



December 10, 2013

Public Company Accounting Oversight Board
Office of the Secretary
1666 K Street, NW
Washington D.C. 20006-2803

Re: PCAOB Rulemaking Docket Matter Number 034

Dear Madam Secretary:

We are pleased to submit our comments on the *Proposed Auditing Standards, PCAOB Release No. 2013-005 on Rulemaking Docket Matter #034* (“Proposal”). We serve as the Audit Committees (“Committee”) for Edison International (NYSE:EIX) and Southern California Edison Company. Edison International (“Edison” or the “Company”), an integrated energy company, generates and distributes power, primarily through its wholly owned subsidiary, Southern California Edison Company, serving 14 million people across a 50,000 square mile area in Southern California. Our following comments are based not only on our experience serving Edison, but also from our experiences as senior leaders in business, academia and government.

We commend the Public Company Accounting Oversight Board (“PCAOB”) for its decision to retain the current “pass/fail” model of the auditor’s report and its efforts to consider improvements to the Auditor’s Report and Responsibilities regarding Other Information.

Auditor’s Report

Our corporate governance system consists of shareholders electing the Board of Directors (“Board”), as their representatives, to provide management oversight. Management is responsible for the financial statements and disclosures in accordance with the United States’ Generally Accepted Accounting Principles (“GAAP”) and Securities and Exchange Commission (“SEC”) rules and regulations. The Board delegates the oversight of financial reporting, including the system of internal controls and risk management to the Audit Committee. In addition to financial reporting oversight, the Audit Committee has sole authority to retain the independent auditor and, therefore, primary responsibility for the assessment and approval of those services. The independent auditor opines on whether management’s financial statements and disclosures are fairly presented, in all material respects, in conformity with GAAP and in the case of an integrated audit also provides an opinion on the effectiveness of internal controls over financial reporting. This division of responsibilities is the foundation of our current governance structure and clearly defines roles and responsibilities between and among management, the Audit Committee and independent auditor. We believe the audit committee has the requisite knowledge, perspective and authority to oversee that the reporting entity’s management discloses the risks or issues in a manner commensurate with their materiality and relevance to investors. The Proposal would undermine our Committee’s oversight role by effectively requiring the independent auditor to

disclose matters that are management's responsibility, notwithstanding the views of the audit committee.

We strongly oppose the requirement that the independent auditors report Critical Audit Matters ("CAM") in the Auditor's Report. We believe that such disclosures:

- Would not provide meaningful discussion of the level of complexity or detail necessary to understand the full context and resolution of the audit issues—an audit committee responsibility and the proper forum within which to provide such oversight;
- May cause the reader to place inappropriate weight on the CAM from that provided by management in the financial statements and Management Discussion and Analysis of Financial Condition and Results of Operations (including critical accounting policies and estimates) or duplicate such disclosures;
- Could result in boilerplate language covering a number of generic audit topics relating to the issuer's industry (e.g. rate regulated matters);
- May result in financial statement users placing less reliance on the unqualified opinion on the fairness of the financial statements' presentation, taken as a whole—instead perceiving a series of piecemeal opinions.

The Proposal defines three conditions that could result in a CAM, one of which is a matter communicated to the audit committee. Currently, our Committee's discussions with the independent auditor are forthright and wide-ranging. Our Committee's agenda is the result of input from Committee members, management and the auditors. The topics range from routine, required matters, including significant events or transactions that impact financial reporting, to focused discussions on critical accounting and reporting matters, internal controls and risk management. Furthermore, in Executive sessions with the independent auditor, our Committee discusses management bias with respect to judgments, estimates, significant accounting policies and disclosures and whether any difficulties were encountered, such as obtaining appropriate audit evidence. These forthright and open discussions with the independent auditor provide our Committee with a perspective and understanding of audit issues, the business context of those issues, the auditor's professional skepticism and management's judgments.

We are concerned that the Proposal's condition for a CAM may inadvertently result in cautious and constrained discussions between the independent auditor and our Committee because the independent auditor might feel compelled to disclose any significant audit matter discussed with the audit committee or risk being criticized during PCAOB inspections. We believe that an open and transparent discussion between the audit committee and the independent auditors is essential to the effectiveness of our Committee in meeting our responsibilities.

Other Information Responsibilities

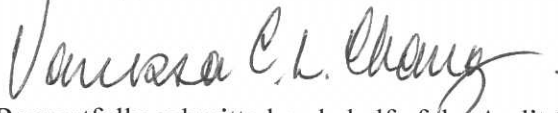
The auditor currently performs “read and consider” procedures on Other Information contained in SEC filings to assure there is no material inconsistency with the financial statements and disclosures. Currently, our independent auditor reports to us that they have performed these procedures on the quarterly and annual financial statements filed with the SEC and reports to us whether there are any material inconsistencies. The Proposal expands the independent auditor’s responsibility by requiring that Other Information be “evaluated” if relevant audit evidence was obtained, regardless of whether that Other Information is directly related to the audited financial statements. As a result, the Proposal limits the scope of information to be evaluated to relevant audit evidence obtained.

We oppose the Proposal to change and expand the Auditor’s Responsibility on Other Information because:

- The independent auditor may not have sufficient knowledge nor expertise to evaluate all of the Other Information; and
- Financial statement users will not know what relevant audit evidence was obtained and may conclude incorrectly that all Other Information was evaluated by the independent auditor, resulting in either confusion or unmet expectations.

Thank you for considering our views.

Yours truly,



Respectfully submitted on behalf of the Audit Committees:

Vanessa C.L. Chang, Chair
Jagjeet S. Bindra, Member
France A. Cordova, Member
Luis G. Nogales, Member
Peter J. Taylor, Member