



MITSUBISHI NUCLEAR ENERGY SYSTEMS, INC.

1001 19th Street North, Suite 2000
Arlington, VA 22209

January 25, 2013
MKT-NSL-130002

Mr. Paul Coughlin
Manager, Nuclear Supply Chain
Edison Material Supply, LLC / Southern California Edison
14300 Mesa Road (W47)
San Clemente, CA 92672

**Re: Exercise of Section 1.9.6 of Purchase Order 4500024051
San Onofre Nuclear Generating Station, Units 2 and 3**

Dear Mr. Coughlin,

This letter responds to your January 10, 2013 letter stating to invoke SCE's audit rights under the Purchase Order and seeking to examine a broad range of documents. Mitsubishi stands ready to honor its obligations under section 1.9.6. However, the documents sought in your January 10 letter are not covered by the audit rights provision of section 1.9.6 and Mitsubishi respectfully declines to provide them.

A fair reading of section 1.9.6, consistent with the parties' intent at the time they agreed to this provision, is that it provides SCE with a mechanism to examine and copy records, primarily of a financial nature, necessary to verify amounts invoiced by Mitsubishi and/or to be paid by SCE pursuant to the Purchase Order.

Should SCE wish to narrow its request for information to conform it to those records it is entitled to review under section 1.9.6, Mitsubishi will make all reasonable efforts to comply with such a request.

Please note that any such future requests for information can be directed to my attention.

Sincerely yours,


Itaru Kikuoka

Commercial Manager SONGS SG Project and
Deputy General Manager New Plant Marketing
Mitsubishi Nuclear Energy Systems, Inc.