



BETTY T. YEE
California State Controller

February 24, 2015

Mr. Theodore Craver, Jr., Chairman
Edison International
2244 South Walnut Grove Avenue
Rosemead, CA 91770

Dear Chairman Craver:

As the State Controller of California, I have the honor and responsibility of serving as a member of the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS), collectively representing more than 2.5 million members, beneficiaries, and retirees. These pension funds hold significant financial positions in Edison International (EIX). As of January 1, 2014, CalPERS holds approximately 1,250,000 shares, and CalSTRS holds approximately 2,243,144 shares.

Recently Southern California Edison (SCE) and EIX engaged in a costly and unsuccessful undertaking that unfortunately had a detrimental impact on your shareholders and ratepayer customers. I understand that in October 2013, EIX and SCE announced the forced decommissioning of the San Onofre Nuclear Generating Station (SONGS) Units 2 and 3 following failure of the steam generators and widespread criticism from federal and state regulators, elected officials, and the public. This eventually resulted in a California Public Utilities Commission (CPUC)-approved settlement whereby Edison shareholder interests had to absorb the impact of a \$1.4 billion cost penalty. Now your ratepayers will join San Diego Gas & Electric ratepayers in absorbing an additional \$3.3 billion in penalties under the settlement.

In light of these egregious penalties and economic harm, I would expect top executives' compensation to be adjusted accordingly. Although the 2014 Joint Proxy Statement of EIX and SCE outlines your Executive and Director Compensation structure, information regarding justification for awarded executive compensation in the context of the SONGS disaster remains unclear.

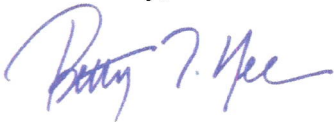
I hereby request that you provide both CalPERS and CalSTRS pension fund investment staff a justification relating to FYs 2013-2014 executive compensation packages given the \$7 billion loss associated with the premature closure of SONGS and the Nuclear Regulatory Commission and CPUC findings of fault with Edison's management of the

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facility. Please provide a description of the actual consequences to your top executive team, when you determined compensation for 2013 and 2014. In addition, please explain whether you altered or modified existing 10b stock sale plans to eliminate the risk that your top executives inappropriately enriched themselves at the expense of other shareholders. Justification of the compensation provided to your executive team for fiscal years 2013 and 2014 would assure your shareholders and California ratepayers that untimely and unseemly enrichment of executives has not occurred.

Thank you in advance for your attention to this important matter.

Sincerely,



BETTY T. YEE

cc: Anne Stausboll, Chief Executive Officer, CalPERS
Jack Ehnes, Chief Executive Officer, CalSTRS
Anne Simpson, Senior Portfolio Manager, Investments and Director of Corporate
Governance, CalPERS
Anne Sheehan, Director of Corporate Governance, CalSTRS
Rob Feckner, President, CalPERS Board of Administration
Harry M. Keiley, Board Chair, CalSTRS