



CPUC/OEIS

PUBLIC MEETING ON SAFETY

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President and CEO, SCE
Board Director, SCE

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Executive Vice President of Operations, SCE

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August 25, 2021



SOUTHERN CALIFORNIA
EDISON

SAFETY IS INTEGRATED INTO OUR BUSINESS THROUGH OUR VALUES AND MISSION

MISSION

To safely provide reliable, clean and affordable energy to our customers

VALUES

Safety

Integrity

Excellence

Respect

Continuous Improvement

Teamwork

RISK-INFORMED SAFETY FOCUS AREAS

Public Safety

- Reduce risk of catastrophic wildfires
- Maintain/replace assets to avoid hazardous failures
- Create awareness of potential hazards

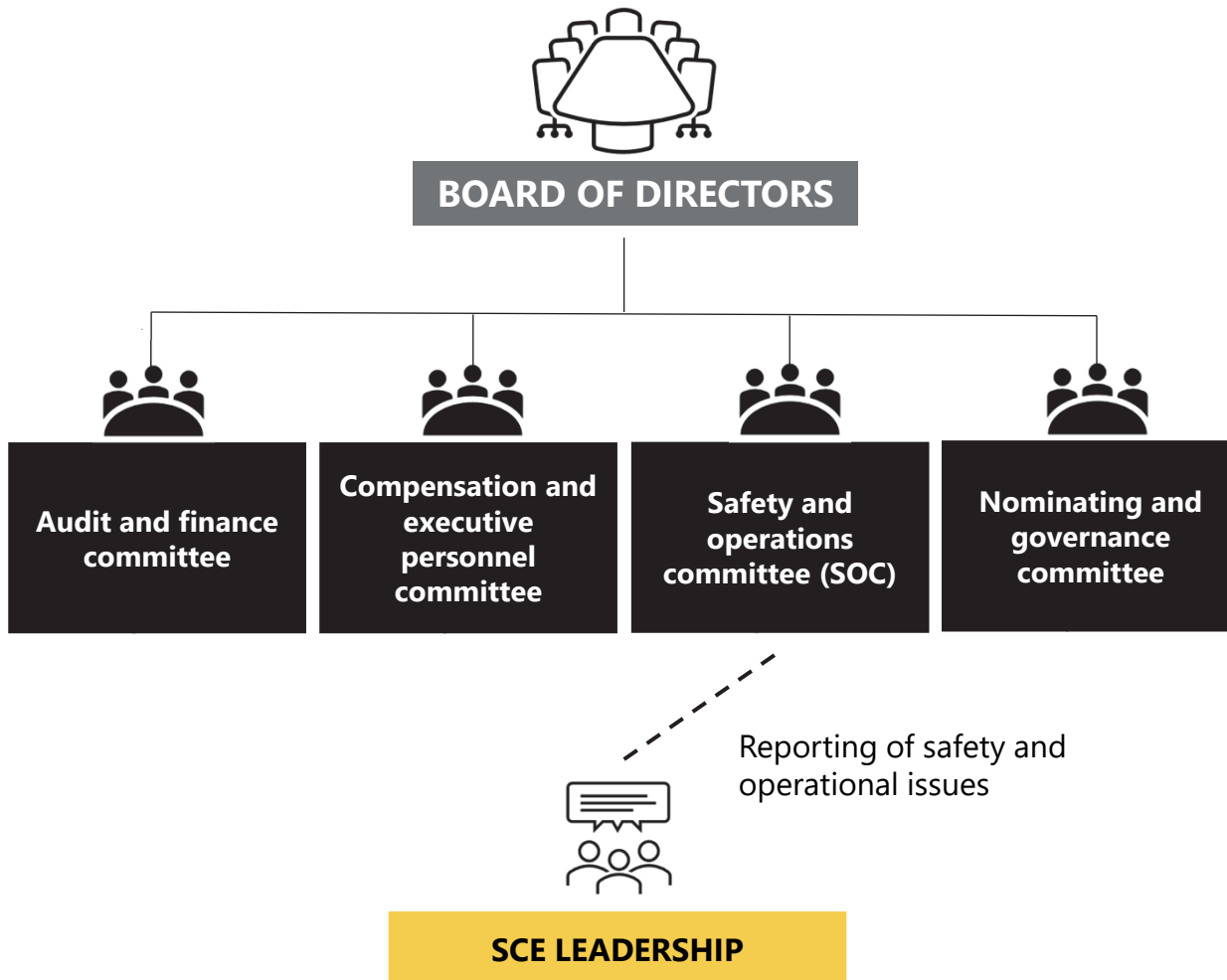
Worker Safety

- Reduce serious injuries and fatalities through enhanced data analytics and safety programs
- Better manage our contractors to improve safety, quality and compliance

Safety Culture

- Evolve safety culture maturity
- Improve leader ownership and accountability

CORPORATE GOVERNANCE



- Safety and Operations Committee (SOC) oversees the Company's safety performance, culture, operational goals, safety and operational risks, and significant safety-related incidents involving employees, contractors or members of the public
- SOC receives reports at least six times a year from SCE Leadership
- SOC Chair reports out to the full Board of Directors on key operational updates

PROTECTING PUBLIC SAFETY THROUGH PREVENTION OF CATASTROPHIC WILDFIRES

- Grid Hardening
- Situational Awareness
- Risk Modeling
- Data Governance
- Inspections
- Vegetation Management
- Coordination with Fire Agencies

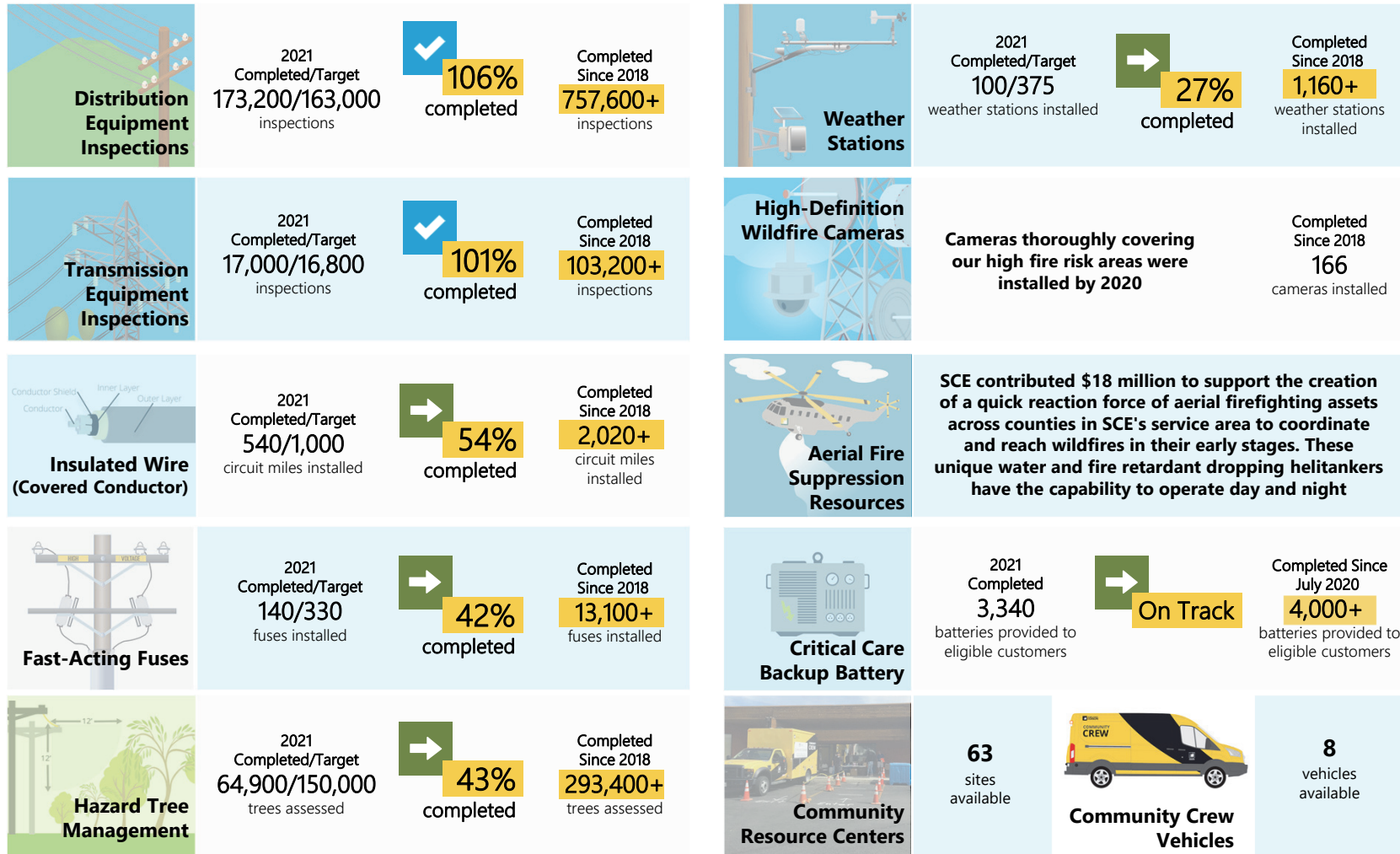
REDUCE PSPS

PREVENT FAULTS

REDUCE IGNITIONS

PREVENT
CATASTROPHIC
WILDFIRES

SCE IS MAKING SIGNIFICANT PROGRESS ON ITS INITIATIVES IN ITS WILDFIRE MITIGATION PLAN



Note: Data as of June 30, 2021. Blue check marks indicate met or exceeded target. Green arrows indicate execution is on track.

SCE IS MAKING MEANINGFUL PROGRESS IN MITIGATING WILDFIRE RISK FOR ITS CUSTOMERS

COVERED CONDUCTOR has reduced faults, which could lead to ignitions



69% FEWER faults on fully covered circuits¹

EXPANDED VEGETATION MANAGEMENT and tree removal has reduced line contact



50% FEWER tree-caused faults²

HIGH FIRE RISK INSPECTION PROGRAM has reduced hazards on the system



66% LOWER defect find rate³

On segments where SCE has covered bare wire, there has not been a single CPUC-reportable ignition from contact with objects or wire-to-wire contact

1. Measured by faults per 100 circuit miles on fully covered circuits in HFRA as compared to bare circuits in HFRA from Jan. 1, 2021 to June 30, 2021

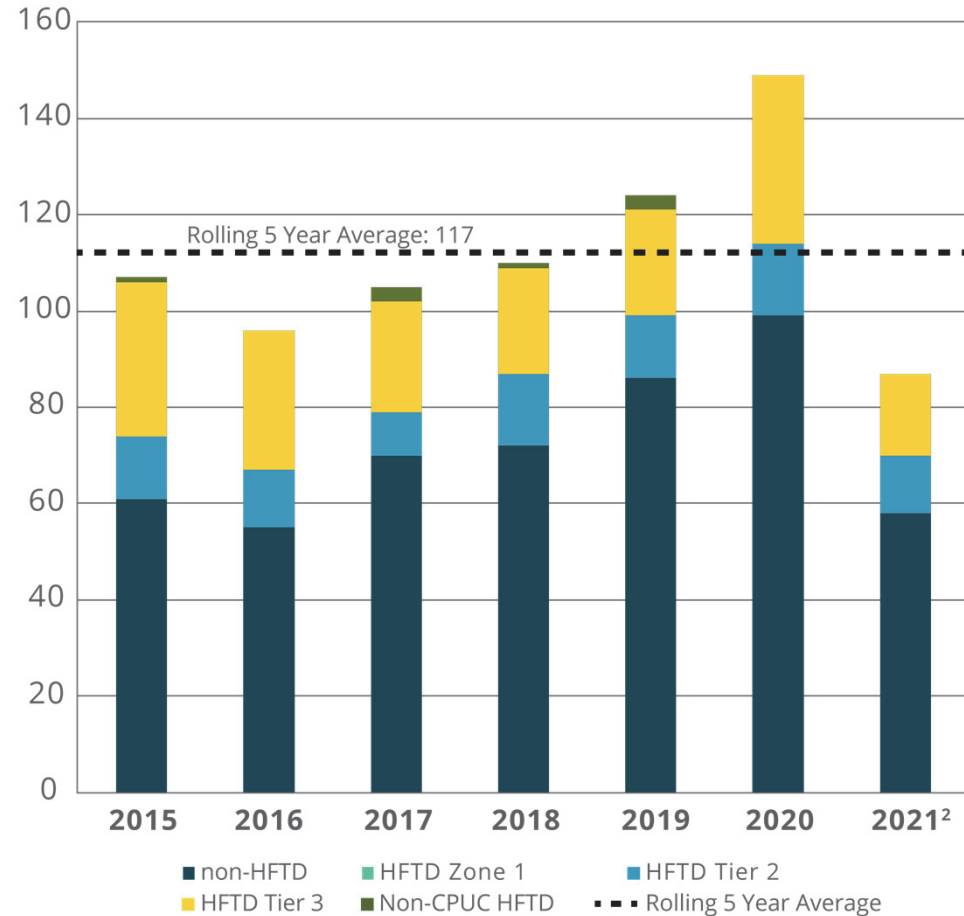
2. Measured by average monthly tree-caused circuit interruptions in HFRA in 2020–2021 as compared to the average from 2015–2019

3. Measured as Total Defect Find Rate (percentage of inspections) in 2021 as compared to 2019 (inception of program) for structures inspected every year

OUTCOMES ARE IMPROVING AND WILL ACCELERATE AS SCE DEPLOYS MITIGATIONS OVER TIME

- Acres burned decreased by 60% and structures destroyed decreased by 95% from 2017/2018 to 2019/2020
- Ignitions increased across system, but more slowly in HFTD

Annual Fire Ignitions¹



1. CPUC reportable ignitions

2. As of June 30, 2021, preliminary determinations.

PSPS ACTION PLAN WILL IMPROVE CUSTOMER EXPERIENCE THIS FIRE SEASON



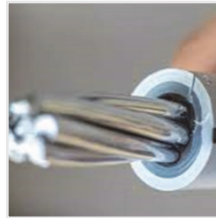
72 Frequently impacted circuits targeted for expedited grid hardening



70% Reduction in PSPS outage time for the most frequently impacted circuits*



More than **700** miles of covered conductor to be deployed as part of expedited grid hardening



7 New switches
9 New weather stations
17 Automation upgrades of existing switches



5 New Community Resiliency zones



81,000 Customers removed from PSPS scope through exceptions and switching protocols



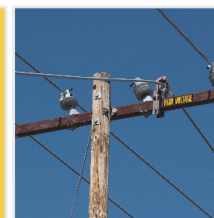
100+ Virtual meetings with our communities and partners in 2021



4,000+ Critical Care backup batteries deployed since program inception



13 County Emergency Management Agencies Engaged



78 Circuit segment exceptions approved in 2021

* Assumes identical weather and fuel conditions as 2020

WE ARE COMMITTED TO ELIMINATING SERIOUS INJURIES AND FATALITIES

- Our worker safety programs prioritize reduction of serious injuries and fatalities
- Our approach focuses on improving safety culture and deploying risk-based programs to mitigate key drivers of serious injuries and fatalities



WORKER SAFETY PERFORMANCE TRENDS

	2018	2019	2020	2021 ¹	Peer Benchmark Average 2020 ²
Employee Fatalities	0	0	0	0	—
Employee SIF ³ Rate	0.11	0.05	0.12	0.08	0.07
Employee DART ⁴ Rate	0.98	1.17	0.90	0.88	0.44
Employee OSHA Recordable Rate	1.95	2.30	1.77	1.75	0.83
Tier 1 Contractor Fatalities	2	3	3	0	—
Tier 1 Contractor SIF Rate ⁵	0.20	0.07	0.14	0.06	—
Tier 1 Contractor DART Rate	0.55	0.35	0.45	0.24	—
Tier 1 Contractor OSHA Rate	0.92	0.56	0.65	0.41	—

0 employee fatalities since 2016

62% improvement in DART since 2010

8 contractor fatalities in **3** previous years

1. Safety performance data as of July 2021

2. Benchmark based on 2020 survey of 20 electric companies (including SCE) from the Modified Philadelphia Utility Index

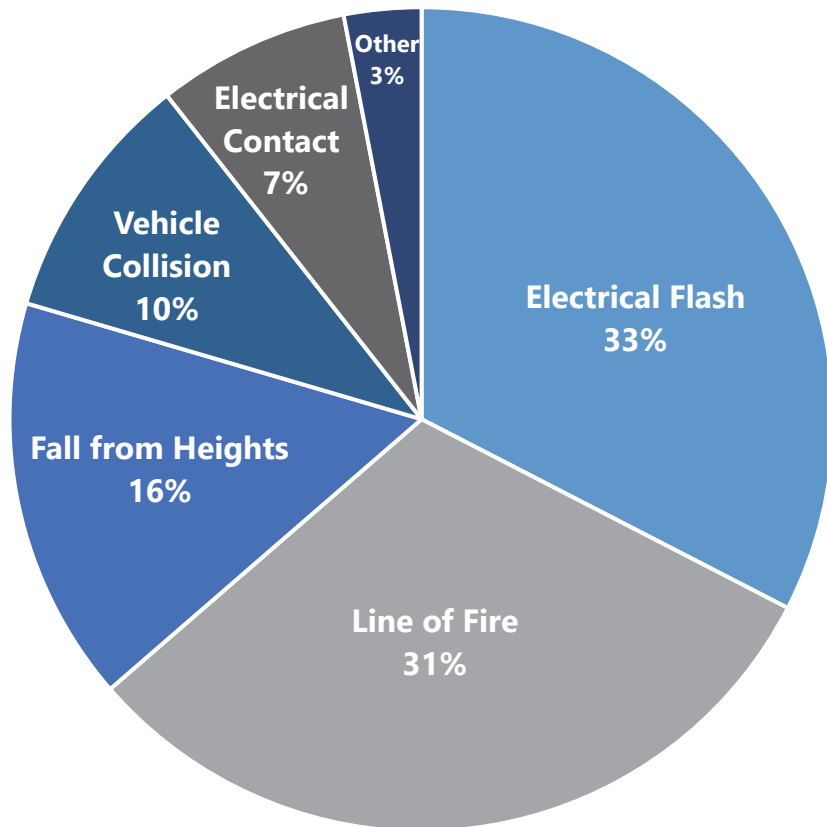
3. SCE shifted from Cal Osha's serious injury and fatality definition to the Edison Electric Institute (EEI) serious injury and fatality definition in 2018. The 2021 Safety Performance Metrics Report (SPMR) uses Cal OSHA definition. EEI SIF rate calculated by (# of serious injuries and fatalities * 200,000/Total Labor Hours)

4. Days Away Restricted or Transferred

5. Cal OSHA serious injury and fatality definition

SAFETY MANAGEMENT SYSTEM ENHANCEMENTS TO REDUCE SERIOUS INCIDENTS

SERIOUS INCIDENT DRIVERS



Top serious incident drivers over the past 5 years

SAFETY MANAGEMENT SYSTEM ENHANCEMENTS

- **Risk Based Safety Program:** Prioritizing and evaluating serious injury and fatality (SIF) risks to identify and implement mitigation strategies that will systematically reduce risk
- **Job Hazard Analysis for SIF Prevention:** Focusing on front line workers and leaders observing work on critical actions to prevent SIF
- **Cause Evaluations:** Timely corrective actions implementation with mitigations that more effectively and sustainably reduce risk

ENHANCING OUR CONTRACTOR MANAGEMENT SYSTEM TO IMPROVE PERFORMANCE

CONTRACTOR SAFETY PERFORMANCE DRIVERS

Significantly Increased Work Volume

- Extended work hours contribute to stress and fatigue, further compounded by COVID

Resource Limitations

- Transient workforce with disparate levels of qualifications and high turnover
- Exacerbated by significant scaling of wildfire mitigation work

Human Performance and Culture

- Less mature safety cultures
- Lower accountability for consistent adherence to safety rules

CONTRACTOR SAFETY PERFORMANCE LEVERS

Oversight

- Increasing safety oversight of subcontractors
- Reducing supervisory span of control
- Enhancing performance scorecards

Accountability

- Managing initial qualifications through ISNetworld¹
- Establishing performance expectations through comprehensive orientation
- Validating performance through increased observations
- Managing performance through corrective action plans and escalating consequences

Culture and Engagement

- Leader Safety culture training for high-risk contractors
- Contractor Safety Forums drive best practice sharing
- Fostering learning through sharing trends across utilities

1. International Suppliers Network contractor management database to manage contractor safety and pre-qualification

SCE'S 2020 SAFETY CULTURE ASSESSMENT INDICATES PROGRESS

Safety Culture Improvement Efforts

- Trained all leaders and employees in cognitive behavioral safety culture training
- Deployed leader safety ownership playbook to sustain safety culture training concepts
- Developed leader safety plans in enterprise-wide safety planning workshops
- Implemented cultural tools for leaders to sustain a psychologically safe and inclusive environment

Improvements in Safety Leadership and Psychological Safety

- 78% of employees indicate our safety culture has improved and 75% share they have seen improvement in safety leadership
- 91% agreed that they "feel comfortable talking about safety concerns with their direct supervisors"

Opportunities in leader ownership and employee wellness

- While people agree more that their immediate supervision is committed to safety, there are still opportunities to improve leader safety ownership
- Production pressure, stress, and fatigue identified as challenges



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Thank you
Questions?

