## Horizon West Transmission, LLC ANNUAL REPORT ON COMPLIANCE FOR 2022

for Submittal to:

## CALIFORNIA OFFICE OF ENGERY INFRASTRUCTURE SAFETY

California Natural Resources Agency 715 P Street, 20<sup>th</sup> Floor Sacramento, California 95814



One California Street, Suite 1600 San Francisco, California 94111

**March 2023** 

**Instructions:**<sup>1</sup> The Annual Report on Compliance submitted by each EC shall include a written narrative including:

- a. An assessment of whether the EC met the risk reduction intent by implementing all of their approved WMP initiatives, i.e., the degree to which initiative activities have reduced ignition probabilities;
  - If the EC fails to achieve the intended risk reduction, EC shall provide a detailed explanation of why and a reference to where associated corrective actions are incorporated into their most recently submitted WMP.
- b. A full and complete listing of all change orders and any other operational changes, such as initiative location changes, made to WMP initiatives, with an explanation of why the changes were necessary, and an assessment of whether the changes achieved the same risk reduction intent;
- c. Descriptions of all planned WMP initiative spend vs actual WMP initiative spend and an explanation of any differentials between the planned and actual spends;
- d. A description of whether the implementation of WMP initiatives changed the threshold(s) for triggering a PSPS event and/or reduced the frequency, scale, scope and duration of PSPS events;
- e. A summary of all defects identified by the WSD within the annual compliance period, the corrective actions taken and the completion and/or estimated completion date

Horizon West Transmission, LLC (HWT) (U222-E) is a transmission-only utility with no end-use customers. HWT's first transmission project, the Suncrest Facility, was placed into operation on February 29, 2020. The Suncrest Facility is located approximately 40 miles east of San Diego near the town of Alpine in San Diego County, California, in an area that is designated as a Tier 3 (Extreme) HFTD based on the California Public Utilities Commission's (CPUC or Commission) Fire - Threat Map. The Suncrest Facility is a +300/-100 megavolt-ampere reactive (MVar) static var compensator (SVC) facility with a rated real power output of 0 MW, and nominal terminal voltage of 230 kV, and 230 kV single-circuit underground transmission line, that collectively provide dynamic reactive power support at the existing San Diego Gas & Electric Company (SDG&E) Suncrest Substation, a 500/230 kV substation near Alpine, San Diego County, California. HWT completed implementation of all its 2022 WMP Initiatives as described below.

- **a.** HWT completed initiatives in the areas of Situational Awareness and Grid Design and System Hardening, in addition to regular inspections and monitoring in Asset Management and Inspections, Vegetation Management and contracted services in Grid Operations and Protocols.
  - **Situational Awareness:** In 2022, HWT completed enhancements to its wildfire spread model with access to third-party granular real-time wildfire satellite data

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<sup>&</sup>lt;sup>1</sup> Text in blue italics are instructions from the Wildfire Safety Division – Compliance Operational Protocols as issued by the WSD on February 16, 2021.

- to monitor and track propagation of wildfires to help evaluate proximity of fires to HWT's assets and inform appropriate operational response if a wildfire was to approach and directly threaten HWT facilities.
- Grid Design and System Hardening: In 2022, HWT completed improvements to
  protect its transformers from a seismic event and to further reduce the risk of an
  ignition event. HWT completed installation of transformer seismic isolation pads,
  fire barrier walls and flame-suppressing stone in the transformer containment
  pits.
- Asset Management and Inspections: HWT continued its cadence of monthly asset inspections and monitoring, in addition to extra inspections in advance of adverse weather conditions.
- Vegetation Management: HWT engaged a third-party vendor to provide vegetation management services in 2022 which entails weed abatement and management of the defensible space surrounding the Suncrest facility. Additionally, vegetation is inspected during the monthly asset inspections.
- **Grid Operations and Protocols:** In addition to regular asset and vegetation inspections and monitoring, HWT maintained third-party fire brigade support services for the Suncrest facility.
- **b.** HWT did not have any applicable change orders to its 2022 WMP.
- **c.** Table 1 below summarizes HWT's 2022 planned initiative spend vs. actual WMP initiative spend. Actual 2022 WMP spend is higher than planned spend primarily because of increased costs related to the transformer upgrade project.

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Table 1 – Summary of WMP Expenditures by Category (Spend in thousand \$)

WMP Category	2022 WMP Planned	2022 Actual	Difference
Risk and Mapping	0	0	0
Situational Awareness	200	255	55
Grid Design and System Hardening	1,600	3,463	1,863
Asset Management and Inspections	50	48	(2)
Vegetation Management	0	17	17
Grid Operations	40	73	33
Data Governance	0	0	0
Resource Allocation	0	0	0
Emergency Planning	0	0	0
Stakeholder Cooperation and Community Engagement	0	0	0
Total	1,890	3,856	1,966

- **d.** HWT has not deployed PSPS to date. Given that HWT is a transmission-only utility that has no distribution system, no distribution or retail customers, and is already substantially hardened against wildfires, HWT reasonably anticipates it will seldom, if ever, need to issue a PSPS. Therefore, HWT's WMP initiatives are focused on wildfire hardening and reduction of utility-caused ignitions at HWT facilities rather than PSPS mitigation.
- **e.** The WSD reviewed and approved HWT's 2022 WMP without conditions (Full Approval) and did not identify any deficiencies or defects relevant to HWT's WMP. Thus, HWT has not undertaken any corrective actions to resolve any defects.

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