

**Horizon West Transmission, LLC
ANNUAL REPORT ON COMPLIANCE FOR 2021**

for Submittal to:

**CALIFORNIA OFFICE OF ENERGY
INFRASTRUCTURE SAFETY**

California Natural Resources Agency
715 P Street, 20th Floor
Sacramento, California 95814

HORIZONWEST

TRANSMISSION.

One California Street, Suite 1600
San Francisco, California 94111

March 2022

Instructions:¹ *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 new, 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 transmission line (with approximately one mile constructed underground and approximately 115 feet originally constructed overhead), 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 has made significant progress in implementing its 2021 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 Grid Operations and Protocols.

¹ Text in blue italics are instructions from the Wildfire Safety Division – Compliance Operational Protocols as issued by the WSD on February 16, 2021.

- **Situational Awareness:** HWT completed development of a proprietary fire risk index for its territory to increase awareness of fire threat and to help inform operational decisions. HWT also completed installation of a cable monitoring system for its underground cable and added additional cameras to the station site.
 - **Grid Design and System Hardening:** HWT made significant progress in hardening its transformers in 2021. The project included installing transformer seismic pads, blast walls and flame-suppressing stone in the transformer containment pits. The project is scheduled for completion in 2022. HWT completed undergrounding of 115 feet of overhead span of transmission line in August 2021.
 - **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 conducted all its monthly vegetation inspections and monitoring in 2021, but no specific spend for vegetation management initiatives was required.
 - **Grid Operations and Protocols:** In addition to regular asset and vegetation inspections and monitoring, HWT maintained on-site fire brigade support on a daily basis during on-going hardening construction activities in 2021 to minimize the risk of any on-site ignitions.
- b. HWT did not have any applicable change orders to its 2021 WMP.
- c. Table 1 below summarizes HWT's 2021 planned initiative spend vs. actual WMP initiative spend. Actual 2021 WMP spend is higher than planned spend primarily because HWT completed work planned for 2022 in 2021.

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

WMP Category	2021 WMP Planned	2021 Actual	Difference
Risk and Mapping	0	0	0
Situational Awareness	3,070	973	(2,097)
Grid Design and System Hardening	6,300	19,486	13,186
Asset Management and Inspections	100	43	(57)
Vegetation Management	35	0	(35)
Grid Operations	70	34	(36)
Data Governance	0	0	0
Resource Allocation	0	0	0
Emergency Planning	0	0	0
Stakeholder Cooperation and Community Engagement	0	0	0
Total	9,575	20,536	10,961

- 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 2021 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.