095	19,391	(11,432)	391	404,445
Transmission . . . . .	2,568,391	86,972	(12,499)	467	2,643,331
Distribution . . . . .	5,608,233	342,022	(51,641)	11,980	5,910,594
General . . . . .	1,072,671	121,986	(14,960)	177	1,179,874
Plant held for future use . . . .	16,043	(14,393)	(9)	--	1,641
Experimental electric plant unclassified . . . . .	31,381	4,818	(6,221)	(17,946)	12,032
Other utility plant . . . . .	8,419	343	(45)	--	8,717
Subtotal--utility plant . . . . .	17,804,631	765,186	(133,439)	(244)	18,436,134
Construction work in progress . . . . .	723,765	124,321 (a)	9,139	--	857,225
Nuclear fuel . . . . .	776,262	86,225	(129,442)	26 (b)	733,071
Gross utility plant . . . . .	\$19,304,658	\$975,732	\$ (253,742)	\$ (218)	\$20,026,430
Nonutility property . . . . .	\$ 1,074,009	\$320,326	\$ (176,586)	\$131,891	\$ 1,349,640

(a) Reflects transfers to plant in service, which are net of additions to construction work in progress.

(b) Reflects prior-year adjustments.

SCECORP

SCHEDULE V -- PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED DECEMBER 31, 1992

DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	ADD (DEDUCT)			BALANCE AT END OF PERIOD
		ADDITIONS AT COST	RETIREMENTS	OTHER CHANGES	
(IN THOUSANDS)					
Steam production . . . . .	\$ 2,054,404	\$ 96,120	\$ (15,578)	\$ 16,136	\$ 2,151,082
Nuclear production . . . . .	5,915,872	70,661	(606,076) (b)	--	5,380,457
Hydro production . . . . .	569,322	3,519	(982)	--	571,859
Other production . . . . .	394,635	5,595	(4,135)	--	396,095
Transmission . . . . .	2,468,478	106,779	(7,491)	625	2,568,391
Distribution . . . . .	5,291,905	376,130	(59,909)	107	5,608,233
General . . . . .	993,991	125,687	(48,290)	1,283	1,072,671
Plant held for future use . . . .	17,629	132	(61)	(1,657)	16,043
Experimental electric plant unclassified . . . . .	58,145	263	(5,839)	(21,188)	31,381
Other utility plant . . . . .	7,692	713	(150)	164	8,419
Subtotal--utility plant . . . . .	17,772,073	785,599	(748,511)	(4,530)	17,804,631
Construction work in progress . . . . .	794,303	(60,531) (a)	9,054	(19,061)	723,765
Nuclear fuel . . . . .	973,554	20,356	(182,978)	(34,670) (b)	776,262
Gross utility plant . . . . .	\$19,539,930	\$745,424	\$ (922,435)	\$ (58,261)	\$19,304,658
Nonutility property . . . . .	\$ 446,723	\$ 22,689	\$ (10,327)	\$614,924	\$ 1,074,009

(a) Reflects transfers to plant in service, which are net of additions to construction work in progress.

(b) Reflects removal from service of nuclear generating plant under an agreement reached with the California Public Utilities Commission.

SCECORP

SCHEDULE V -- PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED DECEMBER 31, 1991

DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	ADD (DEDUCT)			BALANCE AT END OF PERIOD
		ADDITIONS AT COST	RETIREMENTS	OTHER CHANGES	
(IN THOUSANDS)					
Steam production . . . . .	\$ 1,960,914	\$ 98,818	\$ (5,328)	\$ --	\$ 2,054,404
Nuclear production . . . . .	5,789,475	129,931	(3,534)	--	5,915,872
Hydro production . . . . .	556,197	13,555	(373)	(57)	569,322
Other production . . . . .	395,963	5,039	(6,367)	--	394,635
Transmission . . . . .	2,405,526	74,072	(11,120)	--	2,468,478
Distribution . . . . .	4,961,068	393,032	(61,807)	(388)	5,291,905
General . . . . .	920,813	97,158	(21,714)	(2,266)	993,991
Plant held for future use . . . .	17,110	152	(21)	388	17,629
Experimental electric plant unclassified . . . . .	30,314	27,831	--	--	58,145
Other utility plant . . . . .	7,224	506	(38)	--	7,692
Subtotal--utility plant . . . .	17,044,604	840,094	(110,302)	(2,323)	17,772,073
Construction work in progress . . . . .	741,040	39,471 (a)	13,792	--	794,303
Nuclear fuel . . . . .	1,020,897	83,674	(131,017)	--	973,554
Gross utility plant . . . . .	\$18,806,541	\$963,239	\$ (227,527)	\$ (2,323)	\$19,539,930
Nonutility property . . . . .	\$ 418,658	\$ 66,535	\$ (51,136)	\$12,666	\$ 446,723

(a) Reflects transfers to plant in service, which are net of additions to construction work in progress.

(b) Restated to include consolidated statements from affiliates.

SCECORP

SCHEDULE VI -- ACCUMULATED DEPRECIATION AND AMORTIZATION  
OF PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED DECEMBER 31, 1993

DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	ADDITIONS CHARGED TO COSTS AND EXPENSES	ADD (DEDUCT)			BALANCE AT END OF PERIOD
			RETIREMENTS	OTHER CHARGES (A)	SALVAGE	
(IN THOUSANDS)						
Steam production . . . .	\$1,376,609	\$109,929	\$(21,637)	\$ (15,890)	\$3,279	\$1,452,290
Nuclear production . . . .	1,835,951	315,683	(2,757)	(60,047)	108	2,088,938
Hydro production . . . .	153,594	11,297	(445)	(302)	--	164,144
Other production . . . .	229,998	12,737	(6,080)	(3,288)	319	233,686
Transmission . . . . .	843,228	60,655	(11,483)	(3,262)	2,631	891,769
Distribution . . . . .	1,833,654	213,309	(51,555)	(27,201)	6,095	1,974,302
General . . . . .	268,189	59,402	(14,542)	2,145	192	315,386
Experimental electric plant unclassified . . . .	19,590	7,600	(3,165)	(6,935)	--	17,090
Retirement work in progress . . . . .	(22,514)	--	7,538	5,058	956	(8,962)
Other utility plant reserves . . . . .	5,387	4,274	(14)	(1)	--	9,646
Subtotal . . . . .	6,543,686	794,886	(104,140)	(109,723)	13,580	7,138,289
Nuclear fuel amortization . . . . .	652,653	61,848	(129,442)	--	--	585,059
Total utility plant reserves . . . . .	\$7,196,339	\$856,734	\$(233,582)	\$(109,723)	\$13,580	\$7,723,348
Nonutility property reserves . . . . .	\$ 50,478	\$ 28,993	\$(9,252)	\$ 2,950	\$ --	\$ 73,169

(a) Includes removal costs related to facilities retired, damage claims and relocation costs collected from others, and various other adjustments of depreciation and amortization.

SCECORP

SCHEDULE VI -- ACCUMULATED DEPRECIATION AND AMORTIZATION  
OF PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED DECEMBER 31, 1992

DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	ADDITIONS CHARGED TO COSTS AND EXPENSES	ADD (DEDUCT)			BALANCE AT END OF PERIOD
			RETIREMENTS	OTHER CHARGES (A)	SALVAGE	
(In thousands)						
Steam production . . . .	\$1,301,013	\$ 99,652	\$(15,798)	\$ (8,588)	\$ 330	\$1,376,609
Nuclear production . . . .	1,926,088	319,875	(777,264) (b)	367,166	86	1,835,951
Hydro production . . . .	143,797	11,223	(982)	(444)	--	153,594
Other production . . . .	228,740	11,116	(4,090)	(6,068)	300	229,998
Transmission . . . . .	790,677	58,443	(7,017)	(476)	1,601	843,228
Distribution . . . . .	1,712,575	201,666	(59,792)	(28,757)	7,962	1,833,654
General . . . . .	254,535	56,665	(48,309)	4,981	317	268,189
Experimental electric plant unclassified . . . .	19,275	6,212	(5,839)	(58)	--	19,590
Retirement work in progress . . . . .	(40,590)	--	4,785	9,462	3,829	(22,514)
Other utility plant reserves . . . . .	3,038	2,425	(76)	--	--	5,387
Subtotal . . . . .	6,339,148	767,277	(914,382)	337,218	14,425	6,543,686
Nuclear fuel amortization . . . . .	726,327	109,266	(182,978)	38	--	652,653
Total utility plant reserves . . . . .	\$7,065,475	\$876,543	\$(1,097,360)	\$337,256	\$14,425	\$7,196,339
Nonutility property reserves . . . . .	\$ 43,994	\$ 11,402	\$(1,947)	\$ (2,971)	\$ --	\$ 50,478

- (a) Includes removal costs related to facilities retired, damage claims and relocation costs collected from others, and various other adjustments of depreciation and amortization.
- (b) Reflects removal from service of nuclear generating plant under an agreement reached with the California Public Utilities Commission.

SCECORP

SCHEDULE VI -- ACCUMULATED DEPRECIATION AND AMORTIZATION OF PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED DECEMBER 31, 1991

DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	ADDITIONS CHARGED TO COSTS AND EXPENSES	ADD (DEDUCT)			BALANCE AT END OF PERIOD
			RETIREMENTS	OTHER CHARGES (A)	SALVAGE	
			(IN THOUSANDS)			
Steam production . . . .	\$1,217,709	\$ 88,644	\$ (5,112)	\$ (778)	\$ 550	\$1,301,013
Nuclear production . . . .	1,607,984	324,610	(3,508)	(3,050)	52	1,926,088
Hydro production . . . .	135,630	8,754	(387)	(240)	40	143,797
Other production . . . .	222,660	12,554	(6,365)	(109)	--	228,740
Transmission . . . . .	724,070	76,608	(10,686)	(2,606)	3,291	790,677
Distribution . . . . .	1,601,611	190,922	(61,709)	(27,789)	9,540	1,712,575
General . . . . .	219,110	51,831	(21,809)	4,981	422	254,535
Experimental electric plant unclassified . .	11,003	8,272	--	--	--	19,275
Retirement work in progress . . . . .	(46,557)	--	14,426	(8,239)	(220)	(40,590)
Other utility plant reserves . . . . .	2,863	213	(39)	1	--	3,038
Subtotal . . . . .	5,696,083	762,408	(95,189)	(37,829)	13,675	6,339,148
Nuclear fuel amortization . . . . .	725,989	131,355	(131,017)	--	--	726,327
Total utility plant reserves . . . . .	\$6,422,072	\$893,763	\$ (226,206)	\$ (37,829)	\$13,675	\$7,065,475
Nonutility property reserves (b) . . . . .	\$ 39,992	\$ 8,493	\$ (2,653)	\$ (1,838)	\$ --	\$ 43,994

- (a) Includes removal costs related to facilities retired, damage claims and relocation costs collected from others, and various other adjustments of depreciation and amortization.
- (b) Restated to include consolidated statements from affiliates.

SCECORP

SCHEDULE VII -- GUARANTEES OF SECURITIES OF OTHER ISSUERS

FOR THE YEAR ENDED DECEMBER 31, 1993  
(IN THOUSANDS)

Name of Issuer of securities guarantee by SCEcorp	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by the Company	Amount in treasury of issuer of securities guaranteed	Nature of guarantee	Nature of any default guaranteed in principal interest, sinking fund redemption provisions, or payment of dividends
Ontario Lakeshore Partners	Construction Loan	\$15,000	---	---	Principal and Interest	None
Centrelake Partners	Construction Loan	\$5,000	---	---	Principal and Interest	None
Carol Stream Developers	Acquisition and Development Loan	\$7,935	---	---	Principal and Interest	None

42

45

SCECORP

SCHEDULE VIII -- VALUATION AND QUALIFYING ACCOUNTS

FOR THE YEAR ENDED DECEMBER 31, 1993

DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	ADDITIONS		DEDUCTIONS	BALANCE AT END OF PERIOD
		CHARGED TO COSTS AND EXPENSES	CHARGED TO OTHER ACCOUNTS		
(IN THOUSANDS)					
Group A:					
Uncollectible accounts --					
Customers . . . . .	\$ 8,970	\$ 38,314	\$ 481	\$ 31,374	\$ 16,391
All other . . . . .	32,572	12,772	(481)	3,321	41,542
Total . . . . .	\$ 41,542	\$ 51,086	\$ --	\$ 34,695 (a)	\$ 57,933
Group B:					
Regulatory settlement . . . . .	\$113,380	\$ 10,620	\$ --	\$124,000 (b)	\$ --
DOE Decontamination and Decommissioning . . . . .	53,136	--	19,156 (c)	5,164 (d)	67,128
Pension and benefits . . . . .	111,139	48,692	22,064 (e)	50,131 (f)	131,764
Insurance, casualty and other . . . . .	64,019	51,843	--	48,159 (g)	67,703
Total . . . . .	\$341,674	\$111,155	\$41,220	\$227,454	\$266,595

- (a) Accounts written off, net.
- (b) Represents final settlement with the California Public Utilities Commission's Division of Ratepayer Advocates regarding affiliated company power purchases.
- (c) Represents new estimate based on actual billings.
- (d) Represents amounts paid.
- (e) Primarily represents transfers from the accrued paid absence allowance account for required additions to the comprehensive disability plan accounts.
- (f) Includes pension payments to retired employees, amounts paid to active employees during periods of illness and the funding of certain pension benefits.



(g) Amounts charged to operations that were not covered by insurance.

SCECORP

SCHEDULE VIII -- VALUATION AND QUALIFYING ACCOUNTS

FOR THE YEAR ENDED DECEMBER 31, 1992

DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	ADDITIONS		DEDUCTIONS	BALANCE AT END OF PERIOD
		CHARGED TO COSTS AND EXPENSES	CHARGED TO OTHER ACCOUNTS		
(IN THOUSANDS)					
Group A:					
Uncollectible accounts ---					
Customers . . . . .	\$ 10,028	\$ 23,041	\$ ---	\$ 24,099	\$ 8,970
All other . . . . .	11,934	25,846	---	5,208	32,572 (a)
Total . . . . .	\$ 21,962	\$ 48,887	\$ ---	\$ 29,307 (b)	\$ 41,542
Group B:					
Regulatory settlement . . . . .	\$ 124,000	\$ ---	9,320 (c)	19,940 (d)	\$ 113,380
DOE decontamination and decommissioning . . . . .	---	---	53,136 (e)	---	53,136
Environmental cleanup . . . . .	40,000	---	5,000 (e)	45,000 (f)	---
Pension and benefits . . . . .	112,007	30,905	20,562 (g)	52,335 (h)	111,139
Insurance, casualty and other . . . . .	70,513	71,040	---	77,534 (i)	64,019
Total . . . . .	\$ 346,520	\$ 101,945	\$ 88,018	\$ 194,809	\$ 341,674

- (a) Includes reserve for net realizable value write-down.
- (b) Accounts written off, net.
- (c) Represents reserve addition for the settlement with the California Public Utilities Commission's Division of Ratepayer Advocates regarding affiliated company power purchases.
- (d) Represents the amortization of the difference between the nominal value and the present value.
- (e) Represents the estimated long-term costs to be incurred and recovered through rates over 15 years; reclassified from account 253.
- (f) Represents an additional estimated liability established for environmental cleanup costs expected to be incurred and recovered through rates in future years.
- (g) Amount reclassified to Account 253, other deferred credits.
- (h) Primarily represents transfers from the accrued paid absence allowance account for required additions to the comprehensive disability plan accounts.
- (i) Includes pension payments to retired employees, amounts paid to active employees during periods of illness and the funding of certain pension benefits.
- (j) Amounts charged to operations that were not covered by insurance.

SCECORP

SCHEDULE VIII -- VALUATION AND QUALIFYING ACCOUNTS

FOR THE YEAR ENDED DECEMBER 31, 1991

DESCRIPTION -----	BALANCE AT BEGINNING OF PERIOD -----	ADDITIONS		DEDUCTIONS -----	BALANCE AT END OF PERIOD -----
		CHARGED TO COSTS AND EXPENSES -----	CHARGED TO OTHER ACCOUNTS ----- (IN THOUSANDS)		
Group A:					
Uncollectible accounts ---					
Customers . . . . .	\$ 10,423	\$ 22,533	\$ ---	\$ 22,928	\$ 10,028
All other . . . . .	7,814	9,358	---	5,238	11,934 (a)
	-----	-----	-----	-----	-----
Total . . . . .	\$ 18,237	\$ 31,891	\$ ---	\$ 28,166 (b)	\$ 21,962
	-----	-----	-----	-----	-----
Group B:					
Regulatory settlement . . . . .	\$ ---	124,000 (c)	\$ ---	\$ ---	\$ 124,000
Environmental cleanup . . . . .	---	---	40,000 (d)	---	40,000
Pension and benefits . . . . .	98,886	29,267	18,749 (e)	34,895 (f)	112,007
Insurance, casualty and other . . . . .	61,620	63,901	---	55,008 (g)	70,513
	-----	-----	-----	-----	-----
Total . . . . .	\$ 160,506	\$ 217,168	\$ 58,749	\$ 89,903	\$ 346,520
	-----	-----	-----	-----	-----

- (a) Includes reserve for net realizable value write-down.
- (b) Accounts written off, net.
- (c) Represents reserve addition for a proposed settlement with the California Public Utilities Commission's Division of Ratepayer Advocates regarding affiliated company power purchases.
- (d) Represents an estimated minimum liability established for environmental cleanup costs expected to be incurred and recovered through rates in future years.
- (e) Primarily represents transfers from the accrued paid absence allowance account for required additions to the comprehensive disability plan accounts.
- (f) Includes pension payments to retired employees, amounts paid to active employees during periods of illness and the funding of certain pension benefits.
- (g) Amounts charged to operations that were not covered by insurance.

SCECORP

SCHEDULE IX -- SHORT-TERM BORROWINGS

FOR EACH OF THE THREE YEARS IN THE PERIOD ENDED DECEMBER 31, 1993

DESCRIPTION -----	BALANCE AT END OF PERIOD -----	WEIGHTED AVERAGE INTEREST RATE -----	MAXIMUM AMOUNT OUTSTANDING DURING THE PERIOD -----	AVERAGE AMOUNT OUTSTANDING DURING THE PERIOD -----	WEIGHTED
					AVERAGE INTEREST RATE DURING THE PERIOD ----- (B)
(DOLLARS IN THOUSANDS)					
C>					
DECEMBER 31, 1993:					
Payable to holders of commercial paper--general purpose . . . . .	\$ 252,000	3.47%	\$ 420,800	\$ 201,800	3.36%
Payable to holders of commercial paper--balancing accounts . . . . .	163,500	3.47	246,900	119,823	3.36

Payable to holders of commercial paper--fuel . . . . .	269,600(c)	3.47	269,600	225,037	3.36
Payable to holders of commercial paper--leveraged leases . . . . .	181,600(c)	3.40	181,600	181,600	6.92
Payable to bank--general purpose . . . . .	22,250	10.37	209,781	120,321	7.91
Payable to unconsolidated subsidiary--fuel . . . . .	---	---	31,000	28,367	3.90
DECEMBER 31, 1992:					
Payable to holders of commercial paper--general purpose . . . . .	\$ 197,700	3.65%	\$ 350,400	\$ 87,000	4.03%
Payable to holders of commercial paper--balancing accounts . . . . .	246,900	3.65	455,700	361,000	4.03
Payable to holders of commercial paper--fuel . . . . .	228,300(c)	3.65	400,100	318,000	4.03
Payable to bank--leveraged leases . . . . .	181,600(c)	3.77	181,600	162,840	7.09
Payable to bank--general purpose . . . . .	119,460	7.34	534,714	182,337	7.06
Payable to unconsolidated subsidiary--fuel . . . . .	31,000	3.97	31,000	24,757	4.43
DECEMBER 31, 1991:					
Payable to holders of commercial paper--general purpose . . . . .	---	---	\$ 461,900	\$149,633	6.39%
Payable to holders of commercial paper--balancing accounts . . . . .	\$ 419,600	5.14%	506,700	476,000	6.36
Payable to holders of commercial paper--fuel . . . . .	372,200(c)	5.14	436,100	397,000	6.36
Payable to holders of commercial paper--leveraged leases . . . . .	181,600(c)	4.95	186,600	94,133	7.78
Payable to bank--general purpose . . . . .	142,310	5.58	214,785	85,614	7.28
Payable to others--fuel . . . . .	16,000	5.57	16,000	3,995	6.10

- (a) Average amount outstanding during the period is computed by dividing the total of daily outstanding principal balances by 365.
- (b) Weighted-average interest rate during the period is computed by dividing the total interest expense by the average amount outstanding.
- (c) Under credit agreements with commercial banks which allow SCEcorp to refinance short-term borrowings on a long-term basis, borrowings of \$252,000,000 as of December 31, 1993, \$245,000,000 as of December 31, 1992, and \$333,000,000 as of December 31, 1991, have been reclassified as long-term debt on the Consolidated Balance Sheet in the 1993 Annual Report.

SCECORP

SCHEDULE X -- SUPPLEMENTARY INCOME STATEMENT INFORMATION

FOR EACH OF THE THREE YEARS IN THE PERIOD ENDED DECEMBER 31, 1993

	CHARGED TO EXPENSE ----- (IN THOUSANDS)
Year ended December 31, 1993:	
Property taxes . . . . .	\$159,661
Year ended December 31, 1992:	
Property taxes . . . . .	155,792
Year ended December 31, 1991:	
Property taxes . . . . .	151,869

Note: Depreciation and maintenance expenses appear on the Consolidated Statements of Income. Royalties paid and advertising costs included

in Other Operating Expenses are less than 1% of total operating revenue.

SCECORP

SCHEDULE XIII -- OTHER INVESTMENTS

DECEMBER 31, 1993  
(IN THOUSANDS)

DESCRIPTION -----	NUMBER OF SHARES OR PRINCIPAL AMOUNT -----	COST ----	MARKET VALUE -----	AMOUNT AT WHICH CARRIED IN BALANCE SHEET -----
INVESTMENTS IN NUCLEAR DECOMMISSIONING TRUSTS:				
Qualified trust . . . . .	--	\$ 681,687	\$ 732,314	\$ 681,687
Non-qualified trust . . . . .	--	106,888	121,028	106,888
		-----	-----	-----
		\$ 788,575	\$ 853,342	\$ 788,575
		=====	=====	=====
INVESTMENTS IN PARTNERSHIPS AND UNCONSOLIDATED SUBSIDIARIES:				
Energy partnerships . . . . .	--	\$ 687,504	\$ 669,346	\$ 664,407
Real estate partnerships . . . . .	--	260,073	260,073	218,543
Unconsolidated subsidiary . . . . .	--	328,747	279,508	279,502
		-----	-----	-----
		\$1,276,324	\$1,208,927	\$1,162,452
		=====	=====	=====
INVESTMENTS IN LEVERAGED LEASES (A) . . . . .	--	\$ 354,449	\$ 354,449	\$ 497,469
		=====	=====	=====
OTHER INVESTMENTS . . . . .	--	\$ 20,577	\$ 20,577	\$ 20,577
		=====	=====	=====

(a) Market value is assumed to equal current unrecovered investment less deferred taxes.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SCEcorp

By W. J. Scilacci

-----  
(W. J. Scilacci,  
Assistant Treasurer)

Date: March 17, 1994

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

SIGNATURE -----	TITLE -----	DATE ----
Principal Executive Officer: John E. Bryson*	Chairman of the Board, Chief Executive Officer and Director	March 17, 1994
Principal Financial Officer: Alan J. Fohrer*	Senior Vice President, Treasurer and Chief Financial Officer	March 17, 1994
Controller or Principal Accounting Officer: Richard K. Bushey*	Vice President and Controller	March 17, 1994
Majority of Board of Directors:		
Howard P. Allen*	Director	March 17, 1994
Norman Barker, Jr.*	Director	March 17, 1994
Walter B. Gerken*	Director	March 17, 1994
Joan C. Hanley*	Director	March 17, 1994
Carl F. Huntsinger*	Director	March 17, 1994
Luis G. Nogales*	Director	March 17, 1994
J. J. Pinola*	Director	March 17, 1994
Henry T. Segerstrom*	Director	March 17, 1994
E. L. Shannon, Jr.*	Director	March 17, 1994
Daniel M. Tellep*	Director	March 17, 1994
James D. Watkins*	Director	March 17, 1994
Edward Zapanta*	Director	March 17, 1994

By W. J. Scilacci  
-----  
(W. J. Scilacci, Attorney-in-Fact)

EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----
3.1	Restated Articles of Incorporation as amended through April 25, 1988 (Registration No. 33-19541)* . . . . .
3.2	Certificate of Amendment of Restated Articles of Incorporation of SCEcorp (Registration No 33-37381)* . . . . .
3.3	Bylaws as adopted by the Board of Directors on November 18, 1993 . . . . .
4.1	Trust Indenture, dated as of October 1, 1923 (Registration No. 2-1369)* . . . . .
4.2	Supplemental Indenture, dated as of March 1, 1927 (Registration No. 2-1369)* . . . . .
4.3	Second Supplemental Indenture, dated as of April 25, 1935 (Registration No. 2-1472)* . . . . .
4.4	Third Supplemental Indenture, dated as of June 24, 1935 (Registration No. 2-1602)* . . . . .
4.5	Fourth Supplemental Indenture, dated as of September 1, 1935 (Registration No. 2-4522)* . . . . .
4.6	Fifth Supplemental Indenture, dated as of August 15, 1939 (Registration No. 2-4522)* . . . . .
4.7	Sixth Supplemental Indenture, dated as of September 1, 1940 (Registration No. 2-4522)* . . . . .
4.8	Seventh Supplemental Indenture, dated as of January 15, 1948 (Registration No. 2-7369)* . . . . .
4.9	Eighth Supplemental Indenture, dated as of August 15, 1948 (Registration No. 2-7610)* . . . . .
4.10	Ninth Supplemental Indenture, dated as of February 15, 1951 (Registration No. 2-8781)* . . . . .
4.11	Tenth Supplemental Indenture, dated as of August 15, 1951 (Registration No. 2-7968)* . . . . .
4.12	Eleventh Supplemental Indenture, dated as of August 15, 1953 (Registration No. 2-10396)* . . . . .

4.13	Twelfth Supplemental Indenture, dated as of August 15, 1954 (Registration No. 2-11049)* . . . . .
4.14	Thirteenth Supplemental Indenture, dated as of April 15, 1956 (Registration No. 2-12341)* . . . . .
4.15	Fourteenth Supplemental Indenture, dated as of February 15, 1957 (Registration No. 2-13030)* . . . . .
4.16	Fifteenth Supplemental Indenture, dated as of July 1, 1957 (Registration No. 2-13418)* . . . . .
4.17	Sixteenth Supplemental Indenture, dated as of August 15, 1957 (Registration No. 2-13516)* . . . . .
4.18	Seventeenth Supplemental Indenture, dated as of August 15, 1958 (Registration No. 2-14285)* . . . . .
4.19	Eighteenth Supplemental Indenture, dated as of January 15, 1960 (Registration No. 2-15906)* . . . . .
4.20	Nineteenth Supplemental Indenture, dated as of August 15, 1960 (Registration No. 2-16820)* . . . . .
4.21	Twentieth Supplemental Indenture, dated as of April 1, 1961 (Registration No. 2-17668)* . . . . .
4.22	Twenty-First Supplemental Indenture, dated as of May 1, 1962 (Registration No. 2-20221)* . . . . .
4.23	Twenty-Second Supplemental Indenture, dated as of October 15, 1962 (Registration No. 2-20791)* . . . . .
4.24	Twenty-Third Supplemental Indenture, dated as of May 15, 1963 (Registration No. 2-21346)* . . . . .

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
4.25	Twenty-Fourth Supplemental Indenture, dated as of February 15, 1964 (Registration No. 2-22056)* . . . . .
4.26	Twenty-Fifth Supplemental Indenture, dated as of February 1, 1965 (Registration No. 2-23082)* . . . . .
4.27	Twenty-Sixth Supplemental Indenture, dated as of May 1, 1966 (Registration No. 2-24835)* . . . . .
4.28	Twenty-Seventh Supplemental Indenture, dated as of August 15, 1966 (Registration No. 2-25314)* . . . . .
4.29	Twenty-Eighth Supplemental Indenture, dated as of May 1, 1967 (Registration No. 2-26323)* . . . . .
4.30	Twenty-Ninth Supplemental Indenture, dated as of February 1, 1968 (Registration No. 2-28000)* . . . . .
4.31	Thirtieth Supplemental Indenture, dated as of January 15, 1969 (Registration No. 2-31044)* . . . . .
4.32	Thirty-First Supplemental Indenture, dated as of October 1, 1969 (Registration No. 2-34839)* . . . . .
4.33	Thirty-Second Supplemental Indenture, dated as of December 1, 1970 (Registration No. 2-38713)* . . . . .
4.34	Thirty-Third Supplemental Indenture, dated as of September 15, 1971 (Registration No. 2-41527)* . . . . .
4.35	Thirty-Fourth Supplemental Indenture, dated as of August 15, 1972 (Registration No. 2-45046)* . . . . .
4.36	Thirty-Fifth Supplemental Indenture, dated as of February 1, 1974 (Registration No. 2-50039)* . . . . .
4.37	Thirty-Sixth Supplemental Indenture, dated as of July 1, 1974 (Registration No. 2-59199)* . . . . .
4.38	Thirty-Seventh Supplemental Indenture, dated as of November 1, 1974 (Registration No. 2-52160)* . . . . .
4.39	Thirty-Eighth Supplemental Indenture, dated as of March 1, 1975 (Registration No. 2-52776)* . . . . .
4.40	Thirty-Ninth Supplemental Indenture, dated as of March 15, 1976 (Registration No. 2-55463)* . . . . .
4.41	Fortieth Supplemental Indenture, dated as of July 1, 1977 (Registration No. 2-59199)* . . . . .
4.42	Forty-First Supplemental Indenture, dated as of November 1, 1978 (Registration No. 2-62609)* . . . . .
4.43	Forty-Second Supplemental Indenture, dated as of June 15, 1979 (File No. 1-2313)* . . . . .
4.44	Forty-Third Supplemental Indenture, dated as of September 15, 1979 (File No. 1-2313)* . . . . .
4.45	Forty-Fourth Supplemental Indenture, dated as of October 1, 1979 (Registration No. 2-65493)* . . . . .
4.46	Forty-Fifth Supplemental Indenture, dated as of April 1, 1980 (Registration No. 2-66896)* . . . . .
4.47	Forty-Sixth Supplemental Indenture, dated as of November 15, 1980 (Registration No. 2-69609)* . . . . .
4.48	Forty-Seventh Supplemental Indenture, dated as of May 15, 1981 (Registration No. 2-71948)* . . . . .
4.49	Forty-Eighth Supplemental Indenture, dated as of August 1, 1981 (File No. 1-2313)* . . . . .

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
4.50	Forty-Ninth Supplemental Indenture, dated as of December 1, 1981 (Registration No. 2-74339)* . . . . .
4.51	Fiftieth Supplemental Indenture, dated as of January 16, 1982 (File No. 1-2313)* . . . . .
4.52	Fifty-First Supplemental Indenture, dated as of April 15, 1982 (Registration No. 2-76626)* . . . . .
4.53	Fifty-Second Supplemental Indenture, dated as of November 1, 1982 (Registration No. 2-79672)* . . . . .
4.54	Fifty-Third Supplemental Indenture, dated as of November 1, 1982 (File No. 1-2313)* . . . . .
4.55	Fifty-Fourth Supplemental Indenture, dated as of January 1, 1983 (File No. 1-2313)* . . . . .
4.56	Fifty-Fifth Supplemental Indenture, dated as of May 1, 1983 (File No. 1-2313)* . . . . .
4.57	Fifty-Sixth Supplemental Indenture, dated as of December 1, 1984 (Registration No. 2-94512)* . . . . .
4.58	Fifty-Seventh Supplemental Indenture, dated as of March 15, 1985 (Registration No. 2-96181)* . . . . .
4.59	Fifty-Eighth Supplemental Indenture, dated as of October 1, 1985 (File No. 1-2313)* . . . . .
4.60	Fifty-Ninth Supplemental Indenture, dated as of October 15, 1985 (File No. 1-2313)* . . . . .
4.61	Sixtieth Supplemental Indenture, dated as of March 1, 1986 . . . . .

4.62	(File No. 1-2313)* . . . . . Sixty-First Supplemental Indenture, dated as of March 15, 1986 (File No. 1-2313)* . . . . .
4.63	Sixty-Second Supplemental Indenture, dated as of April 15, 1986 (File No. 1-2313)* . . . . .
4.64	Sixty-Third Supplemental Indenture, dated as of April 15, 1986 (File No. 1-2313)* . . . . .
4.65	Sixty-Fourth Supplemental Indenture, dated as of July 1, 1986 (File No. 1-2313)* . . . . .
4.66	Sixty-Fifth Supplemental Indenture, dated as of September 1, 1986 (File No. 1-2313)* . . . . .
4.67	Sixty-Sixth Supplemental Indenture, dated as of September 1, 1986 (File No. 1-2313)* . . . . .
4.68	Sixty-Seventh Supplemental Indenture, dated as of December 1, 1986 (File No. 1-2313)* . . . . .
4.69	Sixty-Eighth Supplemental Indenture, dated as of July 1, 1987 (Registration No. 33-19541)* . . . . .
4.70	Sixty-Ninth Supplemental Indenture, dated as of October 15, 1987 (Registration No. 33-19541)* . . . . .
4.71	Seventieth Supplemental Indenture, dated as of November 1, 1987 (File No. 1-2313)* . . . . .
4.72	Seventy-First Supplemental Indenture, dated as of February 15, 1988 (File No. 1-2313)* . . . . .
4.73	Seventy-Second Supplemental Indenture, dated as of April 15, 1988 (File No. 1-2313)* . . . . .
4.74	Seventy-Third Supplemental Indenture, dated as of July 1, 1988 (File No. 1-2313)* . . . . .

EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----
4.75	Seventy-Fourth Supplemental Indenture, dated as of August 15, 1988 (File No. 1-2313)* . . . . .
4.76	Seventy-Fifth Supplemental Indenture, dated as of September 15, 1988 (File No. 1-2313)* . . . . .
4.77	Seventy-Sixth Supplemental Indenture, dated as of January 15, 1989 (File No. 1-2313)* . . . . .
4.78	Seventy-Seventh Supplemental Indenture, dated as of May 1, 1990 (File No. 1-2313)* . . . . .
4.79	Seventy-Eighth Supplemental Indenture, dated as of June 15, 1990 (File No. 1-2313)* . . . . .
4.80	Seventy-Ninth Supplemental Indenture, dated as of August 15, 1990 (File No. 1-2313)* . . . . .
4.81	Eightieth Supplemental Indenture, dated as of December 1, 1990 (File No. 1-2313)* . . . . .
4.82	Eighty-First Supplemental Indenture, dated as of April 1, 1991 (File No. 1-2313)* . . . . .
4.83	Eighty-Second Supplemental Indenture, dated as of May 1, 1991 (File No. 1-2313)* . . . . .
4.84	Eighty-Third Supplemental Indenture, dated as of June 1, 1991 (File No. 1-2313)* . . . . .
4.85	Eighty-Fourth Supplemental Indenture, dated as of December 1, 1991 (File No. 1-2313)* . . . . .
4.86	Eighty-Fifth Supplemental Indenture, dated as of February 1, 1992 (File No. 1-2313)* . . . . .
4.87	Eighty-Sixth Supplemental Indenture, dated as of April 1, 1992 (File No. 1-2313)* . . . . .
4.88	Eighty-Seventh Supplemental Indenture, dated as of July 1, 1992 (File No. 1-2313)* . . . . .
4.89	Eighty-Eight Supplemental Indenture, dated as of July 15, 1992 (File No. 1-2313)* . . . . .
4.90	Eighty-Ninth Supplemental Indenture, dated as of December 1, 1992 (File No. 1-2313)* . . . . .
4.91	Ninetieth Supplemental Indenture, dated as of January 15, 1993 (File No. 1-2313)* . . . . .
4.92	Ninety-First Supplemental Indenture, dated as of March 1, 1993 (File No. 1-2313)* . . . . .
4.93	Ninety-Second Supplemental Indenture, dated as of June 1, 1993 . . . . .
4.94	Ninety-Third Supplemental Indenture, dated as of June 15, 1993 (File No. 1-2313)* . . . . .
4.95	Ninety-Fourth Supplemental Indenture, dated as of July 15, 1993 . . . . . (File No. 1-2313)* . . . . .
4.96	Ninety-Fifth Supplemental Indenture, dated as of September 1, 1993

4.97	(File No. 1-2313)* . . . . .
	Ninety-Sixth Supplemental Indenture, dated as of October 1, 1993
	(File No. 1-2313)* . . . . .
10.1	Executive Supplemental Benefit Program
	(File No. 1-2313)* . . . . .
10.2	1981 Deferred Compensation Agreement
	(File No. 1-2313)* . . . . .
10.3	1985 Deferred Compensation Agreement for Executives
	(File No. 1-2313)* . . . . .
10.4	1985 Deferred Compensation Agreement for Directors
	(File No. 1-2313)* . . . . .
10.5	1987 Deferred Compensation Plan for Executives
	(File No. 1-2313)* . . . . .

EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----
10.6	1987 Deferred Compensation Plan for Directors (File No. 1-2313)* . . . . .
10.7	1988 Deferred Compensation Plan for Executives (File No. 1-2313)* . . . . .
10.8	1988 Deferred Compensation Plan for Directors (File No. 1-2313)* . . . . .
10.9	1989 Deferred Compensation Plan for Executives (File No. 1-9936)* . . . . .
10.10	1989 Deferred Compensation Plan for Directors (File No. 1-9936)* . . . . .
10.11	1990 Deferred Compensation Plan for Executives (File No. 1-9936)* . . . . .
10.12	1990 Deferred Compensation Plan for Directors (File No. 1-9936)* . . . . .
10.13	Annual Deferred Compensation Plan for Executives (File No. 1-9936)* . . . . .
10.14	Annual Deferred Compensation Plan for Directors (File No. 1-9936)* . . . . .
10.15	Executive Retirement Plan (File No. 1-2313)* . . . . .
10.16	Employment Agreement with Jack K. Horton (File No. 1-2313)* . . . . .
10.17	Employment Agreement with Howard P. Allen (File No. 1-2313)* . . . . .
10.18	1991 Executive Incentive Compensation Plan (File No. 1-9936)* . . . . .
10.19	1992 Executive Incentive Compensation Plan (File No. 1-9936)* . . . . .
10.20	1993 Executive Incentive Compensation Plan . . . . .
10.21	Retirement Plan for Directors (File No. 1-2313)* . . . . .
10.22	Long-Term Incentive Plan for Executive Officers (Registration No. 33-19541)* . . . . .
10.23	Estate and Financial Planning Program for Executive Officers (File No. 1-9936)* . . . . .
10.24	Consulting Agreement with Jack K. Horton (File No. 1-9936)* . . . . .
10.25	Consulting Agreement with Howard P. Allen (File No. 1-9936)* . . . . .
10.26	Consulting Agreement with Michael R. Peevey (File No. 1-9936)* . . . . .
10.27	Resignation and General Release Agreement with Michael R. Peevey (File No. 1-9936)* . . . . .
10.28	Employment Agreement with Bryant C. Danner (File No. 1-9936)* . . . . .
10.29	Employment Agreement with Charles W. Johnson (File No. 1-9936)* . . . . .
10.30	Resignation Agreement with Charles B. McCarthy, Jr. . . . .
11.	Computation of Primary and Fully Diluted Earnings Per Share . . . . .
12.	Computation of Ratios of Earnings to Fixed Charges . . . . .
13.	Selected portions of the Annual Report to Shareholders for year ended December 31, 1993 . . . . .
21.	Subsidiaries of the Registrant . . . . .
23.	Consent of Independent Public Accountants - Arthur Andersen & Co. . . . .
24.1	Power of Attorney . . . . .
24.2	Certified copy of Resolution of Board of Directors Authorizing Signature . . . . .



\* Incorporated by reference pursuant to Rule 12b-32.

I, MOLLY K. BYRD, Assistant Secretary of SCEcorp, certify that the attached is an accurate and complete copy of the Bylaws of this corporation as amended, and in full force and effect as of this date.

Dated: March 17, 1994

Molly K. Byrd

-----

Assistant Secretary  
SCEcorp

To Holders of the Company's Bylaws:

Effective November 18, 1993, Article III, Section 6, was amended to change the hour of the regular Board meetings from 10:00 a.m. to 9:30 a.m. and Article III, Section 7, was amended to provide for facsimile and electronic mail notification of Special meetings.

KENNETH S. STEWART  
Corporate Secretary

BYLAWS  
OF  
SCEcorp  
AS AMENDED TO AND INCLUDING  
NOVEMBER 18, 1993

INDEX

	PAGE
	----
ARTICLE I -- PRINCIPAL OFFICE	
Section 1. Principal Office . . . . .	1
ARTICLE II -- SHAREHOLDERS	
Section 1. Meeting Locations . . . . .	1
Section 2. Annual Meetings . . . . .	1
Section 3. Special Meetings . . . . .	2
Section 4. Notice of Annual or Special Meeting . . . . .	2
Section 5. Quorum . . . . .	3
Section 6. Adjourned Meeting and Notice Thereof . . . . .	4
Section 7. Voting . . . . .	4

Section 8.	Record Date . . . . .	6
Section 9.	Consent of Absentees . . . . .	7
Section 10.	Action Without Meeting . . . . .	7
Section 11.	Proxies . . . . .	7
Section 12.	Inspectors of Election . . . . .	8

ARTICLE III -- DIRECTORS

Section 1.	Powers . . . . .	8
Section 2.	Number of  Directors . . . . .	9
Section 3.	Election and Term of Office . . . . .	10
Section 4.	Vacancies . . . . .	10
Section 5.	Place of Meeting . . . . .	11
Section 6.	Regular Meetings . . . . .	11
Section 7.	Special Meetings . . . . .	11
Section 8.	Quorum . . . . .	12
Section 9.	Participation in Meetings by Conference Telephone . . . . .	12
Section 10.	Waiver of Notice . . . . .	12
Section 11.	Adjournment . . . . .	12
Section 12.	Fees and Compensation . . . . .	13
Section 13.	Action Without Meeting . . . . .	13
Section 14.	Rights of Inspection . . . . .	13
Section 15.	Committees . . . . .	13

ARTICLE IV -- OFFICERS

Section 1.	Officers . . . . .	14
Section 2.	Election . . . . .	14
Section 3.	Eligibility of Chairman or President . . . . .	15
Section 4.	Removal and Resignation . . . . .	15
Section 5.	Appointment of Other Officers . . . . .	15
Section 6.	Vacancies . . . . .	15
Section 7.	Salaries . . . . .	15
Section 8.	Furnish Security for Faithfulness . . . . .	16
Section 9.	Chairman's Duties; Succession to Such Duties in Chairman's Absence or Disability . . . . .	16
Section 10.	President's Duties . . . . .	16
Section 11.	Chief Financial Officer . . . . .	16
Section 12.	Vice President's Duties . . . . .	17
Section 13.	General Counsel's Duties . . . . .	17
Section 14.	Associate General Counsel's and Assistant General Counsel's Duties . . . . .	17
Section 15.	Controller's Duties . . . . .	17
Section 16.	Assistant Controllers' Duties . . . . .	17
Section 17.	Treasurer's Duties . . . . .	17
Section 18.	Assistant Treasurers' Duties . . . . .	18
Section 19.	Secretary's Duties . . . . .	18
Section 20.	Assistant Secretaries' Duties . . . . .	19
Section 21.	Secretary Pro Tempore . . . . .	19
Section 22.	Election of Acting Treasurer or Acting Secretary . . . . .	19
Section 23.	Performance of Duties . . . . .	19

ARTICLE V -- OTHER PROVISIONS

Section 1.	Inspection of Corporate Records . . . . .	20
Section 2.	Inspection of Bylaws . . . . .	20
Section 3.	Contracts and Other Instruments, Loans, Notes and Deposits of Funds . . . . .	21
Section 4.	Certificates of Stock . . . . .	21
Section 5.	Transfer Agent, Transfer Clerk and Registrar . . . . .	22
Section 6.	Representation of Shares of Other Corporations . . . . .	22

ARTICLE V -- OTHER PROVISIONS (continued)

Section 7. Stock Purchase Plans . . . . . 22  
 Section 8. Fiscal Year and Subdivisions . . . . . 23  
 Section 9. Construction and Definitions . . . . . 23

ARTICLE VI -- INDEMNIFICATION

Section 1. Indemnification of Directors and Officers . . . . . 23  
 Section 2. Indemnification of Employees and Agents . . . . . 25  
 Section 3. Right of Directors and Officers to  
     Bring Suit . . . . . 25  
 Section 4. Successful Defense . . . . . 26  
 Section 5. Non-Exclusivity of Rights . . . . . 26  
 Section 6. Insurance . . . . . 26  
 Section 7. Expenses as a Witness . . . . . 26  
 Section 8. Indemnity Agreements . . . . . 27  
 Section 9. Separability . . . . . 27  
 Section 10. Effect of Repeal or Modification . . . . . 27

ARTICLE VII -- EMERGENCY PROVISIONS

Section 1. General . . . . . 27  
 Section 2. Unavailable Directors . . . . . 28  
 Section 3. Authorized Number of Directors . . . . . 28  
 Section 4. Quorum . . . . . 28  
 Section 5. Creation of Emergency Committee . . . . . 28  
 Section 6. Constitution of Emergency Committee . . . . . 28  
 Section 7. Powers of Emergency Committee . . . . . 29  
 Section 8. Directors Becoming Available . . . . . 29  
 Section 9. Election of Board of Directors . . . . . 29  
 Section 10. Termination of Emergency Committee . . . . . 29

ARTICLE VIII -- AMENDMENTS

Section 1. Amendments . . . . . 30

BYLAWS

Bylaws for the regulation, except as otherwise provided  
by statute or its Articles of Incorporation

OF

SCECORP

AS AMENDED TO AND INCLUDING  
NOVEMBER 18, 1993

ARTICLE I -- PRINCIPAL OFFICE

SECTION 1. PRINCIPAL OFFICE.

The principal office of the Corporation is hereby fixed and located at 2244 Walnut Grove Avenue, in the City of Rosemead, County of Los Angeles, State of California. The Board of Directors is hereby granted full power and authority to change said principal office from one location to another.

ARTICLE II -- SHAREHOLDERS

SECTION 1. MEETING LOCATIONS.

All meetings of shareholders shall be held at the principal office of the corporation or at such other place or places within or without the State of California as may be designated by the Board of Directors (the "Board"). In the event such places shall prove inadequate in capacity for any meeting of shareholders, an adjournment may be taken to and the meeting held at such other place of adequate capacity as may be designated by the officer of the corporation presiding at such meeting.

SECTION 2. ANNUAL MEETINGS.

The annual meeting of shareholders shall be held on the third Thursday of the month of April of each year at 10:00 a.m. on said day to elect directors to hold office for the year next ensuing and until their successors shall be elected, and to consider and act upon such other matters as may lawfully be presented to such meeting; provided, however, that should said day fall upon a legal holiday, then any such annual meeting of shareholders shall be held at the same time and place on the next day thereafter ensuing which is not a legal holiday.

7

ARTICLE II

SECTION 3. SPECIAL MEETINGS.

Special meetings of the shareholders may be called at any time by the Board, the Chairman of the Board, the President, or upon written request of any three members of the Board, or by the holders of shares entitled to cast not less than ten percent of the votes at such meeting. Upon request in writing to the Chairman of the Board, the President, any Vice President or the Secretary by any person (other than the Board) entitled to call a special meeting of shareholders, the officer forthwith shall cause notice to be given to the shareholders entitled to vote that a meeting will be held at a time requested by the person or persons calling the meeting, not less than thirty-five nor more than sixty days after the receipt of the request. If the notice is not given within twenty days after receipt of the request, the persons entitled to call the meeting may give the notice.

SECTION 4. NOTICE OF ANNUAL OR SPECIAL MEETING.

Written notice of each annual or special meeting of shareholders shall be given not less than ten (or if sent by third-class mail, thirty) nor more than sixty days before the date of the meeting to each shareholder entitled to vote thereat. Such notice shall state the place, date, and hour of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (ii) in the case of an annual meeting, those matters which the Board, at the time of the mailing of the notice, intends to present for action by the shareholders, but, subject to the provisions of applicable law and these Bylaws, any proper matter may be presented at an annual meeting for such action. The notice of any special or annual meeting at which directors are to be elected shall include the names of nominees intended at the time of the notice to be presented by the Board for election. For any matter to be presented by a shareholder at an annual meeting held after December 31, 1993, including the nomination of any person (other than a person nominated by or at the direction of the Board) for election to the Board, written notice must be received by the Secretary of the corporation from the shareholder not less than sixty nor more than one hundred twenty days prior to the date of the annual meeting specified in these Bylaws and to which the shareholder's notice relates; provided however, that in the event the annual meeting to which the shareholder's written notice relates is to be held on a date which is more than thirty days earlier than the date of the annual meeting specified in these Bylaws, the notice from a shareholder must be received by the Secretary not later than the close of business on the tenth day

following the date on which public disclosure of the date of the annual meeting was made or given to the shareholders. The shareholder's notice to the Secretary shall set forth (a) a brief description of each matter to be presented at the annual meeting by the shareholder; (b) the name and address, as they appear on the corporation's books, of the shareholder; (c) the class and number of shares of the corporation

ARTICLE II

which are beneficially owned by the shareholder; and (d) any material interest of the shareholder in the matters to be presented. Any shareholder who intends to nominate a candidate for election as a director shall also set forth in such a notice (i) the name, age, business address and residence address of each nominee that he or she intends to nominate at the meeting, (ii) the principal occupation or employment of each nominee, (iii) the number of shares of capital stock of the corporation beneficially owned by each nominee, and (iv) any other information concerning the nominee that would be required under the rules of the Securities and Exchange Commission in a proxy statement soliciting proxies for the election of the nominee. The notice shall also include a consent, signed by the shareholder's nominees, to serve as a director of the corporation if elected. Notwithstanding anything in these Bylaws to the contrary, and subject to the provisions of any applicable law, no business shall be conducted at a special or annual meeting except in accordance with the procedures set forth in this Section 4.

Notice of a shareholders' meeting shall be given either personally or by first-class mail (or, if the outstanding shares of the corporation are held of record by 500 or more persons on the record date for the meeting, by third-class mail) or by other means of written communication, addressed to the shareholder at the address of such shareholder appearing on the books of the corporation or given by the shareholder to the corporation for the purpose of notice; or, if no such address appears or is given, at the place where the principal office of the corporation is located or by publication at least once in a newspaper of general circulation in the county in which the principal office is located. Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient.

SECTION 5. QUORUM.

A majority of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders. The affirmative vote of a majority of the shares represented and voting at a duly held meeting at which a quorum is present (which shares voting affirmatively also constitute at least a majority of the required quorum) shall be the act of the shareholders, unless the vote of a greater number or voting by classes is required by law or the Articles; provided, however, that the shareholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to have less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the shares required to constitute a quorum.

## ARTICLE II

## SECTION 6. ADJOURNED MEETING AND NOTICE THEREOF.

Any shareholders' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the shares, the holders of which are either present in person or represented by proxy thereat, but in the absence of a quorum (except as provided in Section 5 of this Article) no other business may be transacted at such meeting.

It shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by announcement at the meeting at which such adjournment is taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting. However, when any shareholders' meeting is adjourned for more than forty-five days or, if after adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given as in the case of an original meeting.

## SECTION 7. VOTING.

The shareholders entitled to notice of any meeting or to vote at any such meeting shall be only persons in whose name shares stand on the stock records of the corporation on the record date determined in accordance with Section 8 of this Article.

Voting shall in all cases be subject to the provisions of Chapter 7 of the California General Corporation Law, and to the following provisions:

(a) Subject to clause (g), shares held by an administrator, executor, guardian, conservator or custodian may be voted by such holder either in person or by proxy, without a transfer of such shares into the holder's name; and shares standing in the name of a trustee may be voted by the trustee, either in person or by proxy, but no trustee shall be entitled to vote shares held by such trustee without a transfer of such shares into the trustee's name.

(b) Shares standing in the name of a receiver may be voted by such receiver; and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into the receiver's name if authority to do so is contained in the order of the court by which such receiver was appointed.

## ARTICLE II

(c) Subject to the provisions of Section 705 of the California General Corporation Law and except where otherwise agreed in writing between the parties, a shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

(d) Shares standing in the name of a minor may be voted and the corporation may treat all rights incident thereto as exercisable by the minor, in person or by proxy, whether or not the corporation has notice, actual or constructive, of the non-age unless a guardian of the minor's property has been appointed and written notice of such appointment given to the corporation.

(e) Shares standing in the name of another corporation, domestic or foreign, may be voted by such officer, agent or proxyholder as the bylaws of such other corporation may prescribe or, in the absence of such provision, as the Board of Directors of such other corporation may determine or, in the absence of such determination, by the chairman of the board, president or any vice president of such other corporation, or by any other person authorized to do so by the chairman of the board, president or any vice president of such other corporation. Shares which are purported to be voted or any proxy purported to be executed in the name of a corporation (whether or not any title of the person signing is indicated) shall be presumed to be voted or the proxy executed in accordance with the provisions of this subdivision, unless the contrary is shown.

(f) Shares of the corporation owned by any of its subsidiaries shall not be entitled to vote on any matter.

(g) Shares of the corporation held by the corporation in a fiduciary capacity, and shares of the corporation held in a fiduciary capacity by any of its subsidiaries, shall not be entitled to vote on any matter, except to the extent that the settlor or beneficial owner possesses and exercises a right to vote or to give the corporation binding instructions as to how to vote such shares.

(h) If shares stand of record in the names of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, husband and wife as community property, tenants by the entirety, voting trustees, persons entitled to vote under a shareholder voting agreement or otherwise, or if two or more persons (including proxyholders) have the same fiduciary relationship respecting the same shares, unless the secretary of the corporation is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect:

11  
ARTICLE II

- (i) If only one votes, such act binds all;
- (ii) If more than one vote, the act of the majority so voting binds all;
- (iii) If more than one vote, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionately.

If the instrument so filed or the registration of the shares shows that any such tenancy is held in unequal interests, a majority or even split for the purpose of this section shall be a majority or even split in interest.

No shareholder of any class of stock of this corporation shall be entitled to cumulate votes at any election of directors of this corporation.

Elections for directors need not be by ballot; provided, however, that all elections for directors must be by ballot upon demand made by a shareholder at the meeting and before the voting begins.

In any election of directors, the candidates receiving the highest number of votes of the shares entitled to be voted for them up to the number of directors to be elected by such shares are elected.



SECTION 8. RECORD DATE.

The Board may fix, in advance, a record date for the determination of the shareholders entitled to notice of any meeting or to vote or entitled to receive payment of any dividend or other distribution, or any allotment of rights, or to exercise rights in respect of any other lawful action. The record date so fixed shall be not more than sixty days nor less than ten days prior to the date of the meeting nor more than sixty days prior to any other action. When a record date is so fixed, only shareholders of record at the close of business on that date are entitled to notice of and to vote at the meeting or to receive the dividend, distribution, or allotment of rights, or to exercise the rights, as the case may be, notwithstanding any transfer of shares on the books of the corporation after the record date, except as otherwise provided by law or these Bylaws. A determination of shareholders of record entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting unless the Board fixes a new record date for the adjourned meeting. The Board shall fix a new record date if the meeting is adjourned for more than forty-five days.

If no record date is fixed by the Board, the record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business

6

12

ARTICLE II

day next preceding the day on which the meeting is held. The record date for determining shareholders for any purpose other than as set forth in this Section 8 or Section 10 of this Article shall be at the close of business on the day on which the Board adopts the resolution relating thereto, or the sixtieth day prior to the date of such other action, whichever is later.

SECTION 9. CONSENT OF ABSENTEES.

The transactions of any meeting of shareholders, however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of shareholders need be specified in any written waiver of notice, consent to the holding of the meeting or approval of the minutes thereof, except as provided in Section 601 (f) of the California General Corporation Law.

SECTION 10. ACTION WITHOUT MEETING.

Subject to Section 603 of the California General Corporation Law, any action which, under any provision of the California General Corporation Law, may be taken at any annual or special meeting of shareholders may be taken without a meeting and without prior notice if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Unless a record date for voting purposes be fixed as provided in Section 8 of this Article, the record date for determining

shareholders entitled to give consent pursuant to this Section 10, when no prior action by the Board has been taken, shall be the day on which the first written consent is given.

SECTION 11. PROXIES.

Every person entitled to vote shares has the right to do so either in person or by one or more persons, not to exceed three, authorized by a written proxy executed by such shareholder and filed with the Secretary. Subject to the following sentence, any proxy duly executed continues in full force and effect until revoked by the person executing it prior to the vote pursuant thereto by a writing delivered to the corporation stating that the proxy is revoked or by a

7

13

ARTICLE III

subsequent proxy executed by the person executing the prior proxy and presented to the meeting, or by attendance at the meeting and voting in person by the person executing the proxy; provided, however, that a proxy is not revoked by the death or incapacity of the maker unless, before the vote is counted, written notice of such death or incapacity is received by this corporation. No proxy shall be valid after the expiration of eleven months from the date of its execution unless otherwise provided in the proxy.

SECTION 12. INSPECTORS OF ELECTION.

In advance of any meeting of shareholders, the Board may appoint any persons other than nominees as inspectors of election to act at such meeting and any adjournment thereof. If inspectors of election are not so appointed, or if any persons so appointed fail to appear or refuse to act, the chairman of any such meeting may, and on the request of any shareholder or shareholder's proxy shall, make such appointments at the meeting. The number of inspectors shall be either one or three. If appointed at a meeting on the request of one or more shareholders or proxies, the majority of shares present shall determine whether one or three inspectors are to be appointed.

The duties of such inspectors shall be as prescribed by Section 707 (b) of the California General Corporation Law and shall include: determining the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum, and the authenticity, validity and effect of proxies; receiving votes, ballots or consents; hearing and determining all challenges and questions in any way arising in connection with the right to vote; counting and tabulating all votes or consents; determining when the polls shall close; determining the result; and doing such acts as may be proper to conduct the election or vote with fairness to all shareholders. If there are three inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein.

ARTICLE III -- DIRECTORS

SECTION 1. POWERS.

Subject to limitations of the Articles, of these Bylaws and of the California General Corporation Law relating to action required to be approved by the shareholders or by the outstanding shares, the business and affairs of the corporation shall be managed and all corporate

powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the day-to-day operation of the business of the corporation provided that the business and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

- (a) To select and remove all the other officers, agents and employees of the corporation, prescribe the powers and duties for them as may not be inconsistent with law, with the Articles or these Bylaws, fix their compensation and require from them security for faithful service.
- (b) To conduct, manage and control the affairs and business of the corporation and to make such rules and regulations therefor not inconsistent with law, or with the Articles or these Bylaws, as they may deem best.
- (c) To adopt, make and use a corporate seal, and to prescribe the forms of certificates of stock, and to alter the form of such seal and of such certificates from time to time as in their judgment they may deem best.
- (d) To authorize the issuance of shares of stock of the corporation from time to time, upon such terms and for such consideration as may be lawful.
- (e) To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.

#### SECTION 2. NUMBER OF DIRECTORS.

The authorized number of directors shall be not less than fifteen nor more than twenty until changed by amendment of the Articles or by a Bylaw duly adopted by the shareholders. The exact number of directors shall be fixed, within the limits specified, by the Board by adoption of a resolution or by the shareholders in the same manner provided in these Bylaws for the amendment thereof.

#### SECTION 3. ELECTION AND TERM OF OFFICE.

The directors shall be elected at each annual meeting of the shareholders, but if any such annual meeting is not held or the directors are not elected thereat, the directors may be elected at any special meeting of shareholders held for that purpose. Each director shall hold office until the next annual meeting and until a successor has been elected and qualified.

SECTION 4. VACANCIES.

Any director may resign effective upon giving written notice to the Chairman of the Board, the President, the Secretary or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

Vacancies in the Board, except those existing as a result of a removal of a director, may be filled by a majority of the remaining directors, though less than a quorum, or by a sole remaining director, and each director so elected shall hold office until the next annual meeting and until such director's successor has been elected and qualified. Vacancies existing as a result of a removal of a director may be filled by the shareholders as provided by law.

A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation or removal of any director, or if the authorized number of directors be increased, or if the shareholders fail, at any annual or special meeting of shareholders at which any director or directors are elected, to elect the full authorized number of directors to be voted for at that meeting.

The Board may declare vacant the office of a director who has been declared of unsound mind by an order of court or convicted of a felony.

The shareholders may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors. Any such election by written consent other than to fill a vacancy created by removal requires the consent of a majority of the outstanding shares entitled to vote. If the Board accepts the resignation of a director tendered to take effect at a future time, the Board or the shareholders shall have power to elect a successor to take office when the resignation is to become effective.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of the director's term of office.

SECTION 5. PLACE OF MEETING.

Regular or special meetings of the Board shall be held at any place within or without the State of California which has been designated from time to time by the Board or as provided in these Bylaws. In the absence of such designation, regular meetings shall be held at the principal office of the corporation.

SECTION 6. REGULAR MEETINGS.

Promptly following each annual meeting of shareholders the Board shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business.

Regular meetings of the Board shall be held without notice on the third Thursday of each month, except the months of August and December, at the hour of 9:30 a.m. at the principal office of the corporation. Call and notice of all regular meetings of the Board are not required.

SECTION 7. SPECIAL MEETINGS.

Special meetings of the Board for any purpose or purposes may be called at any time by the Chairman of the Board, the President, any Vice President, the Secretary or by any two directors.

Special meetings of the Board shall be held upon four days' written notice or forty-eight hours' notice given personally or by telephone, telegraph, telex, facsimile, electronic mail or other similar means of communication. Any such notice shall be addressed or delivered to each director at such director's address as it is shown upon the records of the corporation or as may have been given to the corporation by the director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the directors are regularly held. The notice need not specify the purpose of such special meeting.

Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually

11

17

ARTICLE III

transmitted by the person giving the notice by electronic means to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone, radio or other similar means to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient.

SECTION 8. QUORUM.

One-third of the maximum number of authorized directors constitutes a quorum of the Board for the transaction of business, except to adjourn as provided in Section II of this Article. As defined in Article III, Section 2, the maximum number of authorized directors is eighteen. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, unless a greater number is required by law or by the Articles; provided, however, that a meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

SECTION 9. PARTICIPATION IN MEETINGS BY CONFERENCE TELEPHONE.

Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another. Such participation constitutes presence in person at such meeting.

SECTION 10. WAIVER OF NOTICE.

The transactions of any meeting of the Board, however called and noticed or wherever held, are as valid as though had at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 11. ADJOURNMENT.

A majority of the directors present, whether or not a quorum is present, may adjourn any directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place is fixed at the meeting adjourned. If the meeting is adjourned for more than twenty-four hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

12

18

ARTICLE III

SECTION 12. FEES AND COMPENSATION.

Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by the Board.

SECTION 13. ACTION WITHOUT MEETING.

Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall have the same force and effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

SECTION 14. RIGHTS OF INSPECTION.

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation and also of its subsidiary corporations, domestic or foreign. Such inspection by a director may be made in person or by agent or attorney and includes the right to copy and make extracts.

SECTION 15. COMMITTEES.

The Board may appoint one or more committees, each consisting of two or more directors, to serve at the pleasure of the Board. The Board may delegate to such committees any or all of the authority of the Board except with respect to:

- (a) The approval of any action for which the California General Corporation Law also requires shareholders' approval or approval of the outstanding shares;
- (b) The filling of vacancies on the Board or in any committee;
- (c) The fixing of compensation of the directors for serving on the Board or on any committee;
- (d) The amendment or repeal of Bylaws or the adoption of new Bylaws;
- (e) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;

ARTICLE IV

(f) A distribution to the shareholders of the corporation except at a rate or in a periodic amount or within a price range determined by the Board; or

(g) The appointment of other committees of the Board or the members thereof.

Any such committee, or any member or alternate member thereof, must be appointed by resolution adopted by a majority of the exact number of authorized directors as specified in Section 2 of this Article. The Board shall have the power to prescribe the manner and timing of giving of notice of regular or special meetings of any committee and the manner in which proceedings of any committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of this Article applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee.

ARTICLE IV -- OFFICERS

SECTION 1. OFFICERS.

The officers of the corporation shall be a Chairman of the Board, a President, a Chief Financial Officer, one or more Vice Presidents, a General Counsel and a Secretary. The corporation may also have, at the discretion of the Board, one or more Associate General Counsel, one or more Assistant General Counsel, a Controller, one or more Assistant Controllers, a Treasurer, one or more Assistant Treasurers and one or more Assistant Secretaries, and such other officers as may be elected or appointed in accordance with Section 5 of this Article. The Board, the Chairman of the Board or the President may confer a special title upon any Vice President not specified herein.

SECTION 2. ELECTION.

The officers of the corporation, except such officers as may be elected or appointed in accordance with the provisions of Section 5 or Section 6 of this Article, shall be chosen annually by, and shall serve at the pleasure of the Board, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected.

ARTICLE IV

SECTION 3. ELIGIBILITY OF CHAIRMAN OR PRESIDENT.

No person shall be eligible for the office of Chairman of the Board or President unless such person is a member of the Board of the corporation; any other officer may or may not be a director.

SECTION 4. REMOVAL AND RESIGNATION.

Any officer may be removed, either with or without cause, by the Board at any time or by any officer upon whom such power or removal may be conferred by the Board. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment of the officer.

Any officer may resign at any time by giving written notice to the corporation, but without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5. APPOINTMENT OF OTHER OFFICERS.

The Board may appoint such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in the Bylaws or as the Board may from time to time determine.

SECTION 6. VACANCIES.

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled at any time deemed appropriate by the Board in the manner prescribed in these Bylaws for regular election or appointment to such office.

SECTION 7. SALARIES.

The salaries of the Chairman of the Board, President, Chief Financial Officer, Vice Presidents, General Counsel, Controller, Treasurer and Secretary of the corporation shall be fixed by the Board. Salaries of all other officers shall be as approved from time to time by the chief executive officer.

ARTICLE IV

SECTION 8. FURNISH SECURITY FOR FAITHFULNESS.

Any officer or employee shall, if required by the Board, furnish to the corporation security for faithfulness to the extent and of the character that may be required.

SECTION 9. CHAIRMAN'S DUTIES; SUCCESSION TO SUCH DUTIES IN CHAIRMAN'S ABSENCE OR DISABILITY.

The Chairman of the Board shall be the chief executive officer of the corporation and shall preside at all meetings of the shareholders and of the Board. Subject to the Board, the Chairman of the Board shall have charge of the business of the corporation. The Chairman of the Board shall keep the Board fully informed, and shall freely consult them concerning the business of the corporation.

In the absence or disability of the Chairman of the Board, the President shall act as the chief executive officer of the corporation; in the absence or disability of the Chairman of the Board and the President, the next in order of election by the Board of the Vice Presidents shall act as chief executive officer of the corporation.



In the absence or disability of the Chairman of the Board, the President shall act as Chairman of the Board at meetings of the Board; in the absence or disability of the Chairman of the Board and the President, the next, in order of election by the Board, of the Vice Presidents who is a member of the Board shall act as Chairman of the Board at any such meeting of the Board; in the absence or disability of the Chairman of the Board, the President, and such Vice Presidents who are members of the Board, the Board shall designate a temporary Chairman to preside at any such meeting of the Board.

SECTION 10. PRESIDENT'S DUTIES.

The President shall perform such other duties as the Chairman of the Board shall delegate or assign to such officer.

SECTION 11. CHIEF FINANCIAL OFFICER.

The Chief Financial Officer of the corporation shall be the chief consulting officer in all matters of financial import and shall have control over all financial matters concerning the corporation. If the corporation does not have a currently elected and acting Controller, the Chief Financial Officer shall also be the Chief Accounting Officer of the corporation.

16

22

ARTICLE IV

SECTION 12. VICE PRESIDENTS' DUTIES.

The Vice Presidents shall perform such other duties as the chief executive officer shall designate.

SECTION 13. GENERAL COUNSEL'S DUTIES.

The General Counsel shall be the chief consulting officer of the corporation in all legal matters and, subject to the chief executive officer, shall have control over all matters of legal import concerning the corporation.

SECTION 14. ASSOCIATE GENERAL COUNSEL'S AND ASSISTANT GENERAL COUNSEL'S DUTIES.

The Associate General Counsel shall perform such of the duties of the General Counsel as the General Counsel shall designate, and in the absence or disability of the General Counsel, the Associate General Counsel, in order of election to that office by the Board at its latest organizational meeting, shall perform the duties of the General Counsel. The Assistant General Counsel shall perform such duties as the General Counsel shall designate.

SECTION 15. CONTROLLER'S DUTIES.

The Controller shall be the chief accounting officer of the Corporation and, subject to the Chief Financial Officer, shall have control over all accounting matters concerning the Corporation and shall perform such other duties as the Chief Executive Officer shall designate.

SECTION 16. ASSISTANT CONTROLLERS' DUTIES.

The Assistant Controllers shall perform such of the duties of the Controller as the Controller shall designate, and in the absence or disability of the Controller, the Assistant Controllers, in order of election to that office by the Board at its latest organizational meeting, shall perform the duties of the Controller.

SECTION 17. TREASURER'S DUTIES.

It shall be the duty of the Treasurer to keep in custody or control all money, stocks, bonds, evidences of debt, securities and other items of value that may belong to, or be in the possession or control of, the corporation, and to dispose of the same in such manner as the Board or the chief executive officer may direct, and to perform all acts incident to the position of Treasurer.

17

23

ARTICLE IV

SECTION 18. ASSISTANT TREASURERS' DUTIES.

The Assistant Treasurers shall perform such of the duties of the Treasurer as the Treasurer shall designate, and in the absence or disability of the Treasurer, the Assistant Treasurers, in order of election to that office by the Board at its latest organizational meeting, shall perform the duties of the Treasurer, unless action is taken by the Board as contemplated in Article IV, Section 22.

SECTION 19. SECRETARY'S DUTIES.

The Secretary shall keep or cause to be kept full and complete records of the proceedings of shareholders, the Board and its committees at all meetings, and shall affix the corporate seal and attest by signing copies of any part thereof when required.

The Secretary shall keep, or cause to be kept, a copy of the Bylaws of the corporation at the principal office in accordance with Section 213 of the California General Corporation Law.

The Secretary shall be the custodian of the corporate seal and shall affix it to such instruments as may be required.

The Secretary shall keep on hand a supply of blank stock certificates of such forms as the Board may adopt.

The Secretary shall serve or cause to be served by publication or otherwise, as may be required, all notices of meetings and of other corporate acts that may by law or otherwise be required to be served, and shall make or cause to be made and filed in the principal office of the corporation, the necessary certificate or proofs thereof.

An affidavit of mailing of any notice of a shareholders' meeting or of any report, in accordance with the provisions of Section 601 (b) of the California General Corporation Law, executed by the Secretary shall be prima facie evidence of the fact that such notice or report had been duly given.

The Secretary may, with the Chairman of the Board, the President, or a Vice President, sign certificates of ownership of stock in the corporation, and shall cause all certificates so signed to be delivered to those entitled thereto.

The Secretary shall keep all records required by the California General Corporation Law.

The Secretary shall generally perform the duties usual to the office of secretary of corporations, and such other duties as the chief executive officer shall designate.

SECTION 20. ASSISTANT SECRETARIES' DUTIES.

Assistant Secretaries shall perform such of the duties of the Secretary as the Secretary shall designate, and in the absence or disability of the Secretary, the Assistant Secretaries, in the order of election to that office by the Board at its latest organizational meeting, shall perform the duties of the Secretary, unless action is taken by the Board as contemplated in Article IV, Sections 21 and 22 of these Bylaws.

SECTION 21. SECRETARY PRO TEMPORE.

At any meeting of the Board or of the shareholders from which the Secretary is absent, a Secretary pro tempore may be appointed and act.

SECTION 22. ELECTION OF ACTING TREASURER OR ACTING SECRETARY.

The Board may elect an Acting Treasurer, who shall perform all the duties of the Treasurer during the absence or disability of the Treasurer, and who shall hold office only for such a term as shall be determined by the Board.

The Board may elect an Acting Secretary, who shall perform all the duties of the Secretary during the absence or disability of the Secretary, and who shall hold office only for such a term as shall be determined by the Board.

Whenever the Board shall elect either an Acting Treasurer or Acting Secretary, or both, the officers of the corporation as set forth in Article IV, Section 1 of these Bylaws, shall include as if therein specifically set out, an Acting Treasurer or an Acting Secretary, or both.

SECTION 23. PERFORMANCE OF DUTIES.

Officers shall perform the duties of their respective offices as stated in these Bylaws, and such additional duties as the Board shall designate.

ARTICLE V -- OTHER PROVISIONS

SECTION 1. INSPECTION OF CORPORATE RECORDS.

(a) A shareholder or shareholders holding at least five percent in the aggregate of the outstanding voting shares of the corporation or who hold at least one percent of such voting shares and have filed a Schedule 14B with the United States Securities and Exchange Commission relating to the election of directors of the corporation shall have an absolute right to do either or both of the following:

(i) Inspect and copy the record of shareholders' names and addresses and shareholdings during usual business hours upon five business

days' prior written demand upon the corporation; or

(ii) Obtain from the transfer agent, if any, for the corporation, upon five business days' prior written demand and upon the tender of its usual charges for such a list (the amount of which charges shall be stated to the shareholder by the transfer agent upon request), a list of the shareholders' names and addresses who are entitled to vote for the election of directors and their shareholdings, as of the most recent record date for which it has been compiled or as of a date specified by the shareholder subsequent to the date of demand.

(b) The record of shareholders shall also be open to inspection and copying by any shareholder or holder of a voting trust certificate at any time during usual business hours upon written demand on the corporation, for a purpose reasonably related to such holder's interest as a shareholder or holder of a voting trust certificate.

(c) The accounting books and records and minutes of proceedings of the shareholders and the Board and committees of the Board shall be open to inspection upon written demand on the corporation of any shareholder or holder of a voting trust certificate at any reasonable time during usual business hours, for a purpose reasonably related to such holder's interests as a shareholder or as a holder of such voting trust certificate.

(d) Any such inspection and copying under this Article may be made in person or by agent or attorney.

## SECTION 2. INSPECTION OF BYLAWS.

The corporation shall keep in its principle office the original or a copy of these Bylaws as amended to date, which shall be open to inspection by shareholders at all reasonable times during office hours.

## SECTION 3. CONTRACTS AND OTHER INSTRUMENTS, LOANS, NOTES AND DEPOSITS OF FUNDS.

The Chairman of the Board, the President, or a Vice President, either alone or with the Secretary or an Assistant Secretary, or the Secretary alone, shall execute in the name of the corporation such written instruments as may be authorized by the Board and, without special direction of the Board, such instruments as transactions of the ordinary business of the corporation may require and, such officers without the special direction of the Board may authenticate, attest or countersign any such instruments when deemed appropriate. The Board may authorize any person, persons, entity, entities, attorney, attorneys, attorney-in-fact, attorneys-in-fact, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

No loans shall be contracted on behalf of the corporation and no evidences of such indebtedness shall be issued in its name unless authorized by the Board as it may direct. Such authority may be general or confined to specific instances.

All checks, drafts, or other similar orders for the payment of money, notes, or other such evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as the Board or chief executive officer may

direct.

Unless authorized by the Board or these Bylaws, no officer, agent, employee or any other person or persons shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board may direct.

#### SECTION 4. CERTIFICATES OF STOCK.

Every holder of shares of the corporation shall be entitled to have a certificate signed in the name of the corporation by the Chairman of the Board, the President, or a Vice President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary, certifying the number of shares and the class or series of shares owned by the shareholder. Any or all of the signatures on the certificate may be facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed

#### ARTICLE V

upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if such person were an officer, transfer agent or registrar at the date of issue.

Certificates for shares may be used prior to full payment under such restrictions and for such purposes as the Board may provide; provided, however, that on any certificate issued to represent any partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated.

Except as provided in this Section, no new certificate for shares shall be issued in lieu of an old one unless the latter is surrendered and canceled at the same time. The Board may, however, if any certificate for shares is alleged to have been lost, stolen or destroyed, authorize the issuance of a new certificate in lieu thereof, and the corporation may require that the corporation be given a bond or other adequate security sufficient to indemnify it against any claim that may be made against it (including expense or liability) on account of the alleged loss, theft or destruction of such certificate or the issuance of such new certificate.

#### SECTION 5. TRANSFER AGENT, TRANSFER CLERK AND REGISTRAR.

The Board may, from time to time, appoint transfer agents, transfer clerks, and stock registrars to transfer and register the certificates of the capital stock of the corporation, and may provide that no certificate of capital stock shall be valid without the signature of the stock transfer agent or transfer clerk, and stock registrar.

#### SECTION 6. REPRESENTATION OF SHARES OF OTHER CORPORATIONS.

The chief executive officer or any other officer or officers authorized by the Board or the chief executive officer are each authorized to vote, represent and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority herein granted may be exercised either

by any such officer in person or by any other person authorized so to do by proxy or power of attorney duly executed by said officer.

SECTION 7. STOCK PURCHASE PLANS.

The corporation may adopt and carry out a stock purchase plan or agreement or stock option plan or agreement providing for the issue and sale for

22

28

ARTICLE VI

such consideration as may be fixed of its unissued shares, or of issued shares acquired, to one or more of the employees or directors of the corporation or of a subsidiary or to a trustee on their behalf and for the payment for such shares in installments or at one time, and may provide for such shares in installments or at one time, and may provide for aiding any such persons in paying for such shares by compensation for services rendered, promissory notes or otherwise.

Any such stock purchase plan or agreement or stock option plan or agreement may include, among other features, the fixing of eligibility for participation therein, the class and price of shares to be issued or sold under the plan or agreement, the number of shares which may be subscribed for, the method of payment therefor, the reservation of title until full payment therefor, the effect of the termination of employment and option or obligation on the part of the corporation to repurchase the shares upon termination of employment, restrictions upon transfer of the shares, the time limits of and termination of the plan, and any other matters, not in violation of applicable law, as may be included in the plan as approved or authorized by the Board or any committee of the Board.

SECTION 8. FISCAL YEAR AND SUBDIVISIONS.

The calendar year shall be the corporate fiscal year of the corporation. For the purpose of paying dividends, for making reports and for the convenient transaction of the business of the corporation, the Board may divide the fiscal year into appropriate subdivisions.

SECTION 9. CONSTRUCTION AND DEFINITIONS.

Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the General Provisions of the California Corporations Code and in the California General Corporation Law shall govern the construction of these Bylaws.

ARTICLE VI -- INDEMNIFICATION

SECTION 1. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Each person who was or is a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, formal or informal, whether brought in the name of the corporation or otherwise and whether of a civil, criminal, administrative or investigative nature (hereinafter a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director, officer,

## ARTICLE VI

employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is an alleged action or inaction in an official capacity or in any other capacity while serving as a director or officer, shall, subject to the terms of any agreement between the corporation and such person, be indemnified and held harmless by the corporation to the fullest extent permissible under California law and the corporation's Articles of Incorporation, against all costs, charges, expenses, liabilities and losses (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that (A) the corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of the corporation; (B) the corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) other than a proceeding by or in the name of the corporation to procure a judgment in its favor only if any settlement of such a proceeding is approved in writing by the corporation; (C) that no such person shall be indemnified (i) except to the extent that the aggregate of losses to be indemnified exceeds the amount of such losses for which the director or officer is paid pursuant to any directors' and officers' liability insurance policy maintained by the corporation; (ii) on account of any suit in which judgment is rendered against such person for an accounting of profits made from the purchase or sale by such person of securities of the corporation pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934 and amendments thereto or similar provisions of any federal, state or local statutory law; (iii) if a court of competent jurisdiction finally determines that any indemnification hereunder is unlawful; and (iv) as to circumstances in which indemnity is expressly prohibited by Section 317 of the General Corporation Law of California (the "Law"); and (D) that no such person shall be indemnified with regard to any action brought by or in the right of the corporation for breach of duty to the corporation and its shareholders (a) for acts or omissions involving intentional misconduct or knowing and culpable violation of law; (b) for acts or omissions that the director or officer believes to be contrary to the best interests of the corporation or its shareholders or that involve the absence of good faith on the part of the director or officer; (c) for any transaction from which the director or officer derived an improper personal benefit; (d) for acts or omissions that show a reckless disregard for the director's or officer's duty to the corporation or its shareholders in circumstances in which the director or officer was aware, or should have been aware, in the ordinary course of performing his or her duties, of a risk of serious injury to the corporation or its shareholders; (e) for acts or omissions that constitute an unexcused pattern of

## ARTICLE VI

inattention that amounts to an abdication of the director's or officer's duties to the corporation or its shareholders; and (f) for costs, charges, expenses,

liabilities and losses arising under Section 310 or 316 of the Law. The right to indemnification conferred in this Article shall include the right to be paid by the corporation expenses incurred in defending any proceeding in advance of its final disposition; provided, however, that if the Law permits the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, such advances shall be made only upon delivery to the corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts to the corporation if it shall be ultimately determined that such person is not entitled to be indemnified.

SECTION 2. INDEMNIFICATION OF EMPLOYEES AND AGENTS.

A person who was or is a party or is threatened to be made a party to or is involved in any proceeding by reason of the fact that he or she is or was an employee or agent of the corporation or is or was serving at the request of the corporation as an employee or agent of another enterprise, including service with respect to employee benefit plans, whether the basis of such action is an alleged action or inaction in an official capacity or in any other capacity while serving as an employee or agent, may, subject to the terms of any agreement between the corporation and such person, be indemnified and held harmless by the corporation to the fullest extent permitted by California law and the corporation's Articles of Incorporation, against all costs, charges, expenses, liabilities and losses, (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith.

SECTION 3. RIGHT OF DIRECTORS AND OFFICERS TO BRING SUIT.

If a claim under Section 1 of this Article is not paid in full by the corporation within 30 days after a written claim has been received by the corporation, the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall also be entitled to be paid the expense of prosecuting such claim. Neither the failure of the corporation (including its Board, independent legal counsel, or its shareholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is permissible in the circumstances because he or she has met the applicable standard of conduct, if any, nor an actual determination by the corporation (including its Board, independent legal counsel, or its shareholders) that the claimant has not met the applicable standard of conduct, shall be a

defense to the action or create a presumption for the purpose of an action that the claimant has not met the applicable standard of conduct.

SECTION 4. SUCCESSFUL DEFENSE.

Notwithstanding any other provision of this Article, to the extent that a director or officer has been successful on the merits or otherwise (including the dismissal of an action without prejudice or the settlement of a proceeding or action without admission of liability) in defense of any proceeding referred to in Section 1 or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith.



SECTION 5. NON-EXCLUSIVITY OF RIGHTS.

The right to indemnification provided by this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, bylaw, agreement, vote of shareholders or disinterested directors or otherwise.

SECTION 6. INSURANCE.

The corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability or loss under the Law.

SECTION 7. EXPENSES AS A WITNESS.

To the extent that any director, officer, employee or agent of the corporation is by reason of such position, or a position with another entity at the request of the corporation, a witness in any action, suit or proceeding, he or she shall be indemnified against all costs and expenses actually and reasonably incurred by him or her on his or her behalf in connection therewith.

26

32

ARTICLE VII

SECTION 8. INDEMNITY AGREEMENTS.

The corporation may enter into agreements with any director, officer, employee or agent of the corporation providing for indemnification to the fullest extent permissible under the Law and the corporation's Articles of Incorporation.

SECTION 9. SEPARABILITY.

Each and every paragraph, sentence, term and provision of this Article is separate and distinct so that if any paragraph, sentence, term or provision hereof shall be held to be invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect the validity or enforceability of any other paragraph, sentence, term or provision hereof. To the extent required, any paragraph, sentence, term or provision of this Article may be modified by a court of competent jurisdiction to preserve its validity and to provide the claimant with, subject to the limitations set forth in this Article and any agreement between the corporation and claimant, the broadest possible indemnification permitted under applicable law.

SECTION 10. EFFECT OF REPEAL OR MODIFICATION.

Any repeal or modification of this Article shall not adversely affect any right of indemnification of a director or officer existing at the time of such repeal or modification with respect to any action or omission occurring prior to such repeal or modification.

ARTICLE VII -- EMERGENCY PROVISIONS

SECTION 1. GENERAL.

The provisions of this Article shall be operative only during a national emergency declared by the President of the United States or the person

performing the President's functions, or in the event of a nuclear, atomic or other attack on the United States or a disaster making it impossible or impracticable for the corporation to conduct its business without recourse to the provisions of this Article. Said provisions in such event shall override all other Bylaws of the corporation in conflict with any provisions of this Article, and shall remain operative so long as it remains impossible or impracticable to continue the business of the corporation otherwise, but thereafter shall be inoperative; provided that all actions taken in good faith pursuant to such provisions shall thereafter remain in full force and effect unless and until revoked by action taken pursuant to the provisions of the Bylaws other than those contained in this Article.

27

33

ARTICLE VII

SECTION 2. UNAVAILABLE DIRECTORS.

All directors of the corporation who are not available to perform their duties as directors by reason of physical or mental incapacity or for any other reason or who are unwilling to perform their duties or whose whereabouts are unknown shall automatically cease to be directors, with like effect as if such persons had resigned as directors, so long as such unavailability continues.

SECTION 3. AUTHORIZED NUMBER OF DIRECTORS.

The authorized number of directors shall be the number of directors remaining after eliminating those who have ceased to be directors pursuant to Section 2, or the minimum number required by law, whichever number is greater.

SECTION 4. QUORUM.

The number of directors necessary to constitute a quorum shall be one-third of the authorized number of directors as specified in the foregoing Section, or such other minimum number as, pursuant to the law or lawful decree then in force, it is possible for the Bylaws of a corporation to specify.

SECTION 5. CREATION OF EMERGENCY COMMITTEE.

In the event the number of directors remaining after eliminating those who have ceased to be directors pursuant to Section 2 is less than the minimum number of authorized directors required by law, then until the appointment of additional directors to make up such required minimum, all the powers and authorities which the Board could by law delegate, including all powers and authorities which the Board could delegate to a committee, shall be automatically vested in an emergency committee, and the emergency committee shall thereafter manage the affairs of the corporation pursuant to such powers and authorities and shall have all other powers and authorities as may by law or lawful decree be conferred on any person or body of persons during a period of emergency.

SECTION 6. CONSTITUTION OF EMERGENCY COMMITTEE.

The emergency committee shall consist of all the directors remaining after eliminating those who have ceased to be directors pursuant to Section 2, provided that such remaining directors are not less than three in number. In the event such remaining directors are less than three in number the emergency committee shall consist of three persons, who shall be the remaining director or

directors and either one or two officers or employees of the corporation, as the remaining director or directors may in writing designate. If there is no remaining director, the emergency committee shall consist of the three most senior officers of the corporation who are available to serve, and if and to the extent that officers are not available, the most senior employees of the corporation. Seniority shall be determined in accordance with any designation of seniority in the minutes of the proceedings of the Board, and in the absence of such designation, shall be determined by rate of remuneration. In the event that there are no remaining directors and no officers or employees of the corporation available, the emergency committee shall consist of three persons designated in writing by the shareholder owning the largest number of shares of record as of the date of the last record date.

SECTION 7. POWERS OF EMERGENCY COMMITTEE.

The emergency committee, once appointed, shall govern its own procedures and shall have power to increase the number of members thereof beyond the original number, and in the event of a vacancy or vacancies therein, arising at any time, the remaining member or members of the emergency committee shall have the power to fill such vacancy or vacancies. In the event at any time after its appointment all members of the emergency committee shall die or resign or become unavailable to act for any reason whatsoever, a new emergency committee shall be appointed in accordance with the foregoing provisions of this Article.

SECTION 8. DIRECTORS BECOMING AVAILABLE.

Any person who has ceased to be a director pursuant to the provisions of Section 2 and who thereafter becomes available to serve as a director shall automatically become a member of the emergency committee.

SECTION 9. ELECTION OF BOARD OF DIRECTORS.

The emergency committee shall, as soon after its appointment as is practicable, take all requisite action to secure the election of a board of directors, and upon such election all the powers and authorities of the emergency committee shall cease.

SECTION 10. TERMINATION OF EMERGENCY COMMITTEE.

In the event, after the appointment of an emergency committee, a sufficient number of persons who ceased to be directors pursuant to Section 2 become available to serve as directors, so that if they had not ceased to be directors as aforesaid, there would be enough directors to constitute the

minimum number of directors required by law, then all such persons shall automatically be deemed to be reappointed as directors and the powers and authorities of the emergency committee shall be at an end.

ARTICLE VIII -- AMENDMENTS

SECTION 1. AMENDMENTS.

These Bylaws may be amended or repealed either by approval of the outstanding shares or by the approval of the Board; provided, however, that a Bylaw specifying or changing a fixed number of directors or the maximum or minimum number or changing from a fixed to a variable Board or vice versa may only be adopted by approval of the outstanding shares. The exact number of directors within the maximum and minimum number specified in these Bylaws may be amended by the Board alone.

NINETY-SECOND SUPPLEMENTAL INDENTURE

-----

SOUTHERN CALIFORNIA EDISON COMPANY

TO

HARRIS TRUST AND SAVINGS BANK

AND

R. G. MASON,

TRUSTEES

-----

DATED AS OF JUNE 1, 1993

day of June, 1993, by and between Southern California Edison Company (between 1930 and 1947 named "Southern California Edison Company Ltd."), a corporation duly organized and existing under and by virtue of the laws of the State of California and having its principal office and mailing address at 2244 Walnut Grove Avenue, in the City of Rosemead, County of Los Angeles, State of California 91770, and qualified to do business in the States of Arizona, New Mexico, Nevada and Utah (hereinafter sometimes termed the "Company"), and Harris Trust and Savings Bank, a corporation duly organized and existing under and by virtue of the laws of the State of Illinois and having its principal office and mailing address at 111 West Monroe Street, in the City of Chicago, State of Illinois 60603 (successor by merger to an Illinois corporation of the same name), and R. G. Mason of 111 West Monroe Street, in the City of Chicago, State of Illinois 60603 (successor Trustee to Wells Fargo Bank, National Association which was successor trustee to Security Pacific National Bank, formerly named Security First National Bank and Security-First National Bank of Los Angeles, successor, by consolidation and merger, to Pacific-Southwest Trust & Savings Bank), as Trustees (hereinafter sometimes termed the "Trustees");

WITNESSETH:

WHEREAS, the Company heretofore executed and delivered to said Harris Trust and Savings Bank and said Pacific-Southwest Trust & Savings Bank, a corporation organized under the laws of the State of California, trustees, a certain Indenture of Mortgage or Deed of Trust dated as of October 1, 1923, which said indenture was duly filed for record and recorded in the offices of the respective recorders of the following counties: in the State of California -- Fresno County, Volume 397 of Official Records, page 1; Imperial County, Book 1174 of Official Records, page 966; Inyo County, Volume 154 of Official Records, page 417; Kern County, Book 379 of Trust Deeds, page 196; Kings County, Volume 84 of Deeds, page 1; Los Angeles County, Book 2963 of Official Records, page 1; Madera County, Volume 9 of Official Records, page 63; Merced County, Volume 363 of Official Records, page 1; Modoc County, Volume 230 of Official Records, page 119 et seq.; Mono County, Volume 64 of Official Records, page 29; Orange County, Book 496 of Deeds, page 1; Riverside County, Book 594 of Deeds, page 252; San Bernardino County, Book 825 of Deeds, page 1; San Diego County, Series 5 Book 1964, page 84061; Santa Barbara County, Book 229 of Deeds, page 30; Stanislaus County, Volume 465 of Official Records, page 370; Tulare County, Volume 50 of Official Records, page 1; Tuolumne County, Volume 274 of Official Records, page 568; and Ventura County, Volume 33 of Official Records, page 1; in the State of Nevada -- Clark County, Book 8 of Mortgages; Churchill County, Book 40 of Official Records, page 235; Lyon County, Book 39 of Mortgages, page 1; Mineral County, Book 13 of Official Records, page 794; Pershing County, Book 15 of Official Records, page 612; and Washoe County, Book 83 of Mortgages, page 301; in the State of Arizona -- La Paz County, Instrument No. 83-000212 of Official Records; Mohave County, Book 11 of Realty Mortgages; Maricopa County, Docket 4349 of Official Records, page 197; and Yuma County, Docket 369, page 310; and in the offices of the county clerks of the following counties in the State of New Mexico -- McKinley County, Book Mtg. 50, page 187 and filed as Document No. 10536 in the Chattel Records; and San Juan County, Book Mtg. 630, page 13 and filed as Document No. 17838 in the Chattel Records (hereinafter referred to as the "Original Indenture"), to secure the payment of the principal of and interest on all bonds of the Company at any time outstanding thereunder, and (as to certain such filings or recordings) the principal of and interest on all Debentures of 1919 (referred to in the Original Indenture and now retired) outstanding; and

WHEREAS, the Company has heretofore executed and delivered to the Trustees ninety-one certain supplemental indentures, dated, respectively, as of March 1, 1927, April 25, 1935, June 24, 1935, September 1, 1935, August 15, 1939, September 1, 1940, January 15, 1948, August 15, 1948, February 15, 1951, August 15, 1951, August 15, 1953, August 15, 1954, April 15, 1956, February 15, 1957, July 1, 1957, August 15, 1957, August 15, 1958, January 15, 1960, August 15, 1960, April 1, 1961, May 1, 1962, October 15, 1962, May 15, 1963, February 15, 1964, February 1, 1965, May 1, 1966, August 15, 1966, May 1,

1967, February 1, 1968, January 15, 1969, October 1, 1969, December 1, 1970, September 15, 1971, August 15, 1972, February 1, 1974, July 1, 1974, November 1, 1974, March 1, 1975, March 15, 1976, July 1, 1977, November 1, 1978, June 15, 1979, September 15, 1979, October 1, 1979, April 1, 1980, November 15, 1980, May 15, 1981, August 1, 1981, December 1, 1981, January 16, 1982, April 15, 1982, November 1, 1982, November 1, 1982, January 1, 1983, May 1, 1983, December 1, 1984, March 15, 1985, October 1, 1985, October 15, 1985, March 1, 1986, March 15, 1986, April 15, 1986, April 15, 1986, July 1, 1986, September 1, 1986, September 1, 1986, December 1, 1986, July 1, 1987, October 15, 1987, November 1, 1987, February 15, 1988, April 15, 1988, July 1, 1988, August 15, 1988, September 15, 1988, January 15, 1989, May 1, 1990, June 15, 1990, August 15, 1990, December 1, 1990, April 1, 1991, May 1, 1991, June 1, 1991, December 1, 1991, February 1, 1992, April 1, 1992, July 1, 1992, July 15, 1992, December 1, 1992, January 15, 1993 and March 1, 1993 which modify, amend and supplement the Original Indenture, such Original Indenture, as so modified, amended and supplemented, being hereinafter referred to as the "Amended Indenture"; and

WHEREAS, there have been issued and are now outstanding and entitled to the benefits of the Amended Indenture, First and Refunding Mortgage Bonds as follows:

Series -----	Due ----	Principal Amount -----	Series -----	Due ----	Principal Amount -----
DDP	1999	12,525,000	88E	1995	125,000,000
HH	2002	125,000,000	89A	2020	17,581,000
VVP	2012	46,760,000	90B	2021	200,000,000
WWP	2003	42,850,000	90C	1993	100,000,000
XXP	2003	20,000,000	90D	2022	200,000,000
YYP	2013	44,930,000	91A	2021	104,460,000
86A	2016	110,000,000	91B	2023	200,000,000
86B	2018	200,000,000	91C	2024	200,000,000
86C	2019	200,000,000	91D	2017	28,585,000
86D, E, F and G	2008	196,000,000	92A	1995	200,000,000
86J	2015	8,300,000	92B	1999	150,000,000
86K	2017	125,000,000	92C	2027	30,000,000
87A, B, C and D	2008	135,000,000	92D	1997	300,000,000
87E, F, G and H	2008	100,000,000	92E	2004	190,000,000
88B	1998	150,000,000	93A	2000	225,000,000
88C	2020	100,000,000	93B	1997	200,000,000
88D	2006	30,000,000	93C	2026	300,000,000

WHEREAS, the Company proposes presently to issue in fully registered form only, without coupons, \$154,540,000 aggregate principal amount of a new series of the Company's First and Refunding Mortgage Bonds, said new series to be designated "Series 93D, Due 2023" the bonds of said series to be dated as of June 1, 1993, and to mature June 1, 2023, (hereinafter sometimes referred to as the "Bonds"), and the Company's authorized bonded indebtedness has been increased to provide for the issuance of said series; and

WHEREAS, the Company has acquired real and personal property since the execution and delivery of the Ninety- First Supplemental Indenture which, with certain exceptions, is subject to the lien of the Amended Indenture by virtue of the after-acquired property clauses and other clauses thereof, and the Company now desires in this Ninety-Second Supplemental Indenture (hereinafter sometimes referred to as the "Supplemental Indenture") expressly to convey and confirm unto the Trustees all properties, whether real, personal or mixed, now owned by the Company (with the exceptions hereinafter noted); and

WHEREAS, for the purpose of further safeguarding the rights and interests of the holders of bonds under the Amended Indenture, the

Company desires, in addition to such conveyance, to enter into certain covenants with the Trustees; and

WHEREAS, the making, executing, acknowledging, delivering and recording of this Supplemental Indenture have been duly authorized by proper corporate action of the Company, and the Trustees have each duly determined to execute and accept this Supplemental Indenture;

NOW, THEREFORE, in order further to secure the payment of the principal of and interest on all of the bonds of the Company at any time outstanding under the Amended Indenture, as from time to time amended and supplemented, including specifically, but without limitation, the First and Refunding Mortgage Bonds, Series DDP, Series HH, Series VVP, Series WWP, Series XXP, Series YYP, Series 86A, Series 86B, Series 86C, Series 86D, Series 86E, Series 86F, Series 86G, Series 86J, Series 86K, Series 87A, Series 87B, Series 87C, Series 87D, Series 87E, Series 87F, Series 87G, Series 87H, Series 88B, Series 88C, Series 88D, Series 88E, Series 89A, Series 90B, Series 90C, Series 90D, Series 91A, Series 91B, Series 91C, Series 91D, Series 92A, Series 92B, Series 92C, Series 92D, Series 92E, Series 93A, Series 93B and Series 93C referred to above, all of said bonds having been heretofore issued and being now outstanding, and the Bonds, of the aggregate principal amount of \$154,540,000 to be presently issued and outstanding; and to secure the performance and observance of each and every of the covenants and agreements in the Amended Indenture contained, and without in any way limiting (except as hereinafter specifically provided) the generality or effect of the Original Indenture or any of said Supplemental Indentures executed and delivered prior to the execution and delivery of this Supplemental Indenture insofar as by any provision of any said indenture any of the properties hereinafter referred to are subject to the lien and operation thereof, but to such extent (except as hereinafter specifically provided) confirming such lien and operation, and for and in consideration of the premises, and of the sum of One Dollar (\$1.00) to the Company duly paid by the Trustees, at or upon the ensealing and delivery of these presents (the receipt whereof is hereby acknowledged), the Company has executed and delivered this Supplemental Indenture and has granted, bargained, sold, aliened, released, conveyed, assigned, transferred, warranted, mortgaged and pledged, and by these presents does grant, bargain, sell, alien, release, convey, assign, transfer, warrant, mortgage and pledge unto the Trustees, their successors in trust and their assigns forever, in trust, with power of sale, all of the following:

All and singular the plants, properties (including goods which are or are to become fixtures), equipment and generating, transmission, feeding, storing and distributing systems, and facilities and utilities of the Company in the Counties of Fresno, Imperial, Inyo, Kern, Kings, Los Angeles, Madera, Merced, Modoc, Mono, Orange, Riverside, San Bernardino, San Diego, Santa Barbara, Stanislaus, Tulare, Tuolumne and Ventura, in the State of California, Churchill, Clark, Lyon, Mineral, Pershing and Washoe, in the State of Nevada, La Paz, Maricopa and Mohave, in the State of

4

5  
Arizona, and McKinley and San Juan, in the State of New Mexico, and elsewhere either within or without said States, with all and singular the franchises, ordinances, grants, easements, rights-of-way, permits, privileges, contracts, appurtenances, tenements and other rights and property thereunto appertaining or belonging, as the same now exist and as the same or any and all parts thereof may hereafter exist or be improved, added to, enlarged, extended or acquired in said Counties, or elsewhere either within or without said States;

Together with, to the extent permitted by law, all other properties, real, personal and mixed (including goods which are or are to become fixtures), except as herein expressly excepted, of every kind, nature and description, including those kinds and classes of property described or referred to (whether specifically or generally or otherwise) in the Original Indenture and/or in any one or more of the indentures supplemental thereto, now or hereafter owned, possessed, acquired or enjoyed by or in any manner appertaining to the Company, and the reversion and reversions, remainder and



remainders, tolls, incomes, revenues, rents, issues and profits thereof; it being hereby intended and expressly agreed that all the business, franchises and properties, real, personal and mixed (except as herein expressly excepted), of every kind and nature whatsoever and wherever situated, now owned, possessed or enjoyed and which may hereafter be in anywise owned, possessed, acquired or enjoyed by the Company, shall be as fully embraced within the provisions hereof and be subject to the lien created hereby and by the Original Indenture and said supplemental indentures executed and delivered prior to the execution and delivery of this Supplemental Indenture, as if said properties were particularly described herein;

Saving and excepting, however, anything contained herein or in the granting clauses of the Original Indenture, or of the above mentioned indentures supplemental thereto, or elsewhere contained in the Original Indenture or said supplemental indentures, to the contrary notwithstanding, from the property hereby or thereby mortgaged and pledged, all of the following property (whether now owned by the Company or hereafter acquired by it): all bills, notes, warrants, customers' service and extension deposits, accounts receivable, cash on hand or deposited in banks or with any governmental agency, contracts, choses in action, operating agreements and leases to others (as distinct from the property leased and without limiting any rights of the Trustees with respect thereto under any of the provisions of the Amended Indenture), all bonds, obligations, evidences of indebtedness, shares of stock and other securities, and certificates or evidences of interest therein, all office furniture and office equipment, motor vehicles and tools therefor, all materials, goods, merchandise and supplies acquired for the purpose of sale in the ordinary course of business or for consumption in the operation of any property of the Company, and all electrical energy and other materials or products produced by the Company for sale, distribution or use in the ordinary conduct of its business -- other than any of the foregoing which has been or may be specifically transferred or assigned to or pledged or deposited with the Trustees, or any of them, under the Amended Indenture, or required by the provisions of the Amended Indenture, so to be; provided, however, that if, upon the occurrence of a default under the Amended Indenture, the Trustees, or any of them, or any receiver appointed under the Amended Indenture, shall enter upon and take possession of the mortgaged and pledged property, the Trustees, or such Trustee or such receiver may, to the extent permitted by law, at the same time likewise take possession of any and all of the property excepted by this paragraph then on hand which is used or useful in connection with the business of the Company, and collect, impound, use and administer the same to the same extent as if such property were part of the mortgaged and

5

6

pledged property and had been specifically mortgaged and pledged hereunder, unless and until such default shall be remedied or waived and possession of the mortgaged and pledged property restored to the Company, its successors or assigns, and provided further, that upon the taking of such possession and until possession shall be restored as aforesaid, all such excepted property of which the Trustees, or such Trustee or such receiver shall have so taken possession, shall be and become subject to the lien hereof, subject, however, to any liens then existing on such excepted property.

And the Company does hereby covenant and agree with the Trustees, and the Trustees with the Company, as follows:

#### PART I

The Trustees shall have and hold all and singular the properties conveyed, assigned, mortgaged and pledged hereby or by the Amended Indenture, including property hereafter as well as heretofore acquired, in trust for the equal and proportionate benefit and security of all present and future holders of the bonds and interest obligations issued and to be issued under the Amended Indenture, as from time to time amended and supplemented, without preference of any bond over any other bond by reason of priority in date of issuance, negotiation, time of maturity, or for any other cause

whatsoever, except as otherwise in the Amended Indenture, as from time to time amended and supplemented, permitted, and to secure the payment of all bonds now or at any time hereafter outstanding under the Amended Indenture, as from time to time amended and supplemented, and the performance of and compliance with the covenants and conditions of the Amended Indenture, as from time to time amended and supplemented, and under and subject to the provisions and conditions and for the uses set forth in the Amended Indenture, as from time to time amended and supplemented.

## PART II

Article I to Article Twenty-One, inclusive, of the Amended Indenture are hereby incorporated by reference herein and made a part hereof as fully as though set forth at length herein.

## PART III

All of the terms appearing herein shall be defined as the same are now defined under the provisions of the Amended Indenture, except when expressly herein otherwise defined.

## PART IV

Pursuant to Section 1 of Article Five of the Original Indenture, as amended by Part IV, Subpart C, of the Sixth Supplemental Indenture, dated as of September 1, 1940, the notice to be given with respect to the redemption of the Bonds in whole or in part, shall be limited to and shall consist of the giving by the Company or Harris Trust and Savings Bank, Trustee, of a written notice of such redemption by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption to the holder of each Bond called for redemption at the holder's last address shown on the registry books of the Company. Failure to so mail such notice to the holder of any Bond shall not affect the validity of the redemption proceedings with respect to any other Bond.

6

7

## PART V

All, but only, the duties, responsibilities, liabilities, immunities, rights, powers and indemnities against liability, of the Trustees and each of them, with respect to the trust created by the Amended Indenture, are hereby assumed by and given to the Trustees, and each of them, with respect to the trust hereby created, and are so assumed and given subject to all the terms and provisions with respect thereto as set forth in the Amended Indenture, as fully and to all intents and purposes as if the same were herein set forth at length; and this Supplemental Indenture is executed by the Trustees for the purpose of evidencing their consent to the foregoing.

The recitals contained herein, except the recital that the Trustees have each duly determined to execute and deliver this Supplemental Indenture, shall be taken as the statements of the Company, and the Trustees assume no responsibility for the correctness thereof. The Trustees make no representations as to the validity of this Supplemental Indenture.

## PART VI

As amended and supplemented by this Supplemental Indenture, the Amended Indenture is in all respects ratified and confirmed, and the Original Indenture and all said indentures supplemental thereto including this Supplemental Indenture, shall be read, taken and considered as one instrument, and the Company agrees to conform to and comply with all and singular the terms, provisions, covenants and conditions set forth therein and

herein.

PART VII

In case any one or more of the provisions contained in this Supplemental Indenture should be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions contained in this Supplemental Indenture, and, to the extent and only to the extent that any such provision is invalid, illegal or unenforceable, this Supplemental Indenture shall be construed as if such provision had never been contained herein.

PART VIII

This Supplemental Indenture may be simultaneously executed and delivered in any number of counterparts, each of which, when so executed and delivered, shall be deemed to be an original.

7

8

IN WITNESS WHEREOF, the Company has caused its corporate name and seal to be hereunto affixed and this Supplemental Indenture to be signed by its Chairman of the Board, its President or one of its Vice Presidents and attested by the signature of its Secretary or one of its Assistant Secretaries, for and in its behalf; said Harris Trust and Savings Bank has caused its corporate name and seal to be hereunto affixed, and this Supplemental Indenture to be signed, by one of its Vice Presidents or Assistant Vice Presidents and attested by the signature of one of its Assistant Secretaries, and said R. G. Mason has hereunto executed this Supplemental Indenture; all as of the day and year first above written. Executed in multiple.

Southern California Edison Company

By /s/Alan J. Fohrer

-----

Alan J. Fohrer  
Senior Vice President, Treasurer and  
Chief Financial Officer

Attest:

/s/Kenneth S. Stewart

-----

Kenneth S. Stewart  
Secretary

(Seal)

Harris Trust and Savings Bank, Trustee

By /s/C. Potter

-----

C. Potter  
Assistant Vice President

Attest:

/s/D. G. Donovan

-----

D. G. Donovan

Assistant Secretary

(Seal)

/s/R. G. Mason

-----  
R. G. Mason  
Trustee

8

9

STATE OF CALIFORNIA        }  
                                  } ss.  
COUNTY OF LOS ANGELES    }

On this 25th day of May, 1993, before me, Dorothy J. Fulco, a Notary Public, personally appeared Alan J. Fohrer and Kenneth S. Stewart, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

/s/ Dorothy J. Fulco

-----  
Dorothy J. Fulco  
Notary Public, State of California

(Seal)

My Commission expires on March 20, 1995

9

10

STATE OF ILLINOIS        }  
                                  } ss.  
COUNTY OF COOK         }

On this 26th day of May, 1993, before me personally appeared C. Potter and D. G. Donovan, Assistant Vice President and Assistant Secretary of Harris Trust and Savings Bank, respectively, known to me to be the persons who executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

/s/T. Muzquiz

-----  
T. Muzquiz  
Notary Public, Cook County, State of Illinois

(Seal)

My Commission expires on July 12, 1993

10

11  
STATE OF ILLINOIS }  
} ss.  
COUNTY OF COOK }

On this 26th day of May, 1993, before me personally appeared R. G. Mason, known to me to be the person who executed the within instrument, as Trustee, and acknowledged to me that he executed the within instrument as his free and voluntary act and deed, for the uses and purposes therein mentioned.

/s/T. Muzquiz

-----

T. Muzquiz  
Notary Public, Cook County, State of Illinois

(Seal)

My commission expires on July 12, 1993

11

## SOUTHERN CALIFORNIA EDISON COMPANY

## 1993 EXECUTIVE INCENTIVE COMPENSATION PLAN

AS ADOPTED DECEMBER 17, 1992

WHEREAS, it has been determined that it is in the best interest of the Southern California Edison Company to offer and maintain competitive executive compensation programs designed to attract and retain qualified executives; and

WHEREAS, it has been determined that providing financial incentives to executives which reinforce and recognize Company, organizational and individual performance and accomplishments will enhance the financial and operational performance of the Company; and

WHEREAS, it has been determined that an incentive compensation program would encourage the attainment of short-term corporate goals and objectives;

NOW, THEREFORE, the Southern California Edison Company 1993 Executive Incentive Compensation Plan has been established by the Compensation Committee of the Board of Directors effective January 1, 1993 and made available to eligible executives of the Company subject to the following terms and conditions:

1. DEFINITIONS. When capitalized herein, the following terms are defined as indicated:

"Base Salary" is defined to be the annual salary for the Participant as of January 1st of the Performance Period, as fixed by the Board of Directors or by the executive officers of the Company.

"Board" shall mean the Board of Directors of the Company.

"Chairman" shall refer to the Chairman of the Board and Chief Executive Officer of the Company.

"Code" shall refer to the Internal Revenue Code of 1986, as amended.

"Company" shall mean the Southern California Edison Company.

"Committee" shall mean the Compensation Committee of the Board.

"Participant" shall include the Chairman of the Board and Chief Executive

2

Officer, President, Executive Vice Presidents, Senior Vice Presidents, Corporate Vice Presidents, Corporate Secretary, appointed Division and Regional Vice Presidents, and managers who are in Salary Grades 13 and 14, and whose participation in this Plan has been approved by the Chairman.

"Plan" is defined to be the Southern California Edison Company 1993 Executive Incentive Compensation Plan.

2. ELIGIBILITY. To be eligible for the full amount of any incentive award, an individual must have been a participant for the entire calendar year. Pro-rata awards may be distributed to participants who are discharged for reasons other than incompetence, misconduct or fraud, or who resigned, retired or became disabled during the calendar year, or who were participants for less than the full year. A pro-rata award may be made to a participant's designated beneficiary in the event of death of a participant during a calendar year prior to an award being made.

3. COMPANY PERFORMANCE GOALS. The Chairman will furnish recommended Company achievement areas to the Committee, out of which the Committee will, in consultation with the Chairman, select those areas of achievement upon which they wish the Company to focus particular attention and identify performance goals for the year.

The performance goals must represent relatively optimistic, but reasonably attainable goals the accomplishment of which will contribute significantly to the attainment of Company objectives.

4. INDIVIDUAL INCENTIVE AWARD LEVELS. Company, organizational and individual performance relative to the pre-established goals will determine the award a Participant can receive.

Although most performance goals will be stated in terms of results to be achieved during the calendar year, it is important that long-range goals and objectives be included. These long-range goals and objectives will have payoffs later than the year in question, but short-term sub-goals may be established for the calendar year.

If the Committee determines Company performance goals have been met, Participants will be eligible for individual incentive awards not to exceed the following maximum award percentages:

65% of year-end base salary for the Chairman;

60% of year-end base salary for the President;

55% of year-end base salary for each Executive Vice President;

2

3

45% of year-end base salary for each Senior Vice President;

40% of year-end base salary for each Corporate Vice President and the Corporate Secretary;

35% of year-end base salary for each appointed Divisional and Regional Vice President; and

25% of year-end base salary for each manager who is in Salary Grade 13 or 14.

Each award shall be approved by the Committee and reported to the Board. Incentive awards will be determined by evaluation of budget control, organizational and management effectiveness, productivity, ingenuity and dedication to work as outlined in each organization's Executive Plan and Budget.

5. APPROVAL AND PAYMENT OF INDIVIDUAL AWARDS. During the first quarter of the year following the completion of the calendar year, the Chairman will assess the degree to which executive plans and budgets have been achieved and will develop suggested incentive awards for eligible Participants other than the Chairman. The Committee will receive a report by the Chairman as to overall Company performance, will deliberate on the Chairman's recommendations, will develop an incentive award for the Chairman, and make its determination as to the approval of the recommended awards. The Committee will then present individual award recommendations to the Board for their review. All decisions of the Committee regarding individual incentive awards shall be final and conclusive.

Incentive award payments will be made as soon after the review by the Board as practical, and payment will be made in cash, unless any award has been elected to be deferred pursuant to the terms of a deferred compensation plan of the Company. Any payments made shall be subject to any income tax withholding

or other deductions as may from time-to-time be required by Federal, State or local law.

Payments under this Plan will not be considered to be salary or other compensation for the purpose of computing benefits to which the Participant may be entitled under any pension plan, stock bonus plan, including but not limited to the Southern California Edison Company Retirement Plan, Stock Savings Plus Plan, Employee Stock Ownership Plan, or other plan or arrangement of the Company for the benefit of its employees if such plan or arrangement is a plan qualified under Section 401(a) of the Code and is a trust exempt from Federal income tax under Section 501(a) of the Code.

Any awards owing to participants under this Plan shall constitute an unsecured general obligation of the Company, and no special fund or trust shall be created, nor shall any notes or securities be issued with respect to any awards.

3

4

6. PLAN MODIFICATIONS AND ADJUSTMENTS. In order to ensure the incentive features of the plan, avoid distortion in its operation and compensate for or reflect extraordinary changes which may have occurred during the calendar year, the Committee may make adjustments to the Plan's performance goals and percentage allocations before, during or after the end of the calendar year to the extent it determine appropriate in its sole discretion. Adjustments to the Plan shall be conclusive and binding upon all parties concerned. The Plan may be modified or terminated by the Board at any time.

7. PLAN ADMINISTRATION. This Plan and any awards under it are to be approved by the Committee. The Plan will be administered by the Chairman, or a Vice President if authorized to act on behalf of the Chairman, who shall be authorized to approve ministerial changes or amendments to the Plan, to interpret Plan provisions, and to approve changes as may from time-to-time be required by law or regulation.

No member of the Board, nor its designee, shall be liable to any person for any action taken or omitted in connection with the interpretation and administration of the Plan.

8. SUCCESSORS AND ASSIGNS. This Plan shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and assigns of the Company and Participant. Notwithstanding the foregoing, any right to receive payment hereunder is hereby expressly declared to be personal, nonassignable and nontransferable, except by will, intestacy, or as otherwise required by law, and in the event of any attempted assignment, alienation or transfer of such rights contrary to the provisions hereof, the Company shall have no further liability for payments hereunder.

9. BENEFICIARIES. In the event of the death of a Participant during a calendar year prior to the making of any individual incentive award, a pro-rata award may, at the discretion of the Board, be made. Any such payment will be made to the Participant's most recently designated beneficiary or beneficiaries under the Long-Term Incentive Compensation Plan of the Company. If no such designated beneficiary or beneficiaries survive the Participant, or if a designated beneficiary should die before the award has been paid, any award will be paid in one lump-sum payment to his or her estate as soon as practicable following the Participant's or the designated beneficiary's death.

10. CAPACITY. If any person entitled to payments under this Plan is, in the opinion of the Board or its designee, incapacitated and unable to use such payments in his or her own best interest, the Board or its designee may direct that payments (or any portion) be made to that person's legal guardian or conservator, or that person's spouse, as an alternative to the payment to the person unable to use the payments. The Board or its designee shall have no obligation to supervise the use of such payments, and



court-appointed guardianship or conservatorship may be required.

11. NO RIGHT OF EMPLOYMENT. Nothing contained herein shall be

4

5

construed as conferring upon the Participant the right to continue in the employ of the Company as an Officer or Manager of the Company or in any other capacity.

12. SEVERABILITY AND CONTROLLING LAW. This Plan shall be governed by the laws of the State of California.

5

## AGREEMENT

This Agreement ("Agreement"), is entered into by and between Charles B. McCarthy, Jr. ("CBM"), an individual, and Southern California Edison Company ("Edison"), a corporation.

In consideration of the covenants undertaken and the releases contained in this Agreement and of CBM's more than 23 years of valued service to Edison, CBM on the one hand, and Edison on the other hand, agree as follows:

1. CBM shall irrevocably resign from his position as Senior Vice President of Edison and terminate his employment with Edison by executing the resignation letter attached hereto as Exhibit A and incorporated herein by reference. CBM's resignation from, and termination of employment with, Edison shall be effective, at CBM's option, on any date on or after the date this Agreement is signed, provided that such resignation and termination shall be effective no later than December 31, 1993.

2. CBM's 1993 Executive Incentive Compensation Award shall be payable on the effective date of his resignation and termination of employment (hereinafter, "Termination Date") and shall be calculated as 80% his maximum potential award, prorated for his 1993 time as an employee of Edison. By way of example and without limitation or warranty, if CBM's Termination Date were December 31, 1993, his 1993 bonus would be the product

2  
of \$226,000 (annual base salary) times .45 (maximum potential award factor) times .8 (80%) times 12/12 (fraction of 1993 worked), which would equal \$81,360.

3. CBM shall receive benefits under the Involuntary Severance Plan for Management and Administrative Employees established by Edison effective August 11, 1993 (the "1993 Severance Plan"). The benefits available under the 1993 Severance Plan are described in the relevant plan document. CBM will execute the document entitled Severance Agreement and Release for Employees Electing Special Retirement Window Option (the "Special Retirement Window Release") and will be considered to have elected the following benefits under or in conjunction with the 1993 Severance Plan:

a. "Basic Severance" pay equal to 4 weeks base pay plus 1 week of base pay for each year of service (assuming a December 31, 1993, Termination Date, CBM's Basic Severance payment should be approximately \$119,500);

b. "Special Retirement Window" benefits, beginning on termination (assuming a December 31, 1993, Termination Date, and given that CBM will be age 53 and will have 23 years of service at termination, CBM's monthly retirement benefit under the Special Retirement Window would commence January 1, 1994, and should be approximately \$3,921); and

c. "Retiree Health Care Benefits" on the same basis as other Edison employees retiring in 1993.

4. In addition to the Basic Severance paid under the 1993 Severance Plan, Edison shall pay to CBM the sum of \$106,500 within 2 weeks following the date which is six months after CBM's Termination Date. CBM understands and agrees that such payment shall be subject to tax withholding.

5. Upon execution of this Agreement:

a. CBM shall become the owner of the personal computers and related equipment Edison provided to him for his use at his residence, and CBM shall become the owner of the current automobile and car phone Edison provided to him. The automobile and the equipment shall be transferred to CBM free of all liens and with clear title. Edison will do the necessary paperwork to transfer ownership of each of these items of personal property to CBM. CBM understands and agrees that the value of such items are subject to treatment as imputed income and can result in tax withholdings.

b. CBM shall be entitled to out-placement consulting services, which services shall be rendered to CBM on a one-on-one basis. Edison shall pay for such out-placement consulting services provided to CBM on or before the second anniversary of his Termination Date. The total

cost to Edison for out-placement services provided to CBM under this Paragraph 5b of this Agreement and under Paragraph 3 of the Special Retirement Window Release shall not exceed \$45,000.

6. CBM and Edison expressly agree that, except to the extent this Agreement imposes obligations upon the parties, this Agreement shall never, at any time, for any purpose whatsoever, be considered as an admission of liability or responsibility of the parties or any of them. Moreover, neither this Agreement nor anything in this Agreement shall be construed to be or shall be admissible in any proceeding as evidence of or an admission by Edison, SCEcorp or any of SCEcorp's other subsidiaries or affiliates of any violation of its or their policies or procedures, or of state or federal laws or regulations. This Agreement may be introduced, however, in any proceeding to enforce this Agreement. Such introduction shall be pursuant to an order protecting the confidentiality of this Agreement.

7. Edison may withhold from any compensation or benefits payable under this Agreement all federal, state and other taxes as shall be required pursuant to any law or governmental regulation or ruling. CBM agrees that he shall be exclusively liable for the payment of all federal and state taxes which may be due from him as the result of the consideration received from Edison herein, and as fees as set forth in paragraph 19 hereof.

8. CBM shall be granted no further options to purchase shares of common stock in Edison's parent company, SCEcorp. Those stock options presently held by him (whether presently vested or presently nonvested) shall become fully vested on CBM's Termination Date and shall be fully

exercisable for their full terms, as provided in the instruments granting such options.

9. In addition to the Special Retirement Window benefits paid to CBM in conjunction with the 1993 Severance Plan, CBM shall receive certain benefits under the Executive Retirement Plan ("ERP"). With respect to CBM's benefits under the ERP, the parties understand and agree as follows:

a. CBM or his surviving spouse have the absolute and unconditional right to receive benefits under the ERP;

b. CBM shall begin receiving benefits under the ERP upon reaching age 55;

c. Edison will calculate CBM's monthly pension benefit under the ERP using the current Executive Incentive Compensation Award factor and applying the following "factors" --

5

6

(1) His monthly pension benefit shall be determined as if CBM were 58-years-old when his employment with Edison ended; and

(2) His monthly pension benefit shall be calculated as if CBM had worked 25 years for Edison when his employment ended.

d. Based upon the above and various other assumptions, and without warranty, Edison calculates that the total monthly pension benefit payment to CBM under the ERP upon his attaining age 55 will commence on September 1, 1995, in accordance with plan practice and will be approximately \$5,095, such that CBM's monthly pension benefits under the ERP (\$5,095) and the Special Retirement Window provided in conjunction with the 1993 Severance Plan (\$3,921) will total \$9,016;

e. Whether CBM dies before or after attaining age 55, his surviving spouse will receive a 50% survivor annuity under the ERP beginning at his death and calculated in the same manner as set forth in this paragraph; a survivor annuity will be provided under the Special Retirement Window to the extent provided under the Edison Retirement Plan document.

6

7

10. CBM hereby irrevocably elects the Executive Supplemental Retirement Income Plan option. Beginning when he reaches age 55, CBM will receive benefits under the Executive Supplemental Retirement Income Plan and the amount of these benefits (payable for 120 months, commencing September 1, 1995, in accordance with plan practice) would be determined by assuming that CBM was 58 years old when his employment with Edison ended. Based on the above, and various other assumptions, and without warranty, Edison calculates that the monthly payments under the Executive Supplemental Retirement Income Plan will be approximately \$2,336.25.

11. CBM will receive benefits under the 1985 (non-ERISA) Deferred Compensation Plan. With respect to benefits under such Plan, and

subject to the rights reserved to the Edison Board under the Plan to amend or terminate the Plan, the parties understand and agree as follows:

a. CBM, his surviving spouse and/or his estate or designee have the absolute and unconditional right to receive benefits under such Plan in accordance with its terms;

b. While monthly benefit payments under such Plan would ordinarily commence on retirement, CBM has requested that such commencement be deferred until CBM reaches age 60; in response to this request, Edison has

7

8

agreed that such commencement will be deferred until CBM reaches age 55 and that, as soon as practicable in 1994, Edison will, in good faith, make a decision on CBM's request for a further deferral until CBM reaches age 60; if the deferral to age 60 is granted, CBM shall be entitled to decline such deferral and to begin receiving benefit payments at age 55 if in his opinion, the conditions on the deferral are not in his best interest.

c. Based upon present actuarial assumptions, but without warranty, Edison calculates that (assuming payments commence when CBM reaches age 55) payments under the Plan will be \$7,010.00 per month for 180 months.

12. Beginning at age 55, and effective September 1, 1995 in accordance with plan practice, CBM will commence to receive payments due under the 1981A, 1981B and Annual Deferred Compensation Plans, if any. Moreover, if CBM has a right as a former employee and retiree to receive any other benefits under Edison benefit plans not described herein (by way of example and not by way of limitation or warrantee, plans such as the Stock Savings Plus Plan), CBM and his beneficiaries continue to have the right to such other benefits in accordance with the terms of the respective plans.

8

9

13. With respect to CBM's employment by and/or business dealings with third parties to this Agreement, the parties understand and agree as follows:

a. CBM agrees that, except as provided in subparagraph 13.b., below, he will not, for a period of twelve 12 months commencing on his Termination Date, directly or indirectly own an interest in, operate, join, control, or participate in, render services to or be connected as an officer, employee, agent, independent contractor, partner, shareholder, or principal of any corporation, partnership, proprietorship, firm, association, person, or other entity which is directly or indirectly engaged in any of the following business activities --

(1) Electrical generation, distribution or transmission; or

(2) Provision of energy or energy efficiency services;

b. The limitations in subparagraph 13.a., above, shall not apply if --

(1) Edison's CEO is advised in advance of, and expressly consents in writing to, CBM's actions; or

9

10

(2) such business entity is an investor-owned or municipal utility which has no involvement with any business activity that directly competes with Edison, SCEcorp or any of SCEcorp's other subsidiaries or affiliates;

(3) It shall not be a violation of this Agreement for CBM to have investments in publicly traded mutual funds regardless of the stocks or investments which may be purchased or made by such fund or funds.

c. CBM agrees that, except as provided in subparagraph 13.d., below, he will not, for a period of twelve 12 months commencing on his Termination Date, directly or indirectly, own an interest in, operate, join, control, or participate in, render services to or be connected as an officer, employee, agent, independent contractor, partner, shareholder, or principal of any corporation, partnership, proprietorship, firm, association, person, or other entity which has or is considering any direct or indirect business relationship with, Edison, SCEcorp or any of SCEcorp's other subsidiaries or affiliates;

d. The limitations in subparagraph 13.c., above, shall not apply if --

10

11

(1) Edison's CEO is advised in advance of, and expressly consents in writing to, CBM's actions; or

(2) if such business entity's only business relationship with Edison, SCEcorp or any of their subsidiaries or affiliates is --

(a) as a utility customer of Edison; or

(b) a supplier of equipment or services to Edison, SCEcorp or any of SCEcorp's other subsidiaries or affiliates, and CBM is not involved in, and his compensation is not related to, that entity's business relationship with Edison, SCEcorp or any of SCEcorp's other subsidiaries or affiliates.

14. CBM acknowledges that he is in possession of confidential trade secret and business information not publicly available concerning Edison, SCEcorp and SCEcorp's other subsidiaries and affiliates. CBM specifically agrees that he will not at any time, in any fashion, form, or manner, use or divulge, disclose or communicate to any person, firm, or corporation, in any manner whatsoever, any such confidential information

concerning any matters affecting or relating to the business of Edison, SCEcorp or any of SCEcorp's other subsidiaries or affiliates.

11

12

15. This Agreement shall be administered by Edison, which shall have the general responsibility of reasonably interpreting this Agreement. Any controversy or claim arising out of or relating to this Agreement or breach thereof which cannot be resolved by the parties shall be settled by arbitration to be held in the County of Los Angeles in accordance with the Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The parties shall equally divide the arbitrator's fee. The prevailing party shall be entitled to recover its one-half share of the arbitrator's fee from the non-prevailing party as a component of his or its costs pursuant to Paragraph 32, below.

16. This Agreement shall be binding upon any successor in interest of Edison. Neither this Agreement nor any right or interest hereunder shall be assignable by CBM without Edison's prior written consent which consent shall not be unreasonably withheld. Nothing herein shall restrict CBM's right to designate beneficiaries under any of the plans in which he is a participant, provided such designations are not prohibited by the applicable plan documents and are otherwise lawful, or to transfer rights to income to any trust or other entity which he may establish for estate planning purposes. Except as required by law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge, or hypothecation or to

12

13

execution, attachment, levy, or similar process or assignment by operation of law, and any attempt to effect such action shall be null, void and of no effect.

17. No provision of this Agreement may be amended, modified or waived except by written agreement signed by the parties hereto.

18. CBM acknowledges and understands that the confidentiality of this Agreement is of the utmost concern to Edison and that this Agreement would not have been entered into by Edison without his promise to keep such matter confidential. Accordingly, CBM agrees that, except to the extent disclosure is required by law, the terms and conditions of this Agreement and the Agreement document itself shall remain confidential as between the parties and he shall not disclose them to any other person, other than his wife, immediate family members, legal advisor and/or other professional personal advisors, who shall also be advised of its confidentiality and who shall agree to be bound by this confidentiality agreement. Said confidentiality provision in this Paragraph 18 of this Agreement is in no way limited by the confidentiality provision set forth in Paragraph 7 of the Special Retirement Window Release.

19. Subject to the exceptions set forth in its by-laws, Edison agrees to indemnify CBM for any and all expenses actually and reasonably incurred by CBM in the defense,

14

settlement or satisfaction of any judgment arising from any threatened or actual claim, issue or matter, the basis for which is in any way related to CBM's position as an employee of Edison. Said indemnification shall inure to the benefit of CBM's heirs, executors and administrators.

20. As consideration for this Agreement, and in particular paragraphs 13 and 14 hereto, Edison shall pay to CBM on his Termination Date the sum of \$25,000 as a retainer fee for CBM to remain available for a period of 12 months following his Termination Date to provide, upon request by Edison's CEO, information and assistance to Edison with respect to any matters handled by CBM or with which he became familiar while he was employed by Edison. CBM agrees to make himself available to provide such information and assistance at reasonable times not to exceed 25 hours per month. Edison agrees to reimburse CBM for any expenses reasonably incurred by him and, in addition to the retainer fee, to compensate CBM at the rate of \$150.00 per hour for the time he actually expends in providing such assistance and/or information. CBM shall submit written statements accounting for his time and expenses on a monthly basis, and Edison will reimburse CBM for these expenses within 2 weeks after each submittal.

21. Except for obligations granted by or arising out of this Agreement, and Edison's retirement, deferred compensation, stock options, savings and/or ownership and welfare

15

benefit plans, CBM, on his own behalf, and on behalf of his descendants, dependents, heirs, executors, administrators, assigns and successors, as such, does hereby covenant not to sue and acknowledges complete satisfaction of and hereby releases, absolves and discharges Edison and its parent, successors and assigns, subsidiaries, divisions and affiliated corporations, past and present (including without limitation Edison's parent, SCEcorp), and their trustees, directors, officers, shareholders, agents, attorneys, insurers and employees, past and present, and each of them, as such (hereinafter in paragraphs 21 and 22 of this Agreement collectively referred to as "Edison Releasees") with respect to and from any and all claims, demands, liens, agreements, contracts, covenants, actions, suits, causes of action, wages, obligations, debts, expenses, attorneys' fees, damages, judgments, orders and liabilities of whatever kind or nature in law, equity or otherwise, without any exception whatsoever, which CBM now owns or holds or has at any time heretofore owned or held, as against said Edison Releasees, or any of them, including specifically, but not exclusively, and without limiting the generality of the foregoing, and without any exception whatsoever, any and all claims, demands, agreements, obligations and causes of action, known or unknown, suspected or unsuspected, by CBM arising out of or in any way concerning the events and/or circumstances surrounding his employment with Edison or separation therefrom. Said release in this Paragraph 21 of this Agreement is in no way limited by the release set forth in Paragraph 4 of the Special Retirement Window Release.

16

22. CBM understands and expressly agrees that the Release given by him in paragraph 21, above, without any exception whatsoever, extends



to all claims, injuries, damages or losses to his person and property, whether known, unknown, foreseen, patent or latent, which he may have against the Edison Releasees or any of them. CBM specifically and expressly waives all his rights under SECTION 1542 of THE CALIFORNIA CIVIL CODE which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

Said waiver in this Paragraph 22 of this Agreement is in no way limited by the waiver set forth in Paragraph 5 of the Special Retirement Window Release.

23. CBM expressly acknowledges and agrees that, by entering into this Agreement, he is waiving any and all rights or claims that he may have arising under the Age Discrimination in Employment Act of 1967, as amended, which have arisen on or before the date of execution of this Agreement. CBM further expressly acknowledges and agrees that:

a. In return for this Agreement, he will receive compensation beyond that which he was already entitled to receive before entering into this Agreement;

16

17

b. He is hereby advised in writing by this Agreement to consult with an attorney before signing this Agreement;

c. He was given a copy of this Agreement on November 5, 1993, and informed that he had 45 days within which to consider the Agreement and voluntarily executed this Agreement before expiration of that 45-day period; and

d. He was informed that he has seven days following the date of execution of the Agreement in which to revoke the Agreement.

24. Except for obligations granted by or arising out of this Agreement and except for the provisos contained in Paragraph 26, below, Edison, on its own behalf, and on behalf of its successors and assigns, parent, subsidiaries, divisions and affiliated corporations, past and present and each of them, (hereinafter in Paragraphs 24 through 26 of this Agreement collectively referred to as "Releasors"), do hereby covenant not to sue and acknowledge complete satisfaction of and hereby release, absolve and discharge CBM and his descendants, dependents, heirs, executors, administrators, agents, attorneys, assigns and successors, and each of them, as such ("CBM Releasees") with respect to and from any and all claims, demands, liens, agreements, contracts, covenants, actions, suits, causes of action, wages, obligations, debts, expenses, attorneys' fees,

17

18

damages, judgments, orders and liabilities of whatever kind or nature in law, equity or otherwise, without any exception whatsoever, which Releasors now own or hold or have at any time heretofore owned or held as against CBM arising out of or in any way concerning the events and/or circumstances surrounding CBM's employment with Edison or separation therefrom.

25. Edison understands and expressly agrees that the Release given by the Releasors in paragraph 24, above, extends to all claims, injuries, damages or losses to their person and property which are referred in paragraph 24. Edison specifically and expressly waives all of its rights under SECTION 1542 of THE CALIFORNIA CIVIL CODE which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

26. The Release given by the Releasors in paragraphs 24 and 25 does not cover or extend to any claims, suits, causes of action, and liabilities for:

i) profits made by CBM from the purchase or sale by CBM of securities of Edison or SCEcorp pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934 and amendments thereto or similar provisions of any federal, state or local statutory law;

18

19

ii) conduct by CBM for which indemnity is expressly prohibited by Section 317 of the General Corporation Law of California (the "Law");

iii) breach of duty owed by CBM to Edison, SCEcorp or their shareholders --

a. for acts or omissions involving intentional misconduct or knowing and culpable violation of law;

b. for acts or omissions that CBM believed to be contrary to the best interests of Edison, SCEcorp or their shareholders or that involved the absence of good faith on the part of CBM as a director or officer;

c. for any transaction from which CBM derived an improper personal benefit;

d. for acts or omissions that show a reckless disregard for CBM's duty to Edison or SCEcorp or their shareholders in circumstances in which as a director or officer CBM was aware, or should have been aware, in the ordinary course of performing his duties, of a risk of serious injury to Edison, SCEcorp or their shareholders;

e. for acts or omissions that constitute an unexcused pattern of inattention that amounts to an

19

20

abdication of CBM's duties to Edison, SCEcorp or their shareholders; and

f. for costs, charges, expenses, liabilities,

and losses arising under Section 310 or 316 of the Law.

27. This Agreement shall be deemed to have been entered into in the State of California and all questions concerning the validity, interpretation or performance of any of its terms or provisions, or of any rights or obligations of the parties hereto, shall be governed and resolved in accordance with the laws of the state of California. Furthermore, no provision of this Agreement is to be interpreted for or against either party because that party, or his legal representative, drafted such provision.

28. CBM represents and agrees that he has carefully read and understands this Agreement, and agrees that neither Edison nor any officer, agent or employee of Edison, SCEcorp or any other subsidiary of SCEcorp has made any representations other than those contained herein or in the Special Retirement Window Release. Edison agrees that neither CBM nor any of his representatives has made any representations other than those contained herein. Further CBM and Edison expressly agree that they have entered into this Agreement freely and voluntarily and without pressure or coercion from the other or from their respective officers, agents, employees, or anyone else acting on

20

21  
their behalf. CBM further expressly agrees that prior to the execution of this Agreement, he was advised to seek independent legal advice concerning the terms, conditions and effect of this Agreement, and that he sought such advice from Harris Kershner of Wallin & Klarich who reviewed and proposed changes to this Agreement.

29. CBM and Edison represent and agree that this Agreement and the Special Retirement Window Release contain the entire agreement and understanding between the parties hereto concerning CBM's employment with and separation of employment from Edison, and other subject matters addressed herein. CBM and Edison further represent and agree that this Agreement and the Special Retirement Window Release supersede and replace all prior negotiations and agreements, proposed or otherwise, whether written or oral, concerning the subject matter hereof and that this is an integrated agreement, the terms of which are contractual in nature and not a mere recital. This Agreement is deemed to have been executed at the same time as or after the Special Retirement Window Release is executed and, thus, shall not be superseded pursuant to Paragraph 11 of such Special Retirement Window Release. The Special Retirement Window Release shall not restrict CBM's right to receive benefits, or other rights, provided in this Agreement.

30. If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not

21

22  
affect other provisions or applications of this Agreement which can be given effect without the invalid provisions or applications, and to this extent, the provisions of this Agreement are declared to be severable.

31. This Agreement may be executed in counterparts, and each counterpart, when executed, shall have the efficacy of a signed original. Photographic copies of such signed counterparts may be used in lieu of the original for any purpose.

32. In the event that there is an adversarial proceeding, or proceedings as referenced in Paragraph 15 above, arising out of the subject matter of this Agreement or the breach or alleged breach of this Agreement, or to enforce or interpret this Agreement, the prevailing party shall recover against the other party reasonable attorneys' fees, expenses and costs incurred in connection with such proceedings.

33. Approval by the Compensation Committees of the Boards is a condition precedent to this Agreement's being effective. The CEO and Chairman of the Boards of Edison and

22

23  
SCEcorp have recommended, and the Compensation Committees have given, such approval, as evidenced by the execution of this Agreement on behalf of Edison.

IN WITNESS WHEREOF, CBM and Edison have executed this Agreement on the dates opposite their signatures.

I declare under penalty of perjury under the laws of the State of California that I have carefully read the foregoing Agreement and know and fully understand the terms and contents thereof and I accept and agree to the provisions it contains and hereby execute it voluntarily and as my own free act with full understanding of its consequences.

DATED: 12/20/93

Charles B. McCarthy, Jr.  
-----  
Charles B. McCarthy, Jr.

at Yorba Linda, California

23

24  
I warrant and represent that I have the authority to execute this Agreement on behalf of Edison.

SOUTHERN CALIFORNIA EDISON  
COMPANY

DATED: 12/20/93  
at Rosemead, California

By John E. Bryson  
-----  
John E. Bryson  
Chairman and Chief Executive  
Officer

APPROVED AS TO FORM:

Harris E . Kershner  
-----  
Harris E. Kershner  
Attorney for  
Charles B. McCarthy, Jr.

Gordon E. Krischer  
-----

Gordon E. Krischer  
Attorney for Southern  
California Edison Company

24

25

I have carefully read the foregoing Agreement and I know and fully understand the terms and contents thereof. I understand, that California is a community property state and to the extent I now or in the future may have any right, title or interest in anything released, bargained for, received, or agreed to, in the Agreement, I hereby expressly agree to be completely bound by all provisions of the Agreement. I have signed this statement as my own free act.

DATE: 12/20/93  
-----  
at Yorba Linda, California

Anita G. McCarthy  
-----  
Anita G. McCarthy

WITNESSED BY:

DATE: 12/20/93  
-----

M. D. McDonald  
-----

25

26

EXHIBIT A

Southern California Edison Company  
P.O. Box 800  
2244 Walnut Grove Avenue  
Rosemead, California 91770

Re: Resignation

This is to advise you that effective December 31, 1993, I hereby irrevocably and voluntarily resign my position as Senior Vice President of Southern California Edison Company ("Edison"), and as an employee in any other capacity with Edison, and will not seek reemployment with Edison, SCEcorp or any of SCEcorp's other subsidiaries or affiliates.

Sincerely yours,

Charles B. McCarthy, Jr.  
-----  
Charles B. McCarthy, Jr.

NAME: Charles B. McCarthy, Jr.

SS#: 569-56-5723

AGREED TO AND ACCEPTED BY

Kenneth S. Stewart

-----

DATE: 12/21/93

-----

## SCECORP

COMPUTATION OF PRIMARY AND FULLY DILUTED EARNINGS PER SHARE  
(UNAUDITED)

	YEAR ENDED DECEMBER 31,		
	1993	1992	1991
	----- (IN THOUSANDS, EXCEPT PER SHARE AMOUNTS) -----		
Consolidated net income . . . . .	\$ 639,047	\$ 738,720	\$ 702,605
Primary and fully diluted weighted average shares(a) .	447,754,621	445,489,078	437,320,546
	-----		
Primary and fully diluted earnings per share . . . . .	\$1.43	\$1.66	\$1.61

-----  
(a) Share amounts reflect the two-for-one split of SCEcorp Common Stock effective June 1, 1993.

SCECORP  
COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES  
(UNAUDITED)

	YEAR ENDED DECEMBER 31,				
	1989	1990	1991	1992	1993
	(IN THOUSANDS)				
EARNINGS BEFORE INCOME TAXES AND FIXED CHARGES: (7)					
INCOME BEFORE INTEREST EXPENSE (1) . . . .	\$1,406,256	\$1,426,257	\$1,326,008	\$1,325,569	\$1,203,577
ADD:					
Taxes on income (2) . . . . .	576,348	506,252	435,853	466,006	353,706
Rentals (3) . . . . .	9,843	8,840	7,539	4,460	3,463
Allocable portion of interest on long-term contracts for the purchase of power (4) . . . . .	19,361	10,600	1,925	1,908	1,890
Interest on partnership indebtedness (5) . . . . .	29,791	47,054	45,996	38,070	41,091
Spent nuclear fuel interest (8) . . . . .	2,273	1,994	1,683	1,339	487
Amortization of previously capitalized fixed charges . . . . .	33,636	35,399	32,845	24,170	6,760
TOTAL EARNINGS BEFORE INCOME TAXES AND FIXED CHARGES (A) . . . . .	\$2,077,508	\$2,036,396	\$1,851,849	\$1,861,522	\$1,610,974
FIXED CHARGES: (7)					
Interest and amortization . . . . .	\$ 583,509	\$ 595,771	\$ 581,165	\$ 544,593	\$ 523,808
Rentals (3) . . . . .	9,843	8,840	7,539	4,460	3,463
Capitalized interest (6) . . . . .	23,253	21,069	24,053	35,115	73,808
Allocable portion of interest on long-term contracts for the purchase of power (4) . . . . .	19,361	10,600	1,925	1,908	1,890
Spent nuclear fuel interest (8) . . . . .	2,273	1,994	1,683	1,339	487
Interest on partnership indebtedness (5) . . . . .	29,791	47,054	45,996	38,070	41,091
Subsidiary preferred and preference stock dividends -- pre-tax basis . . . .	77,469	72,528	68,435	68,911	63,261
TOTAL FIXED CHARGES (B) . . . . .	\$ 745,499	\$ 757,856	\$ 730,796	\$ 694,396	\$ 707,808
RATIO OF EARNINGS TO FIXED CHARGES (A)/(B): . . . . .	2.79	2.69*	2.53*	2.68	2.28

- (1) Includes allowance for funds used during construction and accrual of unbilled revenue.
- (2) Includes allocation of federal income and state franchise taxes to other income.
- (3) Rentals include the interest factor relating to certain significant rentals plus one-third of all remaining annual rentals.
- (4) Allocable portion of interest included in annual minimum debt service requirement of supplier.
- (5) Includes the allocable portion of interest on project indebtedness of fifty-percent partnership investments by other wholly-owned subsidiaries of SCEcorp.
- (6) Includes the fixed charges associated with the Nuclear Fuel Lease and capitalized interest of fifty-percent owned partnerships.
- (7) Effective July 1, 1988, SCEcorp acquired all of the issued and outstanding common stock of Southern California Edison Company (Edison). Pursuant to Securities and Exchange Commission Rules, SCEcorp's fixed charges include the pre-tax dividend requirements for Edison's preferred and preference stock.
- (8) Represents interest on spent nuclear fuel disposal obligation.

\* Reflects restatement of The Mission Group financial statements.



## SCEcorp

1993

## Annual Report: Focus on Competitive Performance

2

21

Financial Information

Management's Discussion and Analysis:

SCEcorp and Subsidiaries

Results of Operations

## Earnings

SCEcorp's 1993 earnings per share were \$1.43, compared with \$1.66 in 1992 and \$1.61 in 1991. In 1993, Edison contributed \$1.42 per share of SCEcorp's earnings, unchanged from 1992 and up 8 cents per share from 1991. In 1993, the Mission companies contributed 1 cent per SCEcorp share, down 23 cents from 1992 and 26 cents from 1991.

SCEcorp's 1993 earnings reflect special charges of 18 cents per share. Mission Energy recorded special charges of 13 cents, including 7 cents to recognize the reduced value of investments in five geothermal power plants, 4 cents to terminate its investment in the Carbon II project in Mexico, and 2 cents for additional reserves for project development and other costs. Mission Power Engineering, which ceased operations in 1990, recorded a 3-cent-per-share charge resulting from settlement of all remaining litigation for its Coso geothermal project. Mission Land recorded special charges of 2 cents per share to reflect the reduced value of several real estate projects and joint venture project restructuring costs.

SCEcorp's 1992 earnings included a 5-cent-per-share charge to settle litigation between Edison and Tucson Electric Power Company and a 3-cent-per-share charge in anticipation of real estate losses at Mission Land. SCEcorp's 1991 earnings included a 21-cent-per-share charge for a purchased-power regulatory settlement, legal and regulatory reserves, and a corporate restructuring program at Edison.

All per-share amounts have been restated to reflect the two-for-one common stock split effective June 1, 1993.

1993 vs. 1992

Excluding the special charges noted above, SCEcorp's earnings declined 13 cents per share -- 5 cents at Edison and 8 cents at the Mission companies. Edison's decline is mainly due to a lower authorized return on common equity, partially offset by a decline in interest expense as the result of an aggressive refinancing program. The Mission companies' decrease from 1992 is primarily due to higher administrative, general, project development and start-up costs at Mission Energy and reduced earnings at Mission Land.

In addition to establishing its reserve for the geothermal projects, Mission Energy discontinued recording earnings from these projects in the third quarter of 1993, and will continue to forgo recording earnings through the 10th year of each contract. This will not affect the expected cash flow from each contract, but will significantly impact Mission Energy's earnings for 1994 and

possibly beyond.

1992 vs. 1991

Excluding special charges, SCEcorp's 1992 earnings declined 8 cents per share, attributed to a lower authorized return on common equity and reduced interest income at Edison.

#### Operating Revenue

Electric utility revenue decreased in 1993 compared to 1992, mostly due to a 2.9% rate decrease authorized by the California Public Utilities Commission (CPUC) and a 2% decline in retail sales volume. In 1992, electric utility revenue increased 6% compared to 1991, mostly due to warmer weather during the summer of 1992. In addition, retail rates rose in 1992, reflecting a CPUC-authorized increase of 1.9% for Edison's higher operating and maintenance expenses and capital-related costs. Retail rates account for over 98% of electric revenue and are regulated by the CPUC. Wholesale rates are regulated by the Federal Energy Regulatory Commission. Revenue from diversified operations increased 62% in 1993 compared to 1992, mostly due to Mission Energy's electric revenue from its Lakeland and Loy Yang B projects and Mission Land's real estate rent and sales revenue.

The changes in electric revenue resulted from:

In millions	Year ended December 31,		
	1993	1992	1991
Electric revenue--			
Rate changes	\$ (251)	\$170	\$353
Sales volume changes	(124)	270	(73)
Other	50	(16)	31
Total	\$ (325)	\$424	\$311
	=====	=====	=====

3

22

Management's Discussion and Analysis:  
Results of Operations

SCEcorp and Subsidiaries

#### Operating Expenses

Fuel expense decreased minimally in 1993, due to a \$44 million decrease at Edison, partially offset by a \$42 million increase at Mission Energy. Edison's lower expense in 1993 was primarily due to an 11% decrease in power generation, as the result of an increase in required purchases from nonutility generators. Mission Energy's increase was related to its Lakeland and Loy Yang B projects. Fuel expense was 18% higher in 1992, primarily due to Edison's increased power generation compared to the previous year.

Purchased-power expense increased 11% in 1993 and 2% in 1992, reflecting higher prices and an increased volume of federally required purchases by Edison from nonutility generators. These purchases were made under contracts with CPUC-mandated pricing. In 1993, these contracts cost about \$800 million more than power available from other sources.

The provisions for regulatory adjustment clauses minimize rate fluctuations by adjusting for differences between estimated and actual kilowatt-hour sales or energy costs. These differences are accumulated in balancing accounts for subsequent rate adjustment. Prior-period rate adjustments are also reflected in these provisions. The 1993 and 1992 decreases were mostly due to Edison's energy costs exceeding CPUC-authorized estimates.

The 1992 decrease was partially offset by kilowatt-hour sales exceeding authorized estimates.

Other operating expenses increased 23% in 1993, primarily due to Mission Energy's pretax charges of \$28 million to terminate its investment in Carbon II and \$52 million to reflect the reduced value of its investments in five geothermal projects. Additionally, Mission Land had increased costs resulting from the sale of properties in Dallas and Chicago, the reduced value of certain real estate projects and the related restructuring costs. In 1992, other operating expenses increased 6%, reflecting Edison's authorized increases in energy conservation programs and increased funding levels for postretirement benefits other than pensions, and Mission Land's reserve for real estate losses.

Depreciation and decommissioning expense increased 14% in 1993 compared to 1992, mainly due to Edison's accelerated recovery of its investment in San Onofre Nuclear Generating Station Unit 1.

Income taxes decreased 14% in 1993, mostly due to Mission Energy's lower operating income resulting from the charges for its geothermal and Carbon II projects.

#### Other Income and Deductions

The provision for rate phase-in plan reflects a CPUC-authorized, 10-year rate phase-in plan for the three Palo Verde Nuclear Generating Station units. Phase-in plans minimize the effect on customer rates of placing newly constructed plants in service by gradually implementing rate increases. Palo Verde's plan deferred \$200 million of revenue for each unit during the first four years of operation. The deferred revenue, including interest, is being collected evenly over six years ending in 1996 for Units 1 and 2, and in 1998 for Unit 3. The provision is a non-cash offset to the collection of deferred revenue.

Other nonoperating income decreased 6% in 1993 and 34% in 1992, reflecting a decrease in interest income due to lower interest rates and lower balances in Edison's Palo Verde phase-in plan and balancing accounts. In addition, Edison had a \$40 million settlement of litigation in 1992 with Tucson Electric. The case arose when San Diego Gas & Electric Company (SDG&E) withdrew from its 1988 merger agreement with Tucson Electric and agreed to merge with Edison. The CPUC later denied Edison's and SDG&E's merger application. Tucson Electric had alleged that Edison wrongfully interfered with Tucson Electric's and SDG&E's proposed merger.

#### Interest Expense

Interest on long-term debt increased in 1993, mainly due to more long-term borrowings at Mission Energy related to two international projects, Loy Yang B and Lakeland, partially offset by savings from Edison's \$2 billion refinancing program to take advantage of lower interest rates.

Other interest expense decreased 32% in 1993, primarily due to regulatory balancing account adjustments for Edison's CPUC-approved purchased-power settlement in 1992 and lower interest rates in 1993.

Capitalized interest increased in 1993 and in 1992, due to increased construction activity at Mission Energy.

per-share amounts	Year ended December 31,	1993	1992	1991
-----	-----	----	----	----
Electric revenue		\$7,397	\$7,722	\$7,298
Diversified operations		424	262	258
Total operating revenue		7,821	7,984	7,556
Fuel		834	836	709
Purchased power		2,499	2,251	2,203
Provisions for regulatory adjustment clauses -- net		(287)	340	384
Other operating expenses		1,588	1,294	1,215
Maintenance		363	362	383
Depreciation and decommissioning		922	807	767
Income taxes		465	544	453
Property and other taxes		220	207	203
Total operating expenses		6,604	6,641	6,317
Operating income		1,217	1,343	1,239
Provision for rate phase-in plan		(137)	(147)	(82)
Allowance for equity funds used during construction		20	20	16
Other nonoperating income -- net		87	93	141
Total other income (deductions) -- net		(30)	(34)	75
Income before interest and other expenses		1,187	1,309	1,314
Interest on long-term debt		528	477	491
Other interest expense		65	96	103
Allowance for borrowed funds used during construction		(16)	(17)	(12)
Capitalized interest		(70)	(28)	(13)
Dividends on subsidiary preferred stock		41	42	42
Total interest and other expenses -- net		548	570	611
Net income		\$ 639	\$ 739	\$ 703
Weighted-average shares of common stock outstanding		448	445	437
Earnings per share		\$1.43	\$1.66	\$1.61

#### Consolidated Statements of Retained Earnings

In millions, except per-share amounts	Year ended December 31,	1993	1992	1991
-----	-----	----	----	----
Balance at beginning of year		\$3,263	\$3,150	\$3,038
Net income		639	739	703
Dividends declared on common stock		(636)	(626)	(591)
Balance at end of year		\$3,266	\$3,263	\$3,150
Dividends declared per common share		\$1.415	\$1.39	\$1.35

The accompanying notes are an integral part of these financial statements.

## Consolidated Balance Sheets

In millions, except share amounts - - - - -	December 31, - - - - -	1993 ----	1992 ----
<b>ASSETS</b>			
Utility plant, at original cost		\$18,436	\$17,805
Less -- accumulated provision for depreciation and decommissioning		7,138	6,544
		-----	-----
		11,298	11,261
Construction work in progress		857	724
Nuclear fuel, at amortized cost		148	123
		-----	-----
Total utility plant		12,303	12,108
		-----	-----
Nonutility property -- less accumulated provision for depreciation of \$73 and \$50 at respective dates		1,276	1,024
Nuclear decommissioning trusts		789	648
Investments in partnerships and unconsolidated subsidiaries		1,163	1,453
Investments in leveraged leases		497	462
Other investments		21	19
		-----	-----
Total other property and investments		3,746	3,606
		-----	-----
Cash and equivalents		421	496
Receivables, including unbilled revenue, less allowances of \$19 and \$13 for uncollectible accounts at respective dates		880	876
Fuel inventory		121	108
Materials and supplies, at average cost		104	110
Accumulated deferred income taxes -- net		204	194
Prepayments and other current assets		118	201
		-----	-----
Total current assets		1,848	1,985
		-----	-----
Unamortized debt issuance and reacquisition expense		382	301
Rate phase-in plan		364	488
Unamortized nuclear plant -- net		274	380
Income tax-related deferred charges		2,016	--
Other deferred charges		446	443
		-----	-----
Total deferred charges		3,482	1,612
		-----	-----
Total assets		\$21,379	\$19,311
		=====	=====

The accompanying notes are an integral part of these financial statements.

In millions, except share amounts -----	December 31, -----	1993 ----	1992 ----
<b>CAPITALIZATION AND LIABILITIES</b>			
Common shareholders' equity:			
Common stock (447,799,172 and 447,736,054 shares outstanding at respective dates)		\$ 2,692	\$ 2,691
Retained earnings		3,266	3,263
		-----	-----
		5,958	5,954
Preferred stock:			
Not subject to mandatory redemption		359	359
Subject to mandatory redemption		275	278
Long-term debt		6,459	6,320
		-----	-----
Total capitalization		13,051	12,911
		-----	-----
Other long-term liabilities		267	342
		-----	-----
Current portion of long-term debt and redeemable preferred stock			
		349	219
Short-term debt		655	758
Accounts payable		373	391
Accrued taxes		411	342
Accrued interest		101	120
Dividends payable		163	161
Regulatory balancing accounts -- net		58	88
Deferred unbilled revenue and other current liabilities		741	719
		-----	-----
Total current liabilities		2,851	2,798
		-----	-----
Accumulated deferred income taxes -- net		4,169	2,245
Accumulated deferred investment tax credits		456	462
Customer advances and other deferred credits		585	553
		-----	-----
Total deferred credits		5,210	3,260
		-----	-----
Commitments and contingencies (Notes 2, 8, 9 and 10)			
Total capitalization and liabilities		\$21,379	\$19,311
		=====	=====

The accompanying notes are an integral part of these financial statements.

7

26

Management's Discussion and Analysis: SCEcorp and Subsidiaries  
Financial Condition

SCEcorp's liquidity is primarily affected by debt maturities, dividend payments, and capital expenditures. Although SCEcorp is committed to a strong dividend, recent CPUC decisions (see Regulatory Matters) may affect its ability to raise or retain current dividend levels. Capital resources include cash from operations and external financings.

#### Cash Flows from Operating Activities

Net cash provided by operating activities totaled approximately \$2.0 billion per year in 1993, 1992 and 1991. SCEcorp continues to meet most of its capital requirements with cash from operations.

#### Cash Flows from Financing Activities

Edison's short-term debt is used to finance fuel inventories, balancing account undercollections and general cash requirements. The Mission companies'

short-term debt is used mainly for construction projects until long-term construction or project loans are secured. Long-term debt is used mainly to finance capital expenditures. Edison's external financings are influenced by market conditions and other factors, including limitations imposed by its articles of incorporation and trust indenture. As of December 31, 1993, Edison could issue approximately \$6.6 billion of additional first and refunding mortgage bonds and \$4.4 billion of preferred stock at current interest and dividend rates.

SCEcorp has lines of credit of \$1.7 billion -- \$1.2 billion for short-term debt and \$500 million for the long-term refinancing of Edison's variable-rate pollution-control bonds. Of the \$1.2 billion for short-term debt, the Mission companies have \$600 million to finance general cash requirements.

Two credit rating agencies affirmed Edison's credit rating following the CPUC's 1994 cost-of-capital proceedings (see Regulatory Matters). One of these agencies also lowered Edison's commercial paper rating to be consistent with the previous overall downgrade in November 1992, from double-A to single-A-plus.

California law prohibits Edison from incurring or guaranteeing debt for its nonutility affiliates. Additionally, the CPUC regulates Edison's capital structure, limiting the dividends Edison may pay SCEcorp. These restrictions are not expected to affect SCEcorp's ability to meet its cash obligations.

#### Cash Flows from Investing Activities

The primary uses of cash for investing activities are additions to property and plant, Mission companies' investments and contributions to nuclear decommissioning trusts. Cash used for the Mission companies' investing activities was \$289 million in 1993, \$763 million in 1992 and \$75 million in 1991. Edison contributes approximately \$96 million per year to nuclear decommissioning trusts. Trust contributions will continue until decommissioning begins.

#### Projected Capital Requirements

SCEcorp's projected capital requirements for the years 1994 through 1998 are:

In millions	1994	1995	1996	1997	1998
Construction expenditures	\$1,305	\$1,330	\$1,156	\$1,094	\$1,349
Maturities of long-term debt	336	272	297	570	523
<b>Total</b>	<b>\$1,641</b>	<b>\$1,602</b>	<b>\$1,453</b>	<b>\$1,664</b>	<b>\$1,872</b>

#### Consolidated Statements of Cash Flows SCEcorp and Subsidiaries

In millions	Year ended December 31,	1993	1992	1991
Cash flows from operating activities:				
Net income		\$ 639	\$ 739	\$ 703
Adjustments for noncash items:				
Depreciation and decommissioning		922	807	767
Amortization		107	150	166
Rate phase-in plan		123	125	43
Deferred income taxes and investment tax credits		95	32	103

Equity in income from partnerships and unconsolidated subsidiaries	(135)	(148)	(140)
Other long-term liabilities	(75)	36	146
Nonrecurring charges	99	--	79
Other -- net	10	26	21
Changes in working capital components:			
Receivables	56	(17)	(73)
Regulatory balancing accounts	(30)	246	68
Fuel inventory, materials and supplies	(7)	58	10
Prepayments and other current assets	115	(30)	(73)
Accrued interest and taxes	(160)	(62)	(25)
Accounts payable and other current liabilities	(29)	(118)	16
Distributions from partnerships and unconsolidated subsidiaries	271	124	149
	-----	-----	-----
Net cash provided by operating activities	2,001	1,968	1,960
	-----	-----	-----
Cash flows from financing activities:			
Issuances of long-term debt	2,496	1,611	819
Issuances of preferred stock	75	296	--
Repayment of long-term debt	(2,291)	(1,332)	(363)
Redemption of preferred stock	(86)	(232)	(12)
Nuclear fuel financing -- net	8	(126)	23
Proceeds from sales of common stock	1	160	67
Short-term debt financings -- net	(167)	(36)	(558)
Dividends paid	(631)	(614)	(586)
	-----	-----	-----
Net cash used by financing activities	(595)	(273)	(610)
	-----	-----	-----
Cash flows from investing activities:			
Additions to property and plant	(1,259)	(1,241)	(1,033)
Nuclear decommissioning trusts	(141)	(132)	(131)
Investments in partnerships and unconsolidated subsidiaries	(14)	(257)	(238)
Other -- net	(67)	(48)	48
	-----	-----	-----
Net cash used by investing activities	(1,481)	(1,678)	(1,354)
	-----	-----	-----
Net increase (decrease) in cash and equivalents	(75)	17	(4)
Cash and equivalents, beginning of year	496	479	483
	-----	-----	-----
Cash and equivalents, end of year	\$ 421	\$ 496	\$ 479
	=====	=====	=====
Cash payments for interest and taxes:			
Interest	\$ 468	\$ 459	\$ 520
Taxes	415	457	380
Noncash investing and financing activities:			
Obligation to fund investment in partnerships and unconsolidated subsidiaries	118	69	102

The accompanying notes are an integral part of these financial statements.

#### Regulatory Matters

The CPUC increased Edison's authorized revenue by \$232 million, or 3.2%, for 1994. The increase includes a \$275 million increase for fuel and related costs and an \$82 million increase for higher operating costs, partially offset by a \$108 million decrease for the lower costs of debt and equity.

In its 1994 cost-of-capital decision, the CPUC approved Edison's request to increase its equity ratio from 46% to 47.25%. The increase reflects the CPUC's recognition of Edison's need to reduce debt to levels more in line with other utilities and the competitive environment. The CPUC also authorized Edison an 11.0% return on common equity for 1994. Authorized return on common equity was 11.8% for 1993 and 12.65% for 1992. This decision is expected to reduce 1994 earnings by approximately 6 cents per share.

The CPUC is reviewing Edison's costs (approximately \$90 million) related to a 1985 steam-pipe rupture at the Mohave Generating Station. A December 1993 proposed decision, issued by a CPUC administrative law judge, recommended disallowance of all accident-related expenditures. A final CPUC decision, expected in 1994, may accept or modify the proposed decision. If



accepted, a second phase of this proceeding will quantify the disallowance. Edison maintains the accident was caused by a manufacturing defect in a seam weld and filed comments on January 20, 1994, contesting the proposed decision. The probable effect on net income cannot be determined at this time, but SCEcorp believes it will not materially affect its financial position.

The CPUC is also reviewing extended outages at Palo Verde. The CPUC's Division of Ratepayer Advocates (DRA) initially recommended a disallowance valued at \$169 million. In September 1993, Edison and the DRA agreed to settle these disputes for \$38 million, subject to CPUC approval. The effect of the settlement has been fully reflected in the financial statements. A CPUC decision is expected in early 1994.

In its 1995 general rate case filing, Edison requested a \$117 million revenue increase to recover the higher costs of operations (excluding fuel) resulting from inflation and new capital investments. This increase, adjusted for inflation, represents a 7.2% reduction from Edison's 1992 authorized revenue. In addition, Edison filed a proposal for a performance-based rate-making mechanism that would determine most of Edison's revenue (excluding fuel) from 1995-2000 (see Competitive Environment). Hearings on both matters will be conducted in 1994 with implementation, if approved, in January 1995.

#### Environmental Protection

Costs to protect the environment continue to grow due to increasingly stringent laws and regulations.

SCEcorp has identified 46 sites for which it is, or may be, responsible for remediation under environmental laws. SCEcorp is participating in investigations and cleanups at a number of these sites and has recorded a \$60 million liability for its estimated minimum costs to clean up several sites. Additional costs may be incurred as progress is made in determining the magnitude of required remedial actions, as SCEcorp's share of these costs in proportion to other responsible parties is determined, and as additional investigations and cleanups are performed. The CPUC currently allows Edison rate recovery of environmental-cleanup costs after reasonableness reviews. However, in a recent decision, the CPUC concluded that this procedure may not be appropriate and requested interested parties to recommend alternatives. In late 1993, the major California utilities, the DRA and others recommended an incentive mechanism for these costs, where shareholders would fund 10% of cleanup costs, with the opportunity to recover these costs through insurance. Accordingly, Edison has recorded a regulatory asset representing 90% of the estimated cleanup costs. A final CPUC decision is expected in early 1994.

The 1990 federal Clean Air Act requires power producers to have emissions allowances to emit sulfur dioxide. Power companies receive emissions allowances from the federal government and may bank or sell excess allowances. Edison expects to have excess allowances under Phase II of the Clean Air Act (2000 and later). The act also calls for a five-year study of regional haze in the southwestern U.S. In addition, the U.S. Environmental Protection Agency is conducting a study of the effect of air contaminant emissions on visibility in Grand Canyon National Park. The potential effect of these studies on sulfur dioxide emissions regulations for the Mohave Coal Generating Station is unknown.

Edison's projected capital expenditures to protect the environment are \$1.2 billion for the 1994-1998 period, mainly for placing overhead distribution lines underground and reducing nitrogen-oxides emissions from

10

gas-fired electric generators. Local regulations may lower Edison's projected capital expenditures (up to \$330 million by 1998) to reduce nitrogen-oxides emissions.

The possibility that exposure to electric and magnetic fields (EMF) emanating from power lines, household appliances and other electric sources may result in adverse health effects has received increased attention. The

scientific community has not yet reached a consensus on the nature of any health effects of EMF. However, an administrative law judge's proposed decision provides for a rate-recoverable research and public education program conducted by California electric utilities, and authorizes these utilities to take no-cost or low-cost steps to reduce EMF in new electric facilities. Edison is unable to predict when or if the scientific com-

11

29

SCEcorp and Subsidiaries

munity will be able to reach a consensus on any health effects of EMF, or the effect that such a consensus, if reached, could have on future electric operations.

The probable effect on net income of these environmental protection matters cannot be determined at this time, but SCEcorp believes it will not materially affect its financial position.

#### Competitive Environment

Electric utilities have historically operated in a highly regulated environment that provides limited opportunities for direct competition in providing electric service to their customers. This regulatory environment is being challenged and Edison expects even greater competition in the generation sector of its business in the next decade. The Energy Policy Act of 1992 assures that all power producers have access to transmission service for wholesale transactions between utility and nonutility generators. Some parties are seeking additional deregulation of power markets to obtain direct access to utility customers who are the ultimate users of the energy. This is referred to as "retail wheeling," which Edison opposes because it would adversely affect most existing utility customers and would not contribute to economic efficiency.

Due to this changing regulatory environment, Edison has requested a performance-based rate-making mechanism (see Regulatory Matters). The filing asks for a revenue-indexing formula that combines operating expenses and capital-related costs into a single index. This is a departure from the traditional utility model that links earnings with capital investment, and will more efficiently utilize monetary resources and will allow for the sharing of some cost savings between customers and shareholders. Edison will continue to focus on increased productivity to further reduce its cost base.

Mission Energy Company, one of the nation's largest independent power producers, is well positioned to take advantage of the changing regulatory environment for electric power. Further, international markets present an even greater opportunity for growth and earnings. Mission Energy currently owns 1,862 megawatts of generating capacity, enough power to serve a population of over one million.

#### New Accounting Standards

In January 1993, SCEcorp adopted a new income tax accounting standard. This standard requires the balance sheet method to account for income taxes, where deferred taxes are recognized for all temporary differences between book and tax income. Upon adoption, Edison recorded balance sheet adjustments of \$2.1 billion for previously unrecorded deferred taxes on temporary differences, including the effect of the 1993 tax rate change. Substantially all of these deferred taxes were offset by deferred charges representing amounts expected to be recovered in future rates. The cumulative effect of adoption increased SCEcorp's 1993 earnings by \$16 million.

In January 1993, SCEcorp also adopted a new accounting standard for postretirement benefits other than pensions, which requires the expected cost of these benefits to be charged to expense during employees' years of service. Previously, the costs of these benefits were recognized as expense when paid or funded. SCEcorp will amortize its \$728 million obligation related to prior service over 20 years. The CPUC allows Edison to recover tax-deductible funding

for these benefits in rates. Any difference between expense determined under the new standard and amounts authorized for rate recovery is not expected to be material and will be charged to earnings.

12

30

Notes to Consolidated Financial Statements

SCEcorp and Subsidiaries

Note 1. Summary of Significant Accounting Policies

The consolidated financial statements include SCEcorp and its subsidiaries: Southern California Edison Company, a rate-regulated electric utility; and the Mission companies, SCEcorp's nonutility subsidiaries. SCEcorp uses the equity method to account for significant investments in partnerships and subsidiaries in which it owns 50% or less. Intercompany transactions have been eliminated, except Mission Energy Company's profits from energy sales to Edison, which are allowed in utility rates.

Edison's accounting policies conform with generally accepted accounting principles for regulated enterprises and reflect the rate-making policies of the California Public Utilities Commission (CPUC) and the Federal Energy Regulatory Commission.

Certain prior-year reclassifications have been made to conform to the December 31, 1993, financial statement presentation.

Cash Equivalents

Cash equivalents include temporary investments with original maturities of three months or less. Due to their short maturities, reported amounts approximate fair value.

Construction Financing Costs

Allowance for funds used during construction (AFUDC) represents the estimated cost of debt and equity funds that finance utility-plant construction. AFUDC is capitalized as a cost of utility plant and reported in current earnings. AFUDC is recovered in rates through depreciation when completed projects are placed into commercial operation.

Debt Issuance and Reacquisition Expense

Debt premium, discount and issuance expenses are amortized over the life of each issue. Debt reacquisition expenses are amortized over the remaining life of the reacquired debt or, if refinanced, the life of the new debt.

Depreciation and Decommissioning

Depreciation of utility plant is computed on a straight-line, remaining-life basis. Depreciation of nonutility properties is computed on a straight-line basis over their estimated useful lives.

Decommissioning of Edison's nuclear generating facilities will cost an estimated \$1.0 billion in current-year dollars. Decommissioning costs are accrued and recovered in rates over the life of the facility through charges to depreciation expense (\$141 million in 1993). The accumulated balance of these costs (\$797 million at December 31, 1993) approximates amounts funded, which are held in trusts until decommissioning begins. Funded amounts are invested in high-grade securities and reported at the lower of cost or market value. The market value of the trusts was \$853 million and \$683 million at December 31, 1993, and 1992, respectively (based on quoted market prices). Earnings on these funds are included in other income. Approximately 86% of the trust fund contributions were tax-deductible.

Edison expects to decommission its facilities by prompt removal or

decontamination at the end of their useful lives. Decommissioning at Palo Verde Nuclear Generating Station is scheduled to begin in 2024. Decommissioning at San Onofre Nuclear Generating Station is scheduled to begin in 2013. San Onofre Unit 1, which shut down in 1992, will be stored until decommissioning begins at the other San Onofre units. The estimated current-dollar decommissioning costs for Unit 1 have been recorded as a liability.

Under the Energy Policy Act of 1992, Edison is liable for its share of the estimated costs to decommission three federal nuclear enrichment facilities. Edison's share is based on the number of nuclear enrichment units purchased, and will be paid over 15 years. These costs are fully recoverable through rates. The fair value of this obligation was \$59 million and \$58 million at December 31, 1993, and 1992, respectively (estimated by discounting future cash flows).

#### Nuclear Fuel

The cost of nuclear fuel, including disposal, is amortized to fuel expense on the basis of generation. Under CPUC rate-making procedures, nuclear-fuel financing costs are capitalized until the fuel is placed into production.

13

#### Rate Phase-In Plan

Collection of \$200 million in revenue for each unit at Palo Verde was deferred during the first four years of operation, under a CPUC-authorized rate phase-in plan. The deferred revenue (including interest) is collected evenly over the final six years of each unit's plan. The plans end in 1996 for Units 1 and 2, and in 1998 for Unit 3.

#### Regulatory Balancing Accounts

The differences between CPUC-authorized and actual kilowatt-hour sales or energy costs are accumulated in balancing accounts until they are refunded to, or recovered from, utility customers through authorized rate adjustments (with interest). Income tax effects on balancing account changes are deferred.

CPUC-established target generation levels act as performance incentives for Edison's nuclear generating stations. Fuel savings or costs above or below these targets are shared equally by Edison and its customers through balancing account adjustments.

#### Research, Development and Demonstration (RD&D)

Edison charges RD&D costs to expense unless they are expected to result in plant construction. If construction does not result, any capitalized costs are subsequently charged to expense. RD&D expenses are recorded in a balancing account. At the end of the rate-case cycle, authorized but unspent RD&D funds are refunded to customers. Edison's RD&D expenses were \$49 million in 1993, \$40 million in 1992 and \$49 million in 1991.

#### Revenue

Electric revenue includes amounts for services rendered but unbilled at the end of each year.

#### San Onofre Unit 1

In November 1992, Edison discontinued operation of San Onofre Unit 1. Edison will recover its investment, plus an 8.98% rate of return, by mid-1996.

14

#### Utility Plant

Plant additions, including replacements and betterments, are capitalized. Such costs include direct material and labor, construction overhead and AFUDC. Replaced or retired property and removal costs -- less salvage -- are charged to the accumulated provision for depreciation.

## Note 2. Regulatory Matters

### Mohave Outage Review

In 1986, the CPUC began investigating a 1985 steam-pipe rupture at the Mohave Generating Station. Edison, plant operator and 56% owner, incurred costs of approximately \$90 million, after insurance recoveries, to repair damage and provide replacement power during the six-month outage. In 1991, the CPUC's Division of Ratepayer Advocates (DRA) alleged that Edison contributed to the piping failure by imprudently operating the plant and recommended the disallowance of all accident-related expenditures. A December 1993 proposed decision issued by a CPUC administrative law judge agreed with the DRA's allegations. The final decision by the CPUC, expected in 1994, may accept or modify the proposed decision. If accepted, a second phase of this proceeding will quantify the disallowance.

Edison maintains the accident was caused by a manufacturing defect in a seam weld and filed comments on January 20, 1994, contesting the proposed decision. The probable effect on net income cannot be determined at this time, but SCEcorp believes it will not materially affect its financial position.

### Palo Verde Outage Review

In March 1989, Arizona Public Service Company, operating agent for Palo Verde, removed Units 1 and 3 from service for modifications required by regulatory agencies. As required by state law, the CPUC conducted an investigation, and ordered the authorized revenue collected during the outages be subject to refund. The units resumed operation in December 1989 and July 1990.

During 1992, the CPUC consolidated its reasonableness review of replacement power costs from several Unit 2 outages in 1989 and 1990 with the investigation of Units 1 and 3. The DRA initially recommended a disallowance valued at \$169 million, including: \$63 million of revenue collected during the outages (including interest); \$5 million for capital projects deemed unnecessary; \$50 million in replacement power costs; and \$51 million in penalties for environmental effects of replacement power and the outages' effect on the regional energy market. Edison filed testimony that its costs were reasonably incurred.

In September 1993, Edison and the DRA agreed to settle these disputes for \$38 million (including \$29 million for replacement power costs, \$2 million for capital projects and \$7 million for interest), subject to CPUC approval. The effect of the settlement has been fully reflected in the financial statements. A CPUC decision is expected in early 1994.

### RD&D Cost Review

In Edison's 1992 general rate case, the CPUC deferred a decision (pending additional information from Edison) on the recovery of \$56 million in capitalized RD&D costs. Edison refiled, requesting that \$35 million be included in rate base and \$17 million be classified as RD&D expense. Subsequently, additional adjustments of \$11 million were recorded. In August 1993, the DRA filed its position on Edison's RD&D capital refiling, recommending further disallowances of about \$15 million. Edison is contesting the DRA's recommendation. A CPUC decision is expected in early 1994. The probable effect on net income cannot be determined at this time, but SCEcorp believes it will not materially affect its results of operations or financial position.

### Resale Rates

Resale revenue related to pending rate proceedings is subject to refund with interest if subsequently disallowed by the Federal Energy Regulatory

Commission. SCEcorp believes any refunds from pending rate proceedings will not materially affect its results of operations or financial position.

Note 3. Debt

Long-Term Debt

California law prohibits Edison from incurring or guaranteeing debt for its nonutility affiliates.

Almost all Edison properties are subject to a trust indenture lien.

Edison has pledged first and refunding mortgage bonds as security for borrowed funds obtained from pollution-control bonds issued by government agencies. Edison uses these proceeds to finance construction of

15  
pollution-control facilities. Bondholders have limited discretion in redeeming certain pollution-control bonds, and Edison has arranged with securities dealers to remarket or purchase them in such cases.

SCEcorp had interest-rate swap and cap agreements to reduce the effect of changes in interest rates on \$959 million and \$400 million of its debt at December 31, 1993, and 1992, respectively. The fair value of the agreements (the cost to terminate them) was estimated at \$64 million and \$28 million, at December 31, 1993, and 1992, respectively (based on brokers' quotes). SCEcorp has entered into foreign exchange contracts as a hedge against foreign currency fluctuations. SCEcorp is exposed to credit loss from nonperformance by counterparties to these agreements, but does not anticipate such nonperformance.

A portion of commercial paper has been classified as long-term debt based on the loan and credit agreement with the issuing bank. Commercial paper that finances nuclear fuel scheduled to be used more than one year after the balance sheet date is classified as long-term debt.

Notes to Consolidated Financial Statements

Long-term debt maturities and sinking-fund requirements for the next five years are: 1994 -- \$336 million; 1995 -- \$272 million; 1996 -- \$297 million; 1997 -- \$570 million; and 1998 -- \$523 million.

Long-term debt consisted of:

In millions	December 31,	
	1993	1992
-----	----	----
First and refunding mortgage bonds:		
1994-1997 (5.55% to 6.125%)	\$ 700	\$1,050
1998-2002 (5.45% to 7.5%)	725	650
2003-2026 (5.875% to 10%)	2,118	2,025
Pollution-control bonds:		
1999-2027 (5.585% to 7.2% and variable)	1,208	1,209
Funds held by trustees	(2)	(2)
Debentures and notes:		
1994-2017 (4.875% to 10.364% and variable)	1,758	1,259
Commercial paper	252	245
Spent nuclear fuel obligation	--	6
Capital lease obligation	128	153

Current portion of capital lease obligation	(13)	(19)
Long-term debt due within one year	(336)	(195)
Unamortized debt discount -- net	(79)	(61)
	-----	-----
Total	\$6,459	\$6,320
	=====	=====
Fair value	\$6,915	\$6,682
	=====	=====

The fair value estimates were based on brokers' quotes.

#### Short-Term Debt

SCEcorp has lines of credit it can use at negotiated or bank index rates. At December 31, 1993, such lines totaled \$1.7 billion, with \$1.2 billion supporting commercial paper and other short-term debt. The remaining \$500 million is available for the long-term refinancing of certain variable-rate pollution-control debt.

Short-term debt consisted of:

In millions - - - - -	December 31,	
	1993	1992
	----	----
Commercial paper:		
Balancing accounts	\$ 163	\$ 247
Fuel	270	228
General purpose	434	466
Other short-term debt	42	64
Amount reclassified as long-term	(252)	(245)
Unamortized debt discount	(2)	(2)
	-----	-----
Total	\$ 655	\$ 758
	=====	=====

Due to these instruments' short maturities, reported amounts approximate fair value.

#### Note 4. Equity

The CPUC regulates Edison's capital structure, limiting the dividends Edison may pay SCEcorp. SCEcorp does not expect this restriction to affect its ability to meet its cash obligations.

All share data have been restated to reflect the two-for-one common stock split effective June 1, 1993.

Authorized common stock is 800 million shares with no par value.

SCEcorp issued 63,118 (\$1 million), 7,830,014 (\$160 million) and 2,957,176 (\$67 million) shares of common stock in 1993, 1992 and 1991, respectively.

Edison's authorized shares of preferred and preference stock are: \$25 cumulative preferred -- 24 million; \$100 cumulative preferred -- 12 million; and preference -- 50 million. All cumulative preferred stocks are redeemable. Mandatorily redeemable preferred stocks are subject to sinking-fund provisions. When preferred shares are redeemed, the premiums paid are charged to common equity. There are no preferred stock redemption requirements for the next five years. The fair value estimates of Edison's preferred stock subject to mandatory redemption were based on brokers' quotes.

Edison's cumulative preferred stock consisted of:

Dollars in millions, except per-share amounts	December 31,			
	December 31, 1993		1992	1992
	Shares Outstanding	Redemption Price		
Not subject to mandatory redemption:				
\$25 par value:				
4.08% Series	1,000,000	\$25.50	\$25	\$25
4.24	1,200,000	25.80	30	30
4.32	1,653,429	28.75	41	41
4.78	1,296,769	25.80	33	33
5.80	2,200,000	25.25	55	55
7.36	4,000,000	25.00	100	100
\$100 par value:				
7.58% Series	750,000	101.00	75	75
Total			\$359	\$359
Subject to mandatory redemption:				
\$100 par value:				
6.05% Series	750,000	\$100.00	\$ 75	\$ --
6.45	1,000,000	100.00	100	100
7.23	1,000,000	100.00	100	100
7.325	--	--	--	42
7.80	--	--	--	41
Preferred stock to be redeemed within one year			--	(5)
Total			\$275	\$278
Fair value of preferred stock subject to mandatory redemption			\$291	\$288

Changes in Edison's preferred stocks were:

In thousands of shares	Year ended December 31,		
	1993	1992	1991
Series:			
6.05%	750	--	--
6.45	--	1,000	--
7.23	--	1,000	--
7.325	(427)	(30)	(30)
7.36	--	4,000	--
7.80	(411)	(18)	(18)
8.54	--	(547)	(22)
8.70	--	(500)	--
8.70A	--	(394)	(13)
8.96	--	(500)	--
12.31	--	(277)	(34)



Net issuances (redemptions)	(88)	3,734	(117)
	=====	=====	=====

Note 5. Income Taxes

SCEcorp's subsidiaries will be included in its consolidated federal income tax and combined state franchise tax returns. Under income tax allocation agreements, each subsidiary calculates its own tax liability.

Change in Accounting Principle

In January 1993, SCEcorp adopted a new income tax accounting standard. This standard requires the balance sheet method to account for income taxes, where deferred taxes are recognized for all temporary differences between book and tax income. Prior-year financial statements have not been restated; they reflect income taxes accounted for under the income statement method.

Upon adoption of the standard, Edison recorded balance sheet adjustments of \$2.1 billion for previously unrecorded deferred taxes on temporary differences, including the effects of the 1993 tax rate change. Substantially all of these deferred taxes were offset by deferred charges representing amounts expected to be recovered in future rates. The cumulative effect of adoption increased SCEcorp's 1993 earnings by \$16 million.

Current and Deferred Taxes

Income tax expense includes the current tax liability from operations and the change in deferred income taxes during the year. Investment tax credits are amortized over the lives of the related properties.

The components of the net accumulated deferred income tax liability were:

In millions	December 31, 1993	January 1, 1993
-----	-----	-----
Deferred tax assets:		
Depreciation	\$ 240	\$ 61
Investment tax credits	317	297
Regulatory balancing accounts	171	89
Other	590	606
	-----	-----
Total	\$1,318	\$1,053
	-----	-----
Deferred tax liabilities:		
Depreciation	\$2,842	\$2,731
Property-related	1,404	1,476
Leveraged leases	401	336
Other	636	495
	-----	-----
Total	\$5,283	\$5,038
	-----	-----
Accumulated deferred income taxes -- net	\$3,965	\$3,985
	=====	=====
Classification of accumulated deferred income taxes:		
Included in deferred credits	\$4,169	\$4,219
Included in current assets	204	234
	=====	=====

19

The current and deferred components of income tax expense were:

In millions	Year ended December 31,		
	1993	1992	1991
-----	----	----	----
Current:			
Federal	\$ 183	\$ 324	\$219
State	75	110	114
	-----	-----	----

	258	434	333
	-----	-----	-----
Deferred -- federal and state:			
Accrued charges	(38)	(8)	(82)
Deferred alternative minimum tax credit	(46)	--	--
Depreciation	78	150	163
Investment and energy tax credits -- net	(31)	(30)	(33)
Leveraged leases	63	93	77
Nonutility special charges	(49)	(6)	--
Rate phase-in plan	(51)	(50)	(17)
Regulatory balancing accounts	118	(121)	(27)
Resale revenue	26	34	22
Retirement of debt	33	(5)	3
Other	(7)	(25)	(3)
	-----	-----	-----
	96	32	103
	-----	-----	-----
Total income tax expense	\$ 354	\$ 466	\$436
	=====	=====	=====
Classification of income taxes:			
Included in operating income	\$ 465	\$ 544	\$453
Included in other income	(111)	(78)	(17)
	=====	=====	=====

The composite federal and state statutory income tax rate was 41.045% for 1993 and 40.138% for 1992 and 1991.

20

34

Notes to Consolidated Financial Statements

A reconciliation of the federal statutory income tax rate to the effective rate is presented below:

	Year ended December 31,		
	1993	1992	1991
	----	----	----
Federal statutory rate	35.0%	34.0%	34.0%
Depreciation and related timing differences not deferred	6.1	3.0	4.3
Capitalized software	(2.0)	0.3	--
Housing credits	(1.8)	(0.7)	(0.7)
Investment and energy tax credits	(3.1)	(2.5)	(3.6)
Merger expenses	--	--	(2.1)
New accounting standard	(1.9)	--	--
State tax -- net of federal deduction	5.4	4.3	5.7
Other	(2.1)	0.3	0.7
	-----	-----	-----
Effective tax rate	35.6%	38.7%	38.3%
	=====	=====	=====

Note 6. Employee Benefit Plans

Pension Plan

SCEcorp has a noncontributory, defined-benefit pension plan, administered by a trustee, that covers employees meeting minimum service requirements. Benefits are based on years of accredited service and average base pay. SCEcorp funds the plan on a level-premium actuarial method. Annual contributions meet minimum legal funding requirements and do not exceed the maximum amounts deductible for income taxes. Prior service costs from pension plan amendments are funded over 30 years. Plan assets are primarily common stocks, corporate and government bonds, and short-term investments.

Net pension cost recognized is calculated under the actuarial method

used for ratemaking. The difference between pension costs calculated for accounting and ratemaking is deferred.

The plan's funded status was:

In millions -----	December 31,	
	1993 ----	1992 ----
Actuarial present value of benefit obligations:		
Vested benefits	\$1,343	\$1,438
Nonvested benefits	166	38
	-----	-----
Accumulated benefit obligation	1,509	1,476
Value of projected future compensation levels	558	494
	-----	-----
Projected benefit obligation	\$2,067	\$1,970
	=====	=====
Plan assets at fair value	\$2,205	\$1,947
	=====	=====
Projected benefit obligation in excess of (less than) plan assets	\$ (138)	\$23
Unrecognized net gain	249	83
Unrecognized prior service cost	(5)	(6)
Unrecognized net obligation being amortized over 17 years	(62)	(67)
	-----	-----
Accrued pension liability	\$ 44	\$ 33
	=====	=====
Discount rate	7.25%	7.0%
Rate of increase in future compensation	5.0%	5.0%
Expected long-term rate of return on assets	8.0%	8.0%

21

The components of pension expense were:

In millions -----	Year ended December 31,		
	1993 ----	1992 ----	1991 ----
Net pension expense:			
Service cost for benefits earned	\$ 70	\$ 55	\$ 53
Interest cost on projected benefit obligation	139	127	126
Actual return on plan assets	(291)	(86)	(375)
Net amortization and deferral	142	(62)	251
	-----	-----	-----
Pension expense under accounting standards	60	34	55
Regulatory adjustment	(11)	14	(7)
	-----	-----	-----
Net pension expense recognized	\$ 49	\$ 48	\$ 48
	=====	=====	=====

#### Postretirement Benefits Other Than Pensions

Employees retiring at or after age 55, who have at least 10 years of service, are eligible for postretirement health care, dental, life insurance and other benefits. Health care benefits are subject to deductibles, copayment provisions and other limitations.

In January 1993, SCEcorp adopted a new accounting standard for postretirement benefits other than pensions, which requires the expected cost of these benefits to be charged to expense during employees' years of service. SCEcorp will amortize its \$728 million obligation related to prior service over 20 years.

Edison funds the plan up to tax-deductible limits, in accordance with rate-making practices. Edison began funding its future liability for these benefits in 1991. Amounts funded prior to 1993 are amortized to expense and recovered in rates over 12 months. Total expense was \$165 million in 1993, \$85 million in 1992 and \$26 million in 1991. Any difference between expense determined under the new standard and amounts authorized for rate recovery is not expected to be material and will be charged to earnings. Plan assets are primarily common stocks, corporate and government bonds, and short-term investments.

The components of postretirement benefits other than pensions expense were:

In millions - - - - -	Year ended December 31, -----
	1993 ----
Service cost for benefits earned	\$ 27
Interest cost on projected benefit obligation	66
Actual return on plan assets	(12)
Amortization of transition obligation	36
	----
Net expense	117
Amortization of prior funding	48
	----
Total expense	\$165 =====

22

35

A reconciliation of the plan's funded status with the recorded liability is presented below:

In millions - - - - -	December 31, 1993 -----	January 1, 1993 -----
Actuarial present value of benefit obligation:		
Retirees	\$ 512	\$ 482
Employees eligible to retire	87	75
Other employees	363	287
	-----	-----
Accumulated benefit obligation	\$ 962	\$ 844
	=====	=====
Plan assets at fair value	\$ 210	\$ 116
	=====	=====
Accumulated benefit obligation in excess of plan assets	\$ 752	\$ 728
Unrecognized transition obligation	(693)	(728)
Unrecognized net loss	(59)	--
	-----	-----
Recorded liability	--	--
	=====	=====

The assumed rate of future increases in the per-capita cost of health care benefits is 12% for 1994, gradually decreasing to 5% for 2004 and beyond. Increasing the health care cost trend rate by one percentage point would increase the accumulated obligation as of December 31, 1993, by \$134 million and annual aggregate service and interest costs by \$19 million. The actuarial assumptions used were discount rates of 7.75% and 8.0% at December 31, 1993, and January 1, 1993, respectively, and an expected long-term rate of return on plan assets of 8.5% at both dates.

#### Stock Plans

SCEcorp has two stock plans designed to supplement employees' retirement income. The Employee Stock Ownership Plan was funded primarily by employees and federal income tax benefits. This plan will be transferred to the Stock Savings Plus Plan by the end of 1994. The Stock Savings Plus Plan received Edison contributions of \$21 million in 1993, \$20 million in 1992 and \$18 million in 1991.

Under SCEcorp's long-term incentive compensation plan, 8.0 million shares and 8.1 million shares of SCEcorp common stock were reserved at December 31, 1993, and 1992, respectively, for issue to key employees in various forms, including the exercise of stock options. There were 6.5 million shares and 7.0 million shares reserved for future grants at December 31, 1993, and 1992, respectively. Under SCEcorp's stock option plan, share options accrue dividend equivalents at the same rate as outstanding common stock. The dividend equivalents may be applied against the grant price at the time of exercise.

Activity in the stock option plan was:

	Share Options	Share Price
Outstanding, December 31, 1991	823,570	\$16.00-\$20.10
Granted	395,400	20.66- 23.28
Canceled	(82,150)	18.75- 23.28
Exercised	(41,416)	16.19- 19.85
	-----	-----
Outstanding, December 31, 1992	1,095,404	16.00- 23.28
Granted	402,600	21.94- 24.44
Canceled	(44,252)	18.75- 23.28
Exercised	(63,118)	16.19- 23.28
	-----	-----
Outstanding, December 31, 1993	1,390,634	16.00- 24.44
Exercisable, December 31, 1993	778,530	16.00- 24.44

#### Note 7. Jointly Owned Utility Projects

Edison owns interests in several generating stations and transmission systems for which each participant provides its own financing.

The proportionate share of expenses for each project is included in the consolidated statements of income.

23

The investment in each project, as included in the consolidated balance sheet as of December 31, 1993, was:

In millions	Plant in Service	Accumulated Depreciation	Under Construction	Ownership Interest
-----	-----	-----	-----	-----
Eldorado Transmission System	\$ 27	\$ 11	\$ 1	60%
Four Corners Coal Generating Station--Units 4 and 5	448	217	5	48
Mohave Coal Generating Station	274	138	10	56
Pacific Intertie Transmission System	213	60	1	50
Palo Verde Nuclear Generating Station	1,541	279	27	16

San Onofre Nuclear Generating Station	4,047	1,269	74	75
	-----	-----	----	---
Total	\$6,550	\$1,974	\$118	--
	=====	=====	=====	===

## Notes to Consolidated Financial Statements

## Note 8. Leases

## Investments in Leveraged Leases

Mission First Financial is the lessor in several leveraged-lease agreements with terms of 13 to 30 years. All operating, maintenance, insurance and decommissioning costs are the responsibility of the lessees. The total cost of these facilities was \$1.5 billion and \$1.4 billion at December 31, 1993, and 1992, respectively.

The equity investment in these facilities is 21% of the purchase price. The remainder is nonrecourse debt secured by first liens on the leased property. The lenders have accepted their security interests as their only remedy if the lessee defaults.

The net investment in leveraged leases consisted of:

In millions - -----	December 31,	
	1993	1992
	----	----
Rentals receivable (net of principal and interest on nonrecourse debt)	\$ 710	\$ 687
Unearned income	(256)	(261)
	-----	-----
Investment in leveraged leases	454	426
Estimated residual value	44	36
Deferred income taxes	(401)	(338)
	-----	-----
Net investment in leveraged leases	\$ 97	\$ 124
	=====	=====

## Lease Commitments

SCEcorp has operating leases, primarily for vehicles (with varying terms, provisions and expiration dates), and a capital lease (\$128 million) for a nonutility power-production facility.

Estimated remaining commitments for noncancelable leases at December 31, 1993, were:

In millions - -----	Operating Lease -----	Capital Lease -----
Year ended December 31,		
1994	\$ 27	\$ 24
1995	22	24
1996	18	24
1997	13	24
1998	11	24
Thereafter	20	58
	-----	-----

Total future commitments	\$111	\$178
	----	----
Amount representing interest (9.65%)		(50)
		----
Net commitments		\$128
		=====

Note 9. Commitments

Edison has fuel supply contracts which require payment only if the fuel is made available for purchase.

Edison has power-purchase contracts with certain qualifying facilities (cogenerators and small power producers). These contracts provide for capacity payments subject to a facility meeting certain performance obligations and energy payments based on actual power supplied to Edison. There are no requirements to make debt-service payments.

Edison has unconditional purchase obligations for part of a power plant's generating output, as well as firm transmission service from another utility. Minimum payments are based, in part, on the debt-service requirements of the provider, whether or not the plant or transmission line is operable. The purchased-power contract is not expected to provide more than 5% of current or estimated future operating capacity. Edison's minimum commitment under both contracts is approximately \$210 million through 2017.

25

Certain commitments for the years 1994 through 1998 are estimated below:

In millions	1994	1995	1996	1997	1998
- - - - -	----	----	----	----	----
Construction expenditures	\$1,305	\$1,330	\$1,155	\$1,094	\$1,349
Fuel supply contracts	315	217	197	172	173
Purchased power capacity payments	658	666	676	680	682
Unconditional purchase obligations	9	9	9	9	9
	=====	=====	=====	=====	=====

Mission Energy Company has guaranteed equity obligations of its subsidiaries related to the Loy Yang B and Gordonsville projects. Mission Energy has issued debt supporting most of the Loy Yang B equity obligations; the remaining obligation (approximately \$80 million) is expected to terminate in 1996, when the project becomes fully operational. The Gordonsville obligation (approximately \$55 million) is expected to be funded in June 1994.

In connection with the sale of interests in affordable housing projects, SCEcorp has certain continuing obligations to investors through 2008, (approximately \$40 million).

26

37

Note 10. Contingencies

Environmental Protection

SCEcorp is subject to numerous legislative and regulatory environmental-protection requirements. To meet these requirements, SCEcorp will continue to incur substantial costs to operate existing facilities, construct and operate new facilities, and mitigate or remove the effect of past operations on the environment.

SCEcorp has identified 46 sites for which it is, or may be, responsible for remediation under environmental laws. SCEcorp is participating in

investigations and cleanups at a number of these sites and has recorded a \$60 million liability for its estimated minimum costs to clean up several sites. Additional costs may be incurred as progress is made in determining the magnitude of required remedial actions, as SCEcorp's share of these costs in proportion to other responsible parties is determined, and as additional investigations and cleanups are performed.

The CPUC currently allows Edison to recover environmental cleanup costs through rates, subject to reasonableness reviews. Edison filed for a reasonableness review of costs incurred through 1991 at two hazardous substance sites. Hearings have been delayed due to a 1992 CPUC decision, involving another California utility, which concluded that the current procedure may not be appropriate for these costs, and requested interested parties to recommend alternatives. In November 1993, the major California utilities, the DRA and others filed a collaborative report recommending an incentive mechanism, which would require shareholders to fund 10% of cleanup costs. Shareholders would have the opportunity to recover these costs through insurance. Accordingly, Edison has recorded a regulatory asset which represents 90% of the estimated cleanup costs for sites covered by this proposed mechanism. The remaining sites' cleanup costs are expected to be immaterial and would be recovered through base rates. If approved by the CPUC, Edison would be allowed to recover 90% of cleanup costs incurred to date under the reasonableness review procedure (\$11 million). A final CPUC decision is expected in early 1994.

The probable effect on net income of these environmental-protection matters cannot be determined at this time, but SCEcorp believes it will not materially affect its financial position.

#### Nuclear Insurance

Federal law limits public liability claims from a nuclear incident to \$9.4 billion. Edison and other owners of San Onofre and Palo Verde have purchased the maximum private primary insurance available (\$200 million). The balance is covered by the industry's retrospective rating plan that uses deferred premium charges. Federal regulations require this secondary level of financial protection. The secondary level and other insurance for San Onofre Unit 1 remains in effect pending Nuclear Regulatory Commission approval to discontinue the coverage. The maximum deferred premium for each nuclear incident is \$79 million per reactor, but not more than \$10 million per reactor may be charged in any one year for each incident. Based on ownership interests, Edison could be required to pay a maximum of \$218 million per nuclear incident. However, it would have to pay no more than \$28 million per incident in any one year. Such amounts include a 5% surcharge if additional funds are needed to satisfy public liability claims and are subject to adjustment for inflation.

Property damage insurance covers losses up to \$500 million, including decontamination costs, at San Onofre and Palo Verde. Decontamination liability and property damage coverage exceeding the primary \$500 million also has been purchased in amounts greater than federal requirements. Additional insurance covers part of replacement power expenses during an accident-related nuclear unit outage. These policies are issued primarily by mutual insurance companies owned by utilities with nuclear facilities. If losses at any nuclear facility covered by the arrangement were to exceed the accumulated funds for these insurance programs, Edison could be assessed retrospective premium adjustments of up to \$34 million per year. Insurance premiums are charged to operating expense.

#### Note 11. Investments in Partnerships

The Mission companies have equity interests in several energy generation and real estate investment partnerships. Summarized financial information of the partnerships was:

27

Income statements:



In millions -----	Year ended December 31, -----		
	1993 ----	1992 ----	1991 ----
Revenue	\$1,678	\$1,369	\$1,267
Expenses	1,323	1,040	959
	-----	-----	-----
Net income	\$ 355 =====	\$ 329 =====	\$ 308 =====

Balance sheets:

In millions	December 31,	1993	1992
		-----	-----
Current assets		\$ 947	\$ 762
Other assets		3,882	3,258
		-----	-----
Total assets		\$4,829 =====	\$4,020 =====
Current liabilities		\$ 490	\$ 350
Other liabilities		2,434	1,919
Equity		1,905	1,751
		-----	-----
Total liabilities and equity		\$4,829 =====	\$4,020 =====

28

38

Notes to Consolidated Financial Statements

Note 12. Business Segments

SCEcorp's business segments include rate-regulated electric utility operations (Edison) and three nonutility segments: electric power generation (Mission Energy), financial investments (Mission First Financial) and real estate holdings (Mission Land Company). The nonutility segment operations are not individually significant for reporting purposes, so they are combined as "diversified operations" below.

SCEcorp's business segment information was:

In millions -----	Year ended December 31, -----		
	1993 ----	1992 ----	1991 ----
Operating income:			
Electric	\$ 1,670	\$ 1,750	\$ 1,547
Diversified operations	14	139	146
	-----	-----	-----
Total operating income before taxes	1,684	1,889	1,693
	-----	-----	-----
Income taxes	(465)	(544)	(453)
Corporate items and eliminations	(2)	(2)	(1)
	-----	-----	-----
Total operating income	\$ 1,217 =====	\$ 1,343 =====	\$ 1,239 =====
Depreciation and decommissioning:			
Electric	\$ 893	\$ 797	\$ 759

Diversified operations	29	10	8
	-----	-----	-----
Total depreciation and decommissioning	\$ 922	\$ 807	\$ 767
	=====	=====	=====
Assets:			
Electric	\$18,092	\$15,969	\$15,961
Diversified operations	3,291	3,344	2,344
Corporate items and eliminations	(4)	(2)	38
	-----	-----	-----
Total assets	\$21,379	\$19,311	\$18,343
	=====	=====	=====
Additions to property and plant:			
Electric	\$ 1,040	\$ 787	\$ 964
Diversified operations	219	454	69
	-----	-----	-----
Total additions to property and plant	\$ 1,259	\$ 1,241	\$ 1,033
	=====	=====	=====

29

Revenue by segment is shown in the Consolidated Statements of Income.

Quarterly Financial Data  
Unaudited

In millions, except per-share amounts	1993				
	Total	Fourth	Third	Second	First
Operating revenue	\$7,821	\$1,844	\$2,424	\$1,768	\$1,785
Operating income	1,217	282	349	293	293
Net income	639	138	211	141	149
Per share:					
Earnings	1.43	.31	.47	.32	.33
Dividends declared	1.415	.355	.355	.355	.35
Common stock prices					
High	\$25-3/4	\$23-5/8	\$25-3/4	\$24-7/8	\$24-13/16
Low	19-7/8	19-7/8	23-1/4	23-3/16	21-7/16
Close	20	20	23-3/8	24-1/4	23-5/8

In millions, except per-share amounts	1992				
	Total	Fourth	Third	Second	First
Operating revenue	\$7,984	\$1,939	\$2,555	\$1,771	\$1,719
Operating income	1,343	293	441	305	304
Net income	739	152	272	158	157
Per share:					
Earnings	1.66	.34	.61	.35	.36
Dividends declared	1.39	.35	.35	.35	.34
Common stock prices					
High	\$23-13/16	\$23-3/8	\$23-13/16	\$23-1/16	\$23-11/16
Low	20-1/8	21-3/16	22-1/16	20-1/8	20-1/4
Close	22	22	22-5/8	22-1/8	20-3/8

30

Responsibility for Financial Reporting

39

SCEcorp and Subsidiaries

The management of SCEcorp is responsible for preparing the accompanying financial statements. The statements were prepared in accordance with generally accepted accounting principles and necessarily include amounts based on management's estimates and judgment. Management believes other information in the annual report is consistent with the financial statements.

Management maintains systems of internal control to provide reasonable assurance that assets are safeguarded, transactions are properly executed in accordance with management's authorization, and accounting records may be relied upon for the preparation of financial statements and other financial information. The design of internal control systems involves management's judgment concerning the relative cost and expected benefits of specific control

measures. These systems are augmented by internal audit programs through which the adequacy and effectiveness of internal controls, policies and procedures are evaluated and reported to management.

In addition, Arthur Andersen & Co., as part of its independent audit of SCEcorp's financial statements, is responsible under generally accepted auditing standards to evaluate the internal control structures in order to determine the scope of its auditing procedures for the purpose of expressing its opinion on the financial statements.

Management believes SCEcorp's systems of internal control are adequate to accomplish the objectives discussed herein. Management has implemented all of the internal and external auditors' significant recommendations regarding the systems of internal control.

The audit committee of the board of directors, which is composed entirely of non-employee directors, meets periodically with both the external and internal auditors, who have unrestricted access to the committee. This committee recommends to the board of directors the annual appointment of a firm of independent public accountants, considers the audit scope and independence of the external auditor, discusses the adequacy of internal controls, reviews financial reporting issues and is advised of management's actions regarding these matters.

Management is responsible for fostering a climate in which SCEcorp's affairs are conducted in accordance with the highest standards of personal and corporate conduct, which are reflected in SCEcorp's Standards of Conduct. Management maintains programs to encourage and assess compliance with these standards.

Richard K. Bushey  
Vice President  
and Controller

John E. Bryson  
Chairman of the Board  
and Chief Executive Officer

February 4, 1994

Report of Independent Public Accountants

To the Shareholders and the Board of Directors, SCEcorp:

We have audited the accompanying consolidated balance sheets of SCEcorp (a California corporation) and its subsidiaries as of December 31, 1993 and 1992, and the related consolidated statements of income, retained earnings and cash flows for each of the three years in the period ended December 31, 1993. These financial statements are the responsibility of SCEcorp's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SCEcorp and its subsidiaries as of December 31, 1993 and 1992, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1993, in conformity with generally accepted accounting principles.

As discussed in Notes 5 and 6 to the financial statements, and as required by generally accepted accounting principles, SCEcorp changed its methods of accounting for income taxes and postretirement benefits other than pensions in 1993.

ARTHUR ANDERSEN & CO.

Los Angeles, California

February 4, 1994

31

40

Selected Financial and Operating Data: 1989 -- 1993 SCEcorp and Subsidiaries

Dollars in millions, except per-share amounts*	1993	1992	1991	1990	1989
- - - - -	----	----	----	----	----
SCEcorp and Subsidiaries					
Operating revenue	\$ 7,821	\$ 7,984	\$ 7,556	\$ 7,226	\$ 6,904
Operating expenses	\$ 6,604	\$ 6,641	\$ 6,317	\$ 5,960	\$ 5,737
Net income	\$ 639	\$ 739	\$ 703	\$ 786	\$ 778
Weighted-average shares of common stock outstanding (in millions)	448	445	437	437	437
Per-share data:					
Earnings	\$1.43	\$1.66	\$1.61	\$1.80	\$1.78
Dividends declared	\$1.415	\$1.39	\$1.35	\$1.31	\$1.27
Book value	\$13.30	\$13.30	\$12.91	\$12.59	\$12.10
Market value at year-end	\$20	\$22	\$23-3/8	\$18-15/16	\$19-11/16
Dividend payout ratio	98.6%	83.1%	83.2%	72.2%	70.8%
Rate of return on common equity	10.65%	12.54%	12.51%	14.51%	14.99%
Price/earnings ratio	14.0	13.3	14.6	10.5	11.1
Ratio of earnings to fixed charges	2.28	2.68	2.53	2.69	2.79
Assets	\$21,379	\$19,311	\$18,343	\$17,684	\$16,495
Retained earnings	\$ 3,266	\$ 3,263	\$ 3,150	\$ 3,038	\$ 2,824
Common shareholders' equity	\$ 5,958	\$ 5,954	\$ 5,681	\$ 5,503	\$ 5,289
Preferred stock:					
Not subject to mandatory redemption	\$ 359	\$ 359	\$ 359	\$ 359	\$ 359
Subject to mandatory redemption	\$ 275	\$ 278	\$ 199	\$ 210	\$ 224
Long-term debt	\$ 6,459	\$6,320	\$ 5,940	\$ 5,488	\$ 5,283
Southern California Edison Company					
Financial data:					
Operating revenue	\$ 7,397	\$ 7,722	\$ 7,298	\$ 6,986	\$ 6,524
Earnings	\$ 637	\$ 631	\$ 587	\$ 693	\$ 679
Earnings per SCEcorp common share	\$1.42	\$1.42	\$1.34	\$1.58	\$1.55
Rate of return on common equity	13.2%	13.2%	12.6%	15.0%	14.7%
Internal generation of funds	78%	83%	70%	76%	88%
Operating data:					
Peak demand in megawatts (MW)	16,475	18,413	16,709	17,647	15,632
Generation capacity at peak (MW)	20,606	20,712	20,875	20,323	20,136

Kilowatt-hour sales					
(in millions)	73,308	74,186	71,146	71,614	69,136
Customers (in millions)	4.12	4.11	4.08	4.03	3.94
Full-time employees	16,487	16,736	17,110	16,604	16,627

Mission Companies

Net income	\$3	\$109	\$116	\$94	\$100
Earnings per SCEcorp common share	\$.01	\$.24	\$.27	\$.22	\$.23
Percent of SCEcorp's earnings per share	0.7%	14.5%	16.8%	12.2%	12.9%
Common shareholder's equity	\$1,002	\$1,169	\$1,020	\$904	\$735
Rate of return on common equity	0.3%	9.8%	12.2%	11.8%	17.2%
Full-time employees	706	523	401	321	383

\* Per-share figures reflect the two-for-one split of SCEcorp common stock effective June 1, 1993.

SCEcorp SUBSIDIARIES  
-----

February 1994

HOLDING COMPANY  
-----

SCEcorp  
-----

UTILITY SUBSIDIARIES  
-----

SOUTHERN CALIFORNIA EDISON COMPANY  
-----

CALIFORNIA ELECTRIC POWER COMPANY  
CONSERVATION FINANCING CORPORATION  
ENERGY SERVICES, INC.  
MONO POWER COMPANY  
THE BEAR CREEK URANIUM COMPANY  
SCE CAPITAL COMPANY  
SOUTHERN STATES REALTY

NON-UTILITY SUBSIDIARIES  
-----

THE MISSION GROUP  
-----

MISSION ENERGY COMPANY  
-----

Aguila Energy Company (LP)  
    American Bituminous Power Partners, L.P. (Delaware limited partnership)  
    American Kiln Partners, L.P. (Delaware limited partnership)  
Anacapa Energy Company (GP)  
    Salinas River Cogeneration Company (partnership)  
Anacostia Energy Company (D.C. corporation) (inactive)  
Arrowhead Energy Company  
    Crown Energy, L.P. (New Jersey partnership)  
    Crown Vista Urban Renewal Corporation (New Jersey corporation)  
Balboa Energy Company (GP)  
    Smithtown Cogeneration, L.P. (Delaware partnership)  
Bergen Point Energy Company (GP)  
    TEVCO/Mission Bayonne Partnership (Delaware general partnership)  
Blue Ridge Energy Company (GP)  
    Bretton Woods Cogeneration, L.P. (Delaware limited partnership)  
BN Geothermal, Inc. (Delaware corporation)  
    Vulcan/BN Geothermal Power Company (Nevada general partnership)  
Bretton Woods Energy Company (GP & LP)  
    Bretton Woods Cogeneration, L.P. (Delaware limited partnership)  
Camino Energy Company (GP)  
    Watson Cogeneration Company (general partnership)  
Capistrano Cogeneration Company (GP)  
    James River Cogeneration Company (North Carolina partnership)  
Capitol Energy Company (D.C. corporation) (inactive)  
Centerport Energy Company (GP & LP)  
    Riverhead Cogeneration I, L.P. (Delaware partnership)

2

Chesapeake Bay Energy Company (formerly Woodand Energy Company) (GP)  
    Delaware Clean Energy Project (Delaware general partnership)

Chester Energy Company  
 Clayville Energy Company  
     Oconee Energy, L.P. (Delaware limited partnership)  
 Colonial Energy Company (formerly Hentland Farm Energy Company) (inactive)  
 Conejo Energy Company (GP & LP)  
     Andy Hoch (Del Ranch), L.P. (partnership)  
 Coronado Energy Company  
     Oconee Energy, L.P. (Delaware limited partnership)  
 Crescent Valley Energy Company (GP)  
     Beowawe Geothermal Power Company (general partnership)  
 Crystal River Energy Company (GP & LP)  
     Glenwood Springs Salt Company, L.P. (partnership)  
 Del Mar Energy Company (GP)  
     Mid-Set Cogeneration Company (partnership)  
 Desert Sunrise Energy Company (Nevada corporation) (inactive)  
 Devereaux Energy Company (LP)  
     Auburndale Power Partners, Limited Partnership (Delaware limited partnership)  
 Eastern Sierra Energy Company (GP & LP)  
     Saguaro Power Company, A Limited Partnership (partnership)  
 East Maine Energy Company (inactive)  
 El Dorado Energy Company (GP)  
     Auburndale Power Partners, Limited Partnership (Delaware limited partnership)  
 EMP, Inc. (Oregon corporation) (GP & LP)  
     GEO East Mesa Limited Partnership (partnership)  
     GEO East Mesa Electric Co. (Nevada corporation)  
 Four Counties Gas Company (inactive)  
 Hanover Energy Company  
     Chickahominy River Energy Corp. (GP & LP)  
     Commonwealth Atlantic Limited Partnership (Delaware partnership)  
 Holtsville Energy Company (GP & LP)  
     Brookhaven Cogeneration, L.P. (Delaware partnership)  
 Indian Bay Energy Company (GP & LP)  
     Riverhead Cogeneration III, L.P. (Delaware partnership)  
 Jefferson Energy Company (GP & LP)  
     Gordonsville Energy, L.P. (Delaware partnership)  
 Kings Canyon Energy Company (inactive)  
 Kingspark Energy Company (GP & LP)  
     Smithtown Cogeneration, L.P. (Delaware partnership)  
 Laguna Energy Company (inactive)  
 La Jolla Energy Company (inactive)  
 Lake Grove Energy Company (inactive)  
 Lakeview Energy Company  
     Georgia Peakers, L.P. (Delaware limited partnership)  
 Lehigh River Energy Company (GP)  
     TEVCO/Mission Assets Partnership (Delaware general partnership) Continental  
     Energy Associates, Limited Partnership (Massachusetts partnership)  
 Longview Cogeneration Company (formerly Columbia River Cogeneration  
 Company, formerly Cabrillo Energy Company)  
 Madera Energy Company (GP)  
     Brookhaven Cogeneration, L.P. (Delaware partnership)  
 Madison Energy Company (formerly Sunshine Generators, Inc.) (LP)  
     Gordonsville Energy, L.P. (Delaware partnership)  
 MEC International B.V. (Netherlands corporation)  
     Hydro Energy B.V. (Netherlands Antilles company)  
     Compania Mediterranea de Energias, S.A. (Spain corporation)  
     Energias Hidraulicas, S.A. (Spain corporation)

Iberica de Energias, S.A. (Spain corporation)  
 Iberian Hy-Power Amsterdam B.V. (Netherlands corporation)  
 Electra La Mella, S.A. (Spain corporation)  
 Electrometalurgica del Ebro, S.A. (Spain corporation)

Hidroelectrica del Cadagua, S.A. (Spain corporation)  
 Hidroelectrica de Casillas, S.A. (Spain corporation)  
 Hidroelectrica de Olvera, S.A. (Spain corporation)  
 Hidroelectrica de Posadas, S.A. (Spain corporation)  
 Hidroelectrica del Sosis, S.A. (Spain corporation)  
 Hydro Energy B.V. (Netherlands Antilles company)  
     Compania Mediterranea de Energias, S.A. (Spain corporation)  
     Energias Hidraulicas, S.A. (Spain corporation)  
     Iberica de Energias, S.A. (Spain corporation)  
 Latrobe Power Pty. Ltd. (Australian corporation)  
     Mission Victoria Partnership (Australian partnership)  
     Latrobe Power Partnership (Australian partnership)  
     Loy Yang B Joint Venture (Australian joint  
         venture)  
 Loy Yang Holdings Pty. Ltd. (Australian corporation)  
     Latrobe Power Pty. Ltd. (Australian corporation)  
     Mission Victoria Partnership (Australian partnership)  
     Latrobe Power Partnership (Australian partnership)  
     Loy Yang B Joint Venture (Australian joint venture)  
 Mission Energy Australia Pty. Ltd. (Australian public company)  
     Latrobe Power Partnership (Australian partnership)  
     Loy Yang B Joint Venture (Australian joint venture)  
 Mission Energy Ventures Australia Pty. Ltd. (Australian company)  
     Mission Victoria Partnership (Australian partnership)  
     Latrobe Power Partnership (Australian partnership)  
     Loy Yang B Joint Venture (Australian joint venture)  
 Traralgon Power Pty. Ltd. (Australian corporation)  
     Mission Victoria Partnership (Australian partnership)  
     Latrobe Power Partnership (Australian partnership)  
     Loy Yang B Joint Venture (Australian joint venture)  
 Mission Energy Asia Pte Ltd. (Singapore private limited company)  
 Mission Energy Company (UK) Limited (United Kingdom private limited company)  
     Derwent Cogeneration Limited (United Kingdom private limited company)  
     Mission Energy Limited (United Kingdom private limited company)  
     Mission Energy Services Limited (United Kingdom private limited  
     company) Mission (No. 2) Limited (United Kingdom private limited  
     company) (formerly Mowlem Power Ltd.)  
 Mission Energy Holdings Pty. Ltd. (Australian corporation)  
     Mission Energy Development Australia Pty. Ltd. (Australian corporation)  
     Mission Energy Management Australia Pty. Ltd. (Australian corporation)  
 Pride Hold Ltd. (United Kingdom corporation)  
     Lakeland Power Limited (United Kingdom private company)  
 Traralgon Power Pty. Ltd. (Australian corporation)  
     Mission Victoria Partnership (Australian partnership)  
     Latrobe Power Partnership (Australian partnership)  
     Loy Yang B Joint Venture (Australian joint venture)  
 Mission Energy Asia (formerly Cypress Energy Company)  
 Mission Energy Canada Corporation (British Columbia company)  
     B.C. Star Partners (partnership)  
     The Mission Interface Partnership (Province of Ontario general partnership)  
 Mission Energy Fuel Company  
     Mission Energy Methane Company  
     Mission Energy Oil and Gas Company

    Four Star Oil & Gas Company (partnership)  
 Mission Energy Petroleum Company  
 Pocono Fuels Company (inactive)  
 Southern Sierra Gas Company  
     TM Star Fuel Company (general partnership)  
 Mission Energy Indonesia (formerly Chula Energy Company)  
 Mission Energy Mexico (inactive)



Mission Energy New York, Inc. (formerly Allegheny Energy Company) (GP & LP)  
    Brooklyn Navy Yard Cogeneration Partners, L.P. (Delaware partnership)  
Mission Energy Westside, Inc. (formerly Sun Coast Energy Company)  
Mission Operation and Maintenance, Incorporated  
Mission Triple Cycle Systems Company (GP)  
    Triple Cycle Partnership (Texas general partnership)  
Niguel Energy Company (GP & LP)  
    Elmore, Ltd. (partnership)  
Northern Sierra Energy Company (GP)  
    Sobel Cogeneration Company (general partnership)  
Ortega Energy Company  
Otter Point Energy Company (Maryland corporation) (inactive)  
Panther Timber Company (GP)  
    American Kiln Partners, L.P. (Delaware limited partnership)  
Patapsco Energy Company (inactive)  
Pleasant Valley Energy Company (GP)  
    American Bituminous Power Partners, L.P. (Delaware limited partnership)  
Prince George Energy Company (LP)  
    Hopewell Cogeneration Limited Partnership (Delaware limited partnership)  
    Hopewell Cogeneration Inc. (Delaware corporation)  
    Hopewell Cogeneration Limited Partnership (Delaware limited  
partnership)  
Quartz Peak Energy Company (LP)  
    Nevada Sun-Peak Limited Partnership (Nevada partnership)  
Rapidan Energy Company (GP)  
    Gordonsville Energy, L.P. (Delaware partnership)  
Reeves Bay Energy Company (GP & LP)  
    North Shore Energy, L.P. (Delaware partnership)  
    Northville Energy Corporation (New York corporation)  
Ridgecrest Energy Company (GP)  
    Riverhead Cogeneration I, L.P. (Delaware partnership)  
Rio Escondido Energy Company  
    Energia Del Norte, S.A. de C.V. (partnership)  
    Minera Carbonifera Rio Escondido, S.A. de C.V. (Mexico corporation)  
Riverport Energy Company (GP & LP)  
    Riverhead Cogeneration II, L.P. (Delaware partnership)  
San Felipe Energy Company (GP & LP)  
    Leathers, L.P. (partnership)  
San Gabriel Energy Company (inactive)  
San Jacinto Energy Company (inactive)  
San Joaquin Energy Company (GP)  
    Midway-Sunset Cogeneration Company, L.P. (partnership)  
San Juan Energy Company (GP)  
    March Point Cogeneration Company (partnership)  
San Pedro Energy Company (GP)  
    Riverhead Cogeneration II, L.P. (Delaware partnership)  
Santa Ana Energy Company (GP)  
    Riverhead Cogeneration III, L.P. (Delaware partnership)  
Santa Clara Energy Company (GP)  
    North Shore Energy, L.P. (Delaware partnership)  
    Northville Energy Corporation (New York corporation)

Silverado Energy Company (GP)  
    Coalinga Cogeneration Company (partnership)  
Silver Springs Energy Company  
    Georgia Peakers, L.P. (Delaware limited partnership)  
Sonoma Geothermal Company (GP & LP)  
    Geothermal Energy Partners Ltd. (partnership)  
South Coast Energy Company (GP)  
    Harbor Cogeneration Company (partnership)  
Southern Sierra Energy Company (GP)

Kern River Cogeneration Company (general partnership)  
MH V (partnership)  
Centennial Place L.P. (partnership)  
Viejo Energy Company (GP)  
Sargent Canyon Cogeneration Company (partnership)  
Vista Energy Company (New Jersey corporation) (GP & LP)  
Vista Energy, L.P. (New Jersey limited partnership)  
Crown Vista Urban Renewal Corporation (New Jersey corporation)  
Western Sierra Energy Company (GP)  
Sycamore Cogeneration Company (general partnership)  
Winters Run Energy Company (Maryland corporation) (inactive)

MISSION FIRST FINANCIAL

-----

Mission Funding Company  
Mission Funding Gamma  
Mission Funding Epsilon  
Mission Funding Delta  
Mission Investments, Inc. (U.S. Virgin Islands corporation)  
Mission Funding Alpha  
Mission (Bermuda) Investments, Ltd. (Bermuda corporation)  
GEM Energy Company (New York partnership)  
Mission Funding Beta  
Mission Funding Theta  
Mission Funding Kappa  
ABB Funding Partners, L.P. (partnership)  
Mission Housing Investments  
Abby Associates L.P. (Windmere) (partnership)  
AE Associates L.P. (Avenida Espana) (partnership)  
Argyle Redevelopment Partnership, Ltd. (Colorado partnership)  
Bartlett Hill Associates L.P. (partnership)  
Berry Avenue Associates L.P. (partnership)  
Carlton Way Apartments L.P. (partnership)  
Centertown Associates L.P. (partnership)  
Centro Partners L.P. (partnership)  
Corona Ely/Ranch Associates L.P. (partnership)  
Coyote Springs Apartments Associates L.P. (partnership)  
Crescent Arms L.P. (partnership)  
Cypress Cove Associates (partnership)  
Delta Plaza Associates (partnership)  
EAH Larkspur Creekside Associates L.P. (partnership)  
East Cotati Avenue Partners L.P. (partnership)  
Edmundson Associates L.P. (partnership)  
Farm (The) Associates L.P. (partnership)  
Fell Street Housing Associates L.P. (partnership)  
Gilroy Redwood Associates L.P. (Redwoods) (partnership)  
Ginzton Associates L.P. (partnership)  
Grossman Apartments Investors L.P. (partnership)  
Heather Glen Associates L.P. (partnership)  
Holy Family Associates L.P. (partnership)  
Hope West Apartments L.P. (partnership)  
Kennedy Lofts Associates L.P. (Massachusetts partnership)

La Brea/Franklin L.P. (partnership)  
Larkin Pine L.P. (partnership)  
MH I (partnership)  
California Park Apartments L.P. (partnership)  
MH II (partnership)  
5363 Dent Avenue Associates L.P. (partnership)  
MH III (partnership)

DeRose Housing Associates L.P. (partnership)  
MH IV (partnership)  
MPT Apartments L.P. (MacArthur Park) (partnership)  
MH V (partnership)  
Centennial Place L.P. (partnership)  
Mar Associates L.P. (partnership)  
Mayacamas Village Associates L.P. (partnership)  
Mid-Peninsula Sharmon Palms Associates L.P. (Sharmon Palms)  
(partnership)  
Mission Capp L.P. (partnership)  
Mission Housing Alpha  
Lee Park Investors L.P. (Pennsylvania partnership)  
Mission Housing Beta  
Richmond City Center Associates L.P. (partnership)  
Mission Housing Gamma  
Del Carlo Court Associates L.P. (partnership)  
Mission Housing Delta  
MH I (partnership)  
California Park Apartments L.P. (partnership)  
MH II (partnership)  
5363 Dent Avenue Associates L.P. (partnership)  
MH III (partnership)  
DeRose Housing Associates L.P. (partnership)  
MH IV (partnership)  
MPT Apartments L.P. (MacArthur Park) (partnership)  
MH V (partnership)  
Centennial Place L.P. (partnership)  
Mission Housing Epsilon  
Mission Housing Zeta  
Mission Housing Theta  
Mission Housing Investors Partnership  
Forest Winds Associates L.P. (partnership)  
Glen Eden Associates L.P. (partnership)  
Gray's Meadows Investors L.P. (partnership)  
Prince Bozzuto L.P. (Maryland partnership)  
Rancho Park Associates L.P. (partnership)  
Rustic Gardens Associates L.P. (partnership)  
Sea Ranch Apartments L.P. (partnership)  
Springdale Kresson Associates, L.P. (New Jersey partnership)  
1028 Howard Street Associates L.P. (partnership)  
Morrone Gardens Associates L.P. (partnership)  
Neary Lagoon Associates L.P. (partnership)  
Open Doors Associates L.P. (partnership)  
Pajaro Court Associates L.P. (partnership)  
Palmer House L.P. (partnership)  
Park Place Terrace L.P. (partnership)  
Pilot Grove L.P. (Massachusetts partnership)  
Pinole Grove Associates (partnership)  
Post Office Plaza L.P. (Ohio partnership)  
Rincon De Los Esteros Associates L.P. (partnership)  
Riverside/Liebrandt Partners L.P. (partnership)  
Rosebloom Associates L.P. (partnership)  
Runsen Associates L.P. (partnership)  
San Pablo Senior Housing Associates L.P. (partnership)  
San Pedro Gardens Associates L.P. (partnership)

Santa Paulan Senior Apartments Associates L.P. (partnership)  
Second Street Center L.P. (partnership)  
South Beach Housing Associates L.P. (partnership)  
Stoney Creek Associates L.P. (partnership)  
Studebaker Building L.P. (partnership)

Sultana Acres Associates L.P. (partnership)  
Tabor Grand L.P. (Colorado partnership)  
The Josephinum Associates L.P. (Washington partnership)  
Tierra Linda Associates L.P. (partnership)  
Tlaquepaque Housing Associates L.P. (partnership)  
Tuscany Associates L.P. (partnership)  
Washington Creek Associates L.P. (partnership)  
Westport Village Homes Associates L.P. (partnership)  
Wheeler Manor Associates L.P. (partnership)  
Winfield Hill Associates L.P. (partnership)  
YWCA Villa Nueva Partners L.P. (partnership)  
16th & Church Street Associates L.P. (partnership)  
1101 Howard Street Associates L.P. (partnership)  
210 Washington Avenue Associates (Connecticut partnership)  
Mission First Asset Investment  
Mission Funding Zeta  
Huntington L.P. (New York partnership)  
Renewable Energy Capital Company  
Burlington Apartments, Inc.  
Burlington Arboretum L.P. (partnership)

MISSION LAND COMPANY  
-----

Associated Southern Investment Company  
Calabasas Park Company (partnership) (inactive)  
Central Valley/Calabasas L.P. (partnership)  
Calabasas Palatino, Inc. (inactive)  
California Commerce Center--North, L.P. (partnership)  
Carol Point Builders I (partnership)  
Carol Point Builders II (partnership)  
Carol Stream Developers (partnership)  
Centrelake Partners, L.P. (partnership)  
Corona Partners, L.P. (partnership)  
Irwindale Land Company (inactive)  
Lusk-Mission Industrial Partners I (partnership)  
Mission Airport Park Development Co.  
Ontario Airport Industrial Park (partnership)  
Mission-CCH I, L.P. (partnership)  
Mission-Comstock Crosser Hickey (partnership)  
Mission-DAI I, L.P. (partnership) (inactive)  
Mission-Dominion Partners I, L.P. (partnership)  
Mission Industrial Constructors, Inc. (inactive)  
Mission-Koll I, L.P. (partnership)  
Mission-Messenger Vacaville (partnership)  
Mission-Nexus I, L.P. (partnership)  
Mission-Nexus II, L.P. (partnership)  
Mission-Ontario, Inc. (inactive)  
Mission-Shea I, L.P. (partnership)  
Mission-701 Minnesota (partnership)  
Mission South Bay Company (inactive)  
Mission Texas Property Holdings, Inc.  
Ontario Lakeshore Partners, L.P. (partnership)  
Parkway Business Centre Partners, Ltd. (partnership) (inactive)  
Realco Texas Master Limited Partnership (Texas partnership)

## CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference of our report dated February 4, 1994, (the Report of Independent Public Accountants) appearing on page 39 of the 1993 Annual Report to Shareholders of SCEcorp (Exhibit 13 included herein) in this Annual Report on Form 10-K for the year ended December 31, 1993 of SCEcorp. It should be noted that we have not audited any financial statements of SCEcorp subsequent to December 31, 1993 or performed any audit procedures subsequent to the date of our report.

We further consent to the incorporation by reference of the above-mentioned Report of Independent Public Accountants, incorporated by reference in this Annual Report on Form 10-K, and to the incorporation by reference of our report (the Report of Independent Public Accountants on Supplemental Schedules), appearing on page 33 of this Annual Report on Form 10-K, in the SCEcorp Registration Statements which follow:

REGISTRATION FORM -----	FILE NO. -----	EFFECTIVE DATE -----
Form S-8	33-32302	June 2, 1993
Form S-8	33-46713	June 2, 1993
Form S-8	33-46714	June 2, 1993
Form S-3	33-47389	June 2, 1993
Form S-8	33-51225	November 30, 1993
Form S-3	33-44148	September 17, 1993

ARTHUR ANDERSEN & CO.

Los Angeles, California  
March 17, 1994

SCEcorp  
POWER OF ATTORNEY

The undersigned, SCEcorp, a California corporation, and certain of its officers and/or directors do each hereby constitute and appoint JOHN E. BRYSON, BRYANT C. DANNER, ALAN J. FOHRER, R. K. BUSHEY, KENNETH S. STEWART, C. ALEX MILLER, PATRICIA N. GLAZIER, VICTORIA W. SCHWARTZ, W. J. SCILACCI L. C. CLARK, DOROTHY J. FULCO, JOHN STADNIK, CHARLES COOKE and TERRY M. ADLHOCK, or any of them, to act as attorney-in-fact, for and in their respective names, places, and steads, to execute, sign, and file or cause to be filed an Annual Report on Form 10-K for the fiscal year ended December 31, 1993, the quarterly reports on Form 10-Q for each of the first three quarters of fiscal year 1994 and from time to time during 1994 any current report on Form 8-K, and any and all supplements and amendments thereto, to be filed by SCEcorp with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, for the purpose of complying with Sections 13 or 15(d) of the Securities Exchange Act of 1934, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform all and every act and thing whatsoever requisite, necessary and appropriate to be done in and about the premises as fully and to all intents and purposes as the undersigned or any of them might or could do if personally present, hereby ratifying and approving the acts of each of said attorneys-in-fact.

Executed at Rosemead, California, as of this 17th day of March, 1994.

SCEcorp

By John E. Bryson

-----  
Chairman of the Board  
and Chief Executive Officer

(Seal)

Attest

Kenneth S. Stewart  
-----  
Secretary

1994 SCECORP 10-K POWER OF ATTORNEY  
PRINCIPAL EXECUTIVE OFFICER:

John E. Bryson  
-----  
John E. Bryson

Chairman of the Board,  
Chief Executive Officer and  
Director

Principal Financial Officer:

Alan J. Fohrer

- -----  
Alan J. Fohrer Senior Vice President  
and Chief Financial Officer

Controller and Principal Accounting Officer:

R. K. Bushey  
- -----  
R. K. Bushey Vice President  
and Controller

Directors:

Howard P. Allen  
- -----  
Howard P. Allen Director

N. Barker, Jr.  
- -----  
N. Barker, Jr. Director

Walter B. Gerken  
- -----  
Walter B. Gerken Director

Joan C. Hanley  
- -----  
Joan C. Hanley Director

Carl F. Huntsinger  
- -----  
Carl F. Huntsinger Director

Luis G. Nogales  
- -----  
Luis G. Nogales Director

J. J. Pinola  
- -----  
J. J. Pinola Director

Henry T. Segerstrom  
- -----  
Henry T. Segerstrom Director

E. L. Shannon, Jr.  
- -----  
E. L. Shannon, Jr. Director

Daniel M. Tellep  
- -----  
Daniel M. Tellep Director

James D. Watkins  
- -----  
James D. Watkins Director

Edward Zapanta

- - - - -

Edward Zapanta

Director



RESOLUTION OF THE BOARD OF DIRECTORS OF  
SCEcorp

Adopted: March 17, 1994

RE: Filing of Annual Report on Form 10-K

WHEREAS, the Securities Exchange Act of 1934, as amended, and regulations thereunder, require that Annual, Quarterly and from time to time Current Reports of this corporation be filed with the Securities and Exchange Commission ("Commission");

WHEREAS, it is convenient and desirable to effect such filings over the signatures of attorneys-in-fact and to authorize the same for such purpose;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman of the Board and Chief Executive Officer or any Vice President of this corporation be, and each of them hereby is, authorized and directed to file or cause to be filed with the Commission the Annual Report on Form 10-K of this corporation for the fiscal year ended December 31, 1993, Quarterly Reports on Form 10-Q for each of the first three quarters of fiscal year 1994 and from time to time during 1994 Current Reports on Form 8-K, in a form or forms which the officer acting or counsel acting for this corporation may deem necessary or proper, such determination to be conclusively evidenced by said officer's execution thereof;

BE IT FURTHER RESOLVED, that each of the officers of this corporation is hereby authorized to prepare and file or cause to be prepared and filed with the Commission any and all required or appropriate supplements or further amendments to the Annual Report on Form 10-K, the Quarterly Reports on Form 10-Q for each of the first three quarters of fiscal year 1994, and from time to time during 1994 any Current Reports on Form 8-K;

BE IT FURTHER RESOLVED, that each of the officers of this corporation is hereby authorized to execute and deliver on behalf of this corporation and in its name a power of attorney appointing John E. Bryson, Bryant C. Danner, Alan J. Fohrer, R. K. Bushey, Kenneth S. Stewart, C. Alex Miller, Patricia N. Glazier, Victoria W. Schwartz, W. J. Scilacci, L. C. Clark, Dorothy J. Fulco, John Stadnik, Charles Cooke, and Terry M. Adlhock, and each of them, to act severally as attorney-in-fact for this corporation for the purpose of executing and filing with the Commission on behalf of this corporation and in its name the Annual Report on Form 10-K, the Quarterly Reports on Form 10-Q, any Current Reports on Form 8-K, and any and all amendments and supplements thereto.

I, MOLLY K. BYRD, Assistant Secretary of SCEcorp, certify that the attached is an accurate and complete copy of a resolution of the Board of Directors of the corporation, duly adopted at a meeting of its Board of Directors held on March 17, 1994.

Dated: March 17, 1994

Molly K. Byrd

-----  
Assistant Secretary  
SCEcorp

