



June 25, 2024

Dear Stakeholders,

Enclosed is the Office of Energy Infrastructure Safety's (Energy Safety's) Annual Report on Compliance regarding Horizon West Transmission, LLC's execution of its 2021 Wildfire Mitigation Plan.

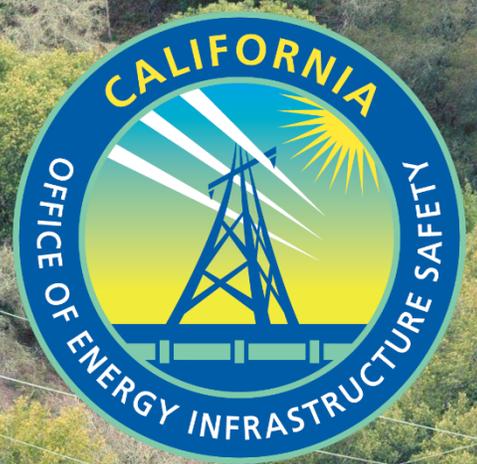
This Annual Report on Compliance is hereby published as of the date of this letter Horizon West Transmission, LLC may, if it wishes to do so, file a public response to this Annual Report on Compliance within 14 calendar days of the date of publication. Comments must be submitted to the Energy Safety's E-Filing system in the 2021 Annual Report on Compliance docket.¹

Sincerely,

Patrick Doherty

Patrick Doherty
Program Manager | Compliance Assurance Division
Electrical Infrastructure Directorate
Office of Energy Infrastructure Safety

¹ Submit responses to the [2021-ARC](https://efiling.energysafety.ca.gov/EFiling/DocketInformation.aspx?docketnumber=2021-ARC) docket via the Office of Energy Infrastructure Safety's E-Filing system here: <https://efiling.energysafety.ca.gov/EFiling/DocketInformation.aspx?docketnumber=2021-ARC>



OFFICE OF ENERGY INFRASTRUCTURE SAFETY
ANNUAL REPORT ON COMPLIANCE
HORIZON WEST TRANSMISSION
2021 WILDFIRE MITIGATION PLAN UPDATE

June 2024

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Executive Summary

The Office of Energy Infrastructure Safety (Energy Safety) is charged with completing an annual review of California's electrical corporations' compliance with their approved Wildfire Mitigation Plans (WMP) and WMP Updates. Energy Safety's Annual Reports on Compliance (ARC) are produced 18 months after the electrical corporations complete a self-review of compliance (EC ARC) of their approved plans and an independent evaluator completes their own review of electrical corporation compliance with approved plans.

Energy Safety's evaluation found that Horizon West Transmission (HWT) completed the majority (13 of 14, or 93%) of its 2021 WMP initiatives, including all of the top six initiatives with allocated expenditure.

HWT's scope and size limit its ability to apply all wildfire mitigation strategies set forth by Energy Safety. Moreover, HWT does not track ignition risk and outcome metrics. However, where applicable, HWT prioritized and successfully addressed areas of meaningful impact for wildfire risk reduction and achieved most of its objectives and targets.

Energy Safety considered all compliance assessments completed with respect to HWT's approved 2021 WMP Update, including audits, field inspections, and analysis of data submitted by HWT to Energy Safety. Energy Safety considered HWT's self-assessment in its EC ARC and the findings of its independent evaluator.

On balance, HWT was largely successful in executing an actionable and adaptive plan for wildfire risk mitigation. There are, however, still areas for improvement and continued learning, including improving its reporting capabilities.

1. Introduction and Background

This Annual Report on Compliance (ARC) presents the Office of Energy Infrastructure Safety's (Energy Safety's) assessment of Horizon West Transmission's (HWT's) compliance with its 2021 Wildfire Mitigation Plan (WMP) Update.¹

HWT submitted its 2021 WMP Update on March 1, 2021. Energy Safety approved HWT's WMP on July 20, 2021.²

1.1 Legal Authority

Energy Safety is responsible for overseeing compliance with electrical corporations' WMPs.³ Energy Safety has broad authority to obtain and review information and data and to inspect property, records, and equipment of every electrical corporation in furtherance of its duties, powers, and responsibilities.⁴ In addition to performing an overall assessment of compliance⁵ with the WMP, Energy Safety audits each electrical corporation's vegetation management work for compliance with WMP requirements⁶ and performs other reviews and audits. Energy Safety may rely upon metrics⁷ to evaluate WMP Compliance, including performance metrics adopted by the California Public Utilities Commission (CPUC).⁸ Annually, in consultation with Energy Safety, the CPUC adopts a wildfire mitigation plan compliance process.⁹ The CPUC adopted the 2021 Compliance Process via Resolution M-4860 on December 2, 2021.^{10, 11}

¹ California Public Utilities Code § 8386.3(c).

² Office of Energy Infrastructure Safety, "Evaluation of 2021 Wildfire Mitigation Plan Update HWT," July 20, 2021. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=51670&shareable=true>

³ California Public Utilities Code § 8386.3(c).

⁴ Government Code, § 15475.

⁵ California Public Utilities Code § 8386.3(c)(4).

⁶ California Public Utilities Code § 8386.3(c)(5)(A).

⁷ California Public Utilities Code §§ 326(a)(2), 8389(b)(1).

⁸ California Public Utilities Code § 8389(d)(1).

⁹ California Public Utilities Code § 8389(d)(3).

¹⁰ California Public Utilities Commission, "Resolution M-4860," Dec. 02, 2021. [Online]. Available:

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M428/K722/428722129.PDF>

¹¹ Office of Energy Infrastructure Safety, "Attachment 3: 2021 Wildfire Mitigation Plan Compliance Process," Oct. 13, 2021. [Online]. Available:

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M428/K146/428146324.pdf>

1.2 Annual Compliance Process Cadence

Pursuant to Public Utilities Code section 8385(a)(1), a "compliance period" means a period of approximately one year. In its Compliance Operational Protocols issued on February 16, 2021, Energy Safety defined the compliance period for 2020-2022 WMPs as January 1 to December 31 for each calendar year of the three-year WMP.¹²

Public Utilities Code section 326(a)(3) requires Energy Safety to utilize visual inspection of electrical corporation infrastructure and wildfire mitigation programs as means of assessing WMP compliance. Furthermore, Public Utilities Code section 8386.3(c) outlines the baseline statutory framework for assessing WMP compliance through a series of audits, reviews, and assessments performed by Energy Safety, independent evaluators, and the electrical corporations themselves. The statutory framework also lays out a defined timeframe for several of the compliance assessment components, as follows:

- Three months after the end of an electrical corporation's compliance period, each electrical corporation must submit an Electrical Corporation Annual Report on Compliance (EC ARC) addressing the electrical corporation's compliance with its plan during the prior calendar year.¹³
- Six months after the end of an electrical corporation's compliance period, an independent evaluator must submit an Independent Evaluator Annual Report on Compliance (IE ARC). The independent evaluators are engaged by each electrical corporation to review and assess the electrical corporation's compliance with its plan for the prior year. As a part of this report, the independent evaluator must determine whether the electrical corporation failed to fund any activities included in its plan.¹⁴
- In parallel with the above assessments, Energy Safety audits vegetation management activities. The results of the audit must specify any failure of the electrical corporation to fully comply with the vegetation management requirements in the WMP. Energy Safety then grants the electrical corporation a reasonable amount of time to correct and eliminate any deficiency specified in the audit.¹⁵ Subsequently, Energy Safety issues a report describing any failure of the electrical corporation to substantially comply with the substantial portion of the vegetation management requirements in the electrical corporation's WMP.¹⁶
- Within 18 months after the electrical corporation submits its compliance report pursuant to Public Utilities Code section 8386.3(c)(1), Energy Safety must complete its

¹² California Public Utilities Commission, "Compliance Operational Protocols," Feb. 16, 2021. p. 1. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52615&shareable=true>

¹³ California Public Utilities Code § 8386.3(c)(1).

¹⁴ California Public Utilities Code § 8386.3(c)(2)(B)(i).

¹⁵ California Public Utilities Code § 8386.3(c)(5)(A).

¹⁶ *Id.*

annual compliance review.¹⁷ Energy Safety memorializes the findings of its compliance review in this Annual Report on Compliance (ARC).

¹⁷ California Public Utilities Code § 8386.3(c)(4).

2. ARC Compliance Framework

Pursuant to Government Code section 15475.1, Energy Safety's primary objective is to ensure that electrical corporations reduce wildfire risk and comply with energy infrastructure safety measures. Each electrical corporation is required to construct, maintain, and operate its infrastructure in a manner that will minimize the risk of catastrophic wildfire.¹⁸

Energy Safety's compliance assessment examines the totality of data and findings before the department. Compliance is the successful implementation of the electrical corporation's stated narratives, actions, targets, outcome metrics, and objectives in the electrical corporation's approved WMP, including providing supporting documentation. Energy Safety aims to ensure WMP implementation through the authorities and requirements outlined in Public Utilities Code sections 8386 – 8389.

Energy Safety considers the following as part of its assessment:

1. Whether the electrical corporation implemented the wildfire mitigation initiatives in its approved WMP, including evaluating whether the electrical corporation funded and performed the commitments stated for each initiative. Further, whether the electrical corporation prioritized completion of work with the highest potential for reducing wildfire risk.¹⁹
2. Whether the electrical corporation achieved or sufficiently progressed its WMP objectives.
3. Wildfire risk reduction, including the performance of the electrical corporation's infrastructure relative to its wildfire risk, as measured by changes in the occurrence of events that correlate to wildfire risk.
4. Whether the electrical corporation made a good faith attempt to achieve its goals and comply with its WMP.
5. Whether the electrical corporation exhibited issues related to its execution, management, or documentation in the implementation of its WMP. This analysis may expand beyond the scope of any single WMP initiative.²⁰

¹⁸ California Public Utilities Code § 8386(a).

¹⁹ Energy Safety evaluates funding data to ensure electrical corporations are dedicating resources to their initiative commitments. Energy Safety does not evaluate whether the cost of implementing each electrical corporation's plan was just and reasonable.

²⁰ Office of Energy Infrastructure Safety, "Compliance Guidelines (Section 7.1)," Sept. 2023. p. 16. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=55586&shareable=true>

3. HWT 2021 WMP Update

This section provides a summary of HWT's commitments in its 2021 WMP Update. This section organizes HWT's commitments into two major categories:

1. 2021 WMP Update Objectives
2. 2021 WMP Update Initiatives

3.1 2021 WMP Update Objectives

The 2021 WMP Guidelines required each electrical corporation to describe the specific objectives of its 2021 WMP Update with respect to the following timeframes: Before the next Annual WMP Update; within the next three years; and within the next 10 years (i.e., long-term planning beyond the three-year cycle).²¹

In reviewing compliance with HWT's 2021 WMP Update, Energy Safety considered whether HWT achieved or sufficiently progressed the objectives it set out to achieve before the next Annual WMP Update.

HWT's stated objectives to achieve before the next Annual WMP Update were:

- To further harden its Suncrest Facility according to prioritized wildfire mitigation measures and WMP initiatives.
- To periodically evaluate new technologies, materials, and methods for further reducing fire risk at HWT Facilities.²²

3.2 2021 WMP Update Initiatives

The 2021 WMP Update Guidelines required each electrical corporation to group its discussion of wildfire mitigation initiatives into the 10 categories listed in Table 1 below.

²¹ California Public Utilities Commission, "Resolution WSD-011 Attachment 2.2: 2021 Wildfire Mitigation Plan Guidelines Template," November, 2020. p. 29. [Online]. Available: <https://energysafety.ca.gov/wp-content/uploads/docs/wmp-2021/attachment-2.2-to-wsd-011-2021-wmp-guidelines-template.pdf>

²² Horizon West Transmission, "Wildfire Mitigation Plan 2021," March 1, 2021. p. 42. [Online]. Available: https://energysafety.ca.gov/wp-content/uploads/docs/wmp-2021/hwt_2021_wmp.pdf

HWT's 2021 WMP Update included a total of 14 initiatives allocated across six of the 10 categories.^{23,24}

Table 1 below provides a summary of HWT's allocation of WMP initiatives across categories, its reported planned expenditure in each category for 2021, and the percentage of the total 2021 WMP Update budget the expenditure in each category comprised. Due to the limited size and scope of its operations, many established WMP categories and initiatives were not applicable to HWT (e.g., categories and initiatives related to community engagement do not apply to HWT as it does not have any retail customers).

One initiative included a quantitative target (miles undergrounded for system hardening). Other initiatives included qualitative targets (e.g., creating a fire risk index to inform operational decisions).

Table 1: HWT's 2021 WMP Update Planned Expenditure by Category

Initiative Category	No. of Initiatives	2021 Planned Expenditure (\$K)²⁵	% of 2021 WMP Update Planned Budget
1. Risk assessment and mapping	-	-	-
2. Situational awareness and forecasting	2	\$3,070	32%
3. Grid design and system hardening	2	\$6,300	66%
4. Asset management and inspections	3	\$100	1%
5. Vegetation management and inspections	5	\$35	<1%

²³ Horizon West Transmission, "Wildfire Mitigation Plan 2021," March 1, 2021. pp. 52-73. [Online]. Available: https://energysafety.ca.gov/wp-content/uploads/docs/wmp-2021/hwt_2021_wmp.pdf

²⁴ The 2021 WMP Update Guidelines provided ten initiatives categories: 1. Risk assessment and mapping, 2. Situational awareness and forecasting, 3. Grid design and system hardening, 4. Asset management and inspections, 5. Vegetation management and inspections, 6. Grid operations and protocols, 7. Data governance, 8. Resource allocation methodology, 9. Emergency planning and preparedness, and 10. Stakeholder cooperation and community engagement. California Public Utilities Commission, "Resolution WSD-011 Attachment 2.2: 2021 Wildfire Mitigation Plan Guidelines Template," November 2020. p. 43. [Online]. Available: <https://energysafety.ca.gov/wp-content/uploads/docs/wmp-2021/attachment-2.2-to-wsd-011-2021-wmp-guidelines-template.pdf>

²⁵ HWT included several initiatives in the 2021 WMP Update that do not have an associated planned expenditure because the work is conducted as part of routine operations.

6. Grid operations and protocols	1	\$70	<1%
7. Data governance	-	-	-
8. Resource allocation methodology	-	-	-
9. Emergency planning and preparedness	1	\$0	0%
10. Stakeholder cooperation and community engagement	-	-	-
Total	14	\$9,575	100%

Table 2 provides an overview of HWT's planned 2020-2022 WMP expenditure.

Table 2: HWT's Planned Expenditure by Year²⁶

Year	Planned Expenditure (\$K)
2020	\$4,085
2021	\$9,575
2022	\$18,946
2020-2022 Plan Period	\$32,606

Table 3 lists the top six initiatives by planned expenditure.²⁷ The last row in Table 3 shows that the six listed initiatives make up 100% of HWT's total 2021 WMP Update planned expenditure.

²⁶ Horizon West Transmission, "Wildfire Mitigation Plan 2021," March 1, 2021. p. 23. [Online]. Available: https://energysafety.ca.gov/wp-content/uploads/docs/wmp-2021/hwt_2021_wmp.pdf

²⁷ While HWT reports on 14 initiatives within its 2021 WMP Update, only six have associated planned expenditure as reported in its QIU.

Table 3: HWT's 2021 WMP Update Top 6 Planned Expenditure Initiatives²⁸

Initiative Number	Initiative	2021 Planned Expenditure (\$K)	% of WMP Planned Budget
7.3.3.16	Undergrounding of electric lines and/or equipment	\$6,300	66%
7.3.2.4	Forecast of a fire risk index, fire potential index or similar	\$2,000	21%
7.3.2.2	Continuous monitoring sensors	\$1,070	11%
7.3.4.2	Detailed inspections of transmission electric lines and equipment	\$100	1%
7.3.6.6	Stationed and on-call ignition prevention and suppression resources and services	\$70	1%
7.3.5.18	Substation vegetation management	\$35	<1%
Total		\$9,575	100%

²⁸ Horizon West Transmission, "Wildfire Safety Division Attachment 2.3 Wildfire Mitigation Plan Quarterly Report (Table 12) – Q4 2020," March 3, 2021. [Online]. Available: https://energysafety.ca.gov/wp-content/uploads/docs/misc/wsd/hwt_q4_2020_qdr.xlsx

4. Information Sources Used for ARC Assessment

Energy Safety relied upon the following sources of information to conduct its analysis for HWT's ARC:

- Information provided by HWT via the EC ARC and quarterly initiative update (QIU).
- Information provided by the independent evaluator via the IE ARC.
- Findings from Energy Safety field inspections.
- Findings from Energy Safety audits and assessments of the electrical corporation.
- Data submitted to Energy Safety by HWT, including responses to data requests.²⁹
- Information provided by third parties also engaged in assessment activities of HWT.

This section provides the most relevant information from the sources listed above for the purposes of Energy Safety's assessment of HWT's compliance with its 2021 WMP.

4.1 Electrical Corporation (EC) ARC

4.1.1 Overview

Three months after the end of the compliance period, the electrical corporation must submit its EC ARC. The Compliance Operational Protocols outline the minimum requirements and structure for each electrical corporation's 2021 EC ARC.³⁰ The 2021 EC ARCs must include:

- An assessment of whether the electrical corporation achieved its risk reduction intent by implementing all of its approved WMP initiatives, i.e., the degree to which initiative activities have reduced ignition probabilities. If the electrical corporation failed to achieve the intended risk reduction, Energy Safety required the electrical corporation to provide a detailed explanation of why and reference where associated corrective actions were incorporated in its most recently submitted WMP.
- A full and complete listing of all change orders³¹ and any other operational changes, such as initiative location changes, made to WMP initiatives, with an explanation of

²⁹ Energy Safety receives data from the electrical corporation through three main paths: quarterly advice letter submissions, quarterly data request submissions, and quarterly initiative updates.

³⁰ California Public Utilities Commission, "Compliance Operational Protocols," Feb. 16, 2021. pp. 10-12. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52615&shareable=true>

³¹ See WSD-002 for detail regarding the 2020 WMP change order process. California Public Utilities Commission, "Resolution WSD-002," June 11, 2020. pp. 32-35 [Online] Available: <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M340/K859/340859823.PDF>

why the changes were necessary, and an assessment of whether the changes achieved the same risk reduction intent.

- Descriptions of all planned WMP initiative expenditures versus actual WMP initiative expenditures and an explanation of any differentials between the planned and actual expenditures.
- A description of whether the implementation of WMP initiatives changed the threshold(s) for triggering a Public Safety Power Shutoff (PSPS) event and/or reduced the frequency, scale, scope, and duration of PSPS events.
- A summary of all defects identified by Energy Safety within the annual compliance period, the corrective actions taken and the completion and/or estimated completion date.

4.1.2 Relevant Information

HWT timely submitted its EC ARC on March 31, 2022. In HWT's EC ARC, HWT reported that it met its targets for 13 of its 14 initiatives.

For one initiative, HWT did not report any progress:

1. Protocols in place to learn from wildfire events (7.3.9.6).³²

Additional information from the EC ARC is included in Appendix A and is discussed in Section 5 of this report.

4.2 Independent Evaluator (IE) ARC

4.2.1 Overview

Each year before March 1, Energy Safety, in consultation with the Office of the State Fire Marshal, must publish a list of qualified independent evaluators.³³ An electrical corporation must engage an independent evaluator from the list to review and assess its compliance with its approved WMP.³⁴ The independent evaluator must issue its IE ARC by July 1 of each year, covering the previous calendar year.³⁵ Energy Safety considered the independent evaluator's findings in this ARC. However, the independent evaluator's findings are not binding on Energy Safety's final determination of WMP compliance.³⁶

4.2.2 Relevant Information

HWT selected Bureau Veritas as the independent evaluator to assess its compliance with its 2021 WMP Update. Bureau Veritas (henceforth referenced as the "the IE") issued an IE ARC on June 30, 2022.³⁷

The IE evaluated 20 initiatives³⁸ and found HWT compliant with all 20.

Table 4 below provides a summary of the IE's findings.

³² HWT's 2021 WMP Update refers to implementing lessons learned from an "After Action Review" of a nearby 2020 fire, but does not report on this progress in its 2021 EC ARC.

³³ California Public Utilities Code § 8386.3(c)(2)(A).

³⁴ California Public Utilities Code § 8386.3(c)(2)(B).

³⁵ California Public Utilities Code § 8386.3(c)(2)(B).

³⁶ California Public Utilities Code § 8386.3(c)(2)(B)(ii).

³⁷ Bureau Veritas, "Final Independent Evaluator ARC," June 30, 2022. p. 1. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52693&shareable=true>

³⁸ The IE evaluated six initiatives not mentioned in the WMP. However, all six of these initiatives were completed in 2020 and have no associated planned expenditure. These initiatives are 7.3.1.5, 7.3.2.1, 7.3.2.5, 7.3.6.4, 7.3.7.1, and 7.3.9.4, and are not considered by Energy Safety in determining HWT's execution of its 2021 WMP Update as those six initiatives were completed during the 2020 compliance year.

Table 4: Summary of HWT's IE ARC Findings

Finding Category	# of Initiatives
Compliant	20
Noncompliant	0
Undetermined	0
Total	20

Additional information from the IE ARC is discussed in Section 5 of this report.

4.3 Inspections

4.3.1 Overview

Pursuant to Public Utilities Code section 326(a)(3), Energy Safety conducts field inspections of each electrical corporation's infrastructure to ensure WMP compliance. In 2021, Energy Safety conducted field inspections of each electrical corporation's infrastructure to validate WMP compliance and assess infrastructure for deficiencies, errors, or conditions with the potential to increase ignition risk.

In November 2021, Energy Safety transitioned from Inspection Program v1 to Inspection Program v2. Inspections conducted in 2021 under Inspection Program v1 were general inspections of the electrical corporation's infrastructure including WMP initiatives and general wildfire safety. During Inspection Program v1, all findings were issued to the electrical corporations as defects. Inspections conducted under Inspection Program v2 were comprised of two types of inspections: WMP inspections and General Wildfire Safety (GWS) inspections. WMP inspections are specific to WMP initiative completeness and utilize information contained in the electrical corporations' quarterly data report (QDR) submissions. During WMP inspections, Energy Safety ensures that the data reported by the electrical corporation is accurate, that the electrical corporation completed the initiative activity as reported, and that the electrical corporation adhered to the applicable initiative protocols and procedures. If Energy Safety finds inaccurate data, incomplete work, or that the electrical corporation failed to adhere to protocols or procedures, it issues a Notice of Violation (NOV) to the electrical corporation.

GWS inspections assess electrical corporation infrastructure for deficiencies, errors, or conditions with the potential to increase ignition risk. If Energy Safety finds a deficiency, error, or condition with the potential to increase the risk of ignition, a Notice of Defect

(NOD)^{39,40} is issued. An NOD is defined as “A deficiency, error, or condition increasing the risk of ignition posed by electrical lines and equipment.”

4.3.2 Relevant Information

Energy Safety performs inspections utilizing an electrical corporation's initiative activity data applicable to the WMP year compliance period. Energy Safety conducted 25 inspection activities in HWT's service territory in 2021.

Under Inspection Program v1, Energy Safety found zero defects.

Under Inspection Program v2, Energy Safety found zero defects.

4.4 Audits

4.4.1 Overview

Public Utilities Code section 8386.3(c)(5) requires Energy Safety to perform an audit to determine whether the electrical corporation "substantially complied with the substantial portion"⁴¹ of its vegetation management requirements in its WMP. Energy Safety refers to this audit as the Substantial Vegetation Management (SVM) audit. Pursuant to Public Utilities Code section 8386(c)(5), Energy Safety conducted an audit of HWT's compliance with the vegetation management requirements in its 2021 WMP Update.

4.4.2 Relevant Information

On February 1, 2024, Energy Safety issued its SVM Audit Report for HWT. The purpose of the SVM Audit is to assess whether HWT met its quantitative commitments and verifiable statements in its 2021 WMP Update related to vegetation management activities. Energy Safety found that HWT performed the work required for the one vegetation management initiative in its 2021 WMP Update and that HWT substantially complied with the substantial portion of the vegetation management requirements in its 2021 WMP Update.

The specific findings from Energy Safety's SVM Audit Report are detailed in Appendix B.

³⁹ Government Code § 15475.2

⁴⁰ 14 California Code Regulations § 29302(b)(1).

⁴¹ California Public Utilities Code § 8386.3(c)(5)(C).

4.5 Data

4.5.1 Overview

Energy Safety analyzed performance metrics and other data when assessing whether the electrical corporation complied with its 2021 WMP Update.^{42, 43} Energy Safety required each electrical corporation to submit spatial and non-spatial data through QIUs, QDRs, and Quarterly Notifications (QNs).

4.5.2 Relevant Information

Energy Safety analyzed whether HWT met its 2021 WMP initiative targets.

Energy Safety's Initiative Performance Analysis is detailed in Appendix C.

Findings from this analysis are included in Section 5 of this report.

4.6 Third-Party Reports

4.6.1 Overview

When available, Energy Safety also utilizes authoritative, third-party reports to inform its compliance assessment. For example, Energy Safety may utilize CPUC and CAL FIRE wildfire investigation reports, CAL FIRE Wildfire Activity Statistics, and other reports to supplement and corroborate the evidence collected during its compliance assessment of the electrical corporation.

⁴² California Public Utilities Commission, "Resolution M-4860," Dec. 02, 2021. [Online]. Available:

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M428/K722/428722129.PDF>

⁴³ Office of Energy Infrastructure Safety, "Attachment 3: 2021 Wildfire Mitigation Plan Compliance Process," Oct. 13, 2021. pp. 4-5, 9. [Online]. Available:

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M428/K146/428146324.pdf>

5. Discussion

This section provides Energy Safety's assessment of HWT's performance in 2021 in relation to each of the evaluation criteria set forth in Energy Safety's Compliance Guidelines:

1. Whether the electrical corporation implemented the wildfire mitigation initiatives in its approved WMP, including evaluating whether the electrical corporation funded and performed the commitments stated for each initiative. Further, whether the electrical corporation prioritized completion of work with the highest potential for reducing wildfire risk.⁴⁴
2. Whether the electrical corporation achieved or sufficiently progressed its WMP objectives.
3. Wildfire risk reduction, including the performance of the electrical corporation's infrastructure relative to its wildfire risk, as measured by changes in the occurrence of events that correlate to wildfire risk.
4. Whether the electrical corporation made a good faith attempt to achieve its goals and comply with its WMP.
5. Whether the electrical corporation exhibited issues related to its execution, management, or documentation in the implementation of its WMP. This analysis may expand beyond the scope of any single WMP initiative.

5.1 Criterion 1: 2021 WMP Initiative Implementation

This section considers whether HWT implemented the wildfire mitigation initiatives in its approved WMP, including whether HWT funded and performed the commitments stated for each initiative.

To accomplish this, Energy Safety assessed:

2. Whether HWT met the quantitative and qualitative targets provided in its 2021 WMP Update, and
3. The extent to which HWT funded each initiative.

⁴⁴ Energy Safety evaluates funding data to ensure electrical corporations are dedicating resources to their initiative commitments. Energy Safety does not evaluate whether the cost of implementing each electrical corporation's plan was just and reasonable.

5.1.1 Completion of 2021 WMP Quantitative and Qualitative Targets

Based on Energy Safety's analysis, in conjunction with the department's review of the EC ARC and IE ARC, Energy Safety finds that HWT met or exceeded its targets for 13 of its 14 (or 93%) 2021 WMP Update initiatives. Of those 14, HWT met its one quantitative initiative target and 12 of its 13 qualitative initiative targets. Energy Safety was unable to determine whether one initiative target was met because HWT did not report any progress to support a conclusion and no additional information was available for Energy Safety's evaluation.

Appendix C provides detail at the initiative level on Energy Safety's comprehensive assessment of HWT's performance against its stated initiatives.

Below is the one initiative for which Energy Safety was unable to conclude whether progress was made in 2021:

Emergency Planning and Preparedness

1. Protocols in Place to Learn from Wildfire Events (7.3.9.6)

In terms of total count of completed initiatives, overall, HWT completed 93% of its initiatives. For the one initiative where Energy Safety could not determine whether the target was met, this was not a substantial detractor from HWT's work and progress on its overall objectives.

5.1.2 2021 WMP Update Initiative Funding

Energy Safety evaluated the extent to which HWT funded the initiative targets in its 2021 WMP Update, utilizing data from HWT's EC ARC and IE ARC.

Each EC ARC includes descriptions of all planned WMP initiative expenditure versus actual expenditure and an explanation of any differences between the planned and actual expenditure.⁴⁵

HWT's planned expenditure for 2021 was approximately \$9.6 million. HWT's actual reported expenditure was approximately \$20.5 million, representing an over-expenditure of approximately \$10.9 million.⁴⁶

⁴⁵ California Public Utilities Commission, "Compliance Operational Protocols," Feb. 16, 2021. pp. 10-12. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52615&shareable=true>

⁴⁶ Horizon West Transmission, "Annual Report on Compliance for 2021," March 31, 2022. p. 4. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52224&shareable=true>

The over-expenditure was primarily attributable to the Grid Design and System Hardening WMP category, for which HWT reported that it was able to begin a substantial amount grid hardening work for 2022 ahead of schedule.⁴⁷

Within the other four WMP categories with reported expenditure, HWT reported aggregate under-expenditure of \$2.2 million, primarily driven by the Situational Awareness category. HWT did not provide explanations for budget variances via the EC ARC. The initiative where Energy Safety could not determine if the qualitative target was met – Initiative 7.3.9.6 (Protocols in Place to Learn from Wildfire Events) – had no planned expenditure.

HWT completed all six targets for which it had planned expenditure. HWT's actual expenditures for the 2021 WMP cycle were significantly higher than its planned expenditures. This suggests that HWT may have significantly underestimated the amount of work it could achieve in 2021.

5.2 Criterion 2: 2021 WMP Update Objectives

This section considers whether HWT achieved or sufficiently progressed its 2021 WMP objectives.

HWT's specific objectives for its 2021 WMP year (i.e., before the next Annual WMP Update) were:

- Objective 1: To further harden its Suncrest facility according to prioritized wildfire mitigation measures.
- Objective 2: To periodically evaluate new technologies, materials, and methods for further reducing fire risk at HWT Facilities.

HWT's performance relative to these objectives is discussed below.

5.2.1 Objective 1: Harden Suncrest facility according to prioritized wildfire mitigation measures

In 2021, HWT made a number of enhancements to its Suncrest facility in order to mitigate wildfires. HWT specifically aimed to achieve this through its Grid Design and System Hardening WMP initiatives:

- Through initiative 7.3.3.16 (Undergrounding of electric lines and/or equipment), HWT completed its goal of undergrounding 115 feet of an overhead span of transmission line. This transmission line is energized and connected to the Suncrest Substation via a new cable pole.⁴⁸ HWT prioritized this project due to its location in a Tier 3 HFTD

⁴⁷ Horizon West Transmission, "Annual Report on Compliance for 2021," March 31, 2022. p. 3. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52224&shareable=true>

⁴⁸ Bureau Veritas, "Final Independent Evaluator ARC," June 30, 2022. p. 19. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52693&shareable=true>

area. Undergrounding was identified as the solution, as the line's voltage would be in excess of the maximum allowable voltage for an insulation project.

- Through initiative 7.3.3.12 (Other corrective action), HWT completed its goal of installing seismic pads, blast walls, and flame-suppressing stone in transformer containment pits at the Suncrest Facility. HWT prioritized these upgrades due to identified insufficient hardening against wildfires, given the location in a Tier 3 HFTD area. HWT commissioned a third-party to study and identify these corrective actions to help mitigate wildfire risk.

In light of the enhancements identified above, Energy Safety finds that HWT sufficiently progressed its objective to harden the Suncrest facility according to prioritized wildfire mitigation measures.

5.2.2 Objective 2: Evaluate new technologies, materials, and methods for further reducing fire risk at HWT facilities

In its 2021 WMP Update, HWT stated that it would achieve this objective through HWT's internal programs and that a team that would be empowered and encouraged to evaluate and improve protocols and procedures. This aspect was not further addressed in HWT's subsequent reporting.

As a target of initiative 7.3.2.4 (Forecast of a fire risk index, fire potential index, or similar), HWT developed a new fire risk index. HWT reports at the high-level that this new methodology is now being used to increase awareness of fire threat to help inform its operational decisions.^{49, 50}

In light of the lack of reporting on the progress toward this objective generally, Energy Safety finds that HWT did not provide sufficient information to conclude that HWT progressed its objective to evaluate new technologies, materials, and methods for further reducing fire risk at HWT facilities.

5.3 Criterion 3: Wildfire Risk Reduction and Performance

Due to the limited size and scale of HWT's operations, combined with the inherent hardening against wildfire risk as a function of its infrastructure being newly constructed and mostly underground, the data required by Energy Safety to perform the analysis required by this criterion was not available. For example, HWT does not have any retail customers, and thus

⁴⁹ Horizon West Transmission, "Annual Report on Compliance for 2021," March 31, 2022. p. 3. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52224&shareable=true>

⁵⁰ Bureau Veritas, "Final Independent Evaluator ARC," June 30, 2022. p. 21. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52693&shareable=true>

does not foresee circumstances in which it would issue a PSPS event. In addition, because a great majority of HWT's infrastructure is underground, red flag warning data was not relevant to assessment of HWT's wildfire risk reduction. Energy Safety reviewed HWT's data and found that no risk events (i.e., ignitions, wire-down events, PSPS events, and unplanned or vegetation caused outages) occurred on HWT's infrastructure in 2021.

HWT has no distribution lines, and most of its infrastructure is either underground or within the perimeters of a single facility. This significantly limits HWT's wildfire risk exposure and provides a relatively low initial wildfire risk upon which HWT can improve. Nevertheless, HWT assessed its wildfire risk and identified mitigations efforts it needed to implement and several others to further evaluate. In addition, HWT was able to complete work for grid hardening efforts it planned for 2022 ahead of schedule. For these reasons, and because HWT had no reported risk events or foreseeable need for PSPS, Energy Safety finds that the net result of HWT's implementation of its 2021 WMP was a further reduction of its wildfire risk than would have been the case absent implementation.

5.4 Criterion 4: Satisfaction of 2021 WMP Update Goals

This section considers whether HWT made a good faith attempt to achieve its goals and comply with its WMP.

The goal of the WMP is to reduce the risk of catastrophic wildfires caused by utility infrastructure. Based on a review of the evidence presented in this ARC, Energy Safety finds that HWT made a good faith effort to comply with its WMP.

In the evaluation of HWT's compliance with its 2021 WMP, Energy Safety considered the small scope and scale of HWT's operations, the topology of HWT's infrastructure, the inherent wildfire risk reduction hardening it provides, HWT's lack of retail customers and distribution assets eliminating need for PSPS use, and the lack of any ignitions or other risk events reported to date.

HWT was largely successful in achieving its initiatives, having met or exceeded 13 of its 14 targets (93%). These initiatives, when taken together, are intended to have the effect of lowering the risk of utility-caused ignitions. While Energy Safety could not determine if HWT met one of its initiative targets, this did not substantially hinder HWT's ability to meet its overarching objective to mitigate the risk of wildfires by hardening equipment at the Suncrest facility. As discussed above, in terms of significance of completed initiatives relative to expenditure, HWT completed targets for all of its initiatives where expenditure had been planned.

5.5 Criterion 5: Execution, Management, and Documentation

This section considers whether HWT exhibited issues related to its execution, management, or documentation in the implementation of its WMP.

To accomplish this, Energy Safety undertook a holistic evaluation of all relevant information sources and assessments, including field verifications, for any systemic failings that may have hindered HWT's ability to reduce the risk of igniting a catastrophic wildfire.

Energy Safety did not find any systemic issues that hindered HWT's ability to adequately implement its WMP in 2021.

An analysis of HWT's performance in 2021 revealed that HWT was successful in the aspect of data management and documentation, which aided in the delivery of its 2021 WMP Update. To support continuous improvement, Energy Safety notes that more granular initiative management and tracking across reports, including management of planned expenditure, will help increase HWT's accountability towards mitigating wildfire risk.

6. Conclusion

Overall, HWT had positive outcomes related to implementation of its 2021 WMP. It met its targets for 13 of the 14 initiatives (93%) identified in its WMP, including all of the initiatives with allocated planned expenditure. HWT further progressed grid hardening projects for its Suncrest facility, beginning 2022 work ahead of schedule.

While HWT's reporting did not allow Energy Safety to determine if a target for one initiative was met, this did not materially hinder HWT's ability to mitigate its wildfire risk.

Energy Safety found that HWT successfully implemented its 2021 WMP during the compliance period. Given the scope and size of HWT's operations along with its customer base, HWT focused on actionable goals that reduced the likelihood of wildfire events.

HWT was largely successful in executing an actionable and adaptive plan for wildfire risk mitigation. There are, however, still areas for improvement and continued learning, including improving its reporting capabilities.

Energy Safety will continue to monitor HWT's implementation of its ongoing wildfire mitigation activities and push HWT to improve its ability to ultimately achieve the elimination of utility-caused catastrophic wildfires in California.

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APPENDICES

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1. Appendix A

1.1 Electrical Corporation (EC) ARC

HWT timely submitted its EC ARC on March 31, 2022. HWT's EC ARC included the five components required by Energy Safety. The subsections below summarize relevant portions of HWT's EC ARC.

1.1.1 Achievement of Risk Reduction

In its EC ARC, each electrical corporation is required to provide an assessment of whether the electrical corporation achieved its risk reduction intent by implementing all of its approved WMP Update initiatives, i.e., the degree to which initiative activities have reduced ignition probabilities. If the electrical corporation failed to achieve the intended risk reduction, it must provide a detailed explanation of why and a reference to where associated corrective actions are incorporated into its most recently submitted WMP.

HWT timely submitted its EC ARC on March 31, 2022. In its EC ARC, HWT reported that it met its targets for 13 of its 14 initiatives and did not report on progress for 1 of 14 initiatives.

The 13 initiatives with met targets were:¹

1. Continuous monitoring sensors (7.3.2.2):
 - a. HWT completed installation of a cable monitoring system for its underground cable and added additional cameras.
2. Forecast of a fire risk index, fire potential index, or similar (7.3.2.4):
 - a. HWT completed development of a proprietary fire risk index for its territories to inform decision making.
3. Other corrective measures (7.3.3.12):
 - a. HWT's hardening program installed seismic pads, blast walls, and flame-suppressing stone in transformer containment pits. The project is in progress for completion in 2022, which aligns with the 2021 WMP goal.
4. Undergrounding of electric lines and/or equipment (7.3.3.16):
 - a. HWT completed undergrounding of 115 feet of overhead span of transmission line (100% complete).
5. Detailed inspections of transmission electric lines and equipment (7.3.4.2):
 - a. HWT continued its cadence of monthly asset inspections and monitoring.

¹ Horizon West Transmission, "Annual Report on Compliance for 2021," March 31, 2022. p. 4. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52224&shareable=true>

6. Quality assurance / quality control of inspections (7.3.4.14):
 - a. HWT continued its cadence of monthly asset inspections and monitoring.
7. Substation inspections (7.3.4.15):
 - a. HWT continued its cadence of monthly asset inspections and monitoring.
8. Detailed inspections of vegetation around transmission electric lines and equipment (7.3.5.3):
 - a. HWT conducted all its monthly vegetation inspections.
9. Quality assurance / quality control of inspections (7.3.5.13):
 - a. HWT conducted all its monthly vegetation inspections.
10. Substation inspections (7.3.5.17):
 - a. HWT conducted all its monthly vegetation inspections.
11. Substation Vegetation Management (7.3.5.18):
 - a. HWT conducted all its monthly vegetation inspections.
12. Vegetation management to achieve clearances around electric lines and equipment (7.3.5.20):
 - a. HWT conducted all its monthly vegetation inspections.
13. Stationed and on-call ignition prevention and suppression resources and services (7.3.6.6):
 - a. HWT maintained on-site fire brigade support daily during on-going hardening construction activities in 2021 to minimize the risk of any on-site ignitions.

Additionally, there was one initiative for which HWT did not report any progress:

14. Protocols in place to learn from wildfire events (7.3.9.6).²

HWT did not specifically report on how these initiatives reduced ignition probabilities but notes that significant progress was made and reiterated their inherently low wildfire risk given its operations.

1.1.2 Planned vs Actual WMP Update Initiative Expenditures

In its EC ARC, each electrical corporation is required to provide descriptions of all WMP initiative planned expenditure versus WMP initiative actual expenditure and an explanation of any differences between the planned and actual expenditure.

² HWT mentions in their 2021 WMP Update implementing lessons learned from their After Action Review (AAR) of a nearby 2020 fire but does not report on such in their 2021 EC ARC. Energy Safety notes that this is likely due to a lack of required allocated resources to this initiative. However, Energy Safety requires that all initiatives included in the 2021 WMP that have specific targets be reported on in following QIUs and the EC ARC.

HWT reported the following regarding planned vs actual WMP Update expenditures for all of its WMP work:

Table 1: HWT's Planned Versus Actual Expenditure by Year (in thousand \$s)³

Year	Planned Cost (\$K)	Actual Cost (\$K)	Difference (\$K)
2020	\$4,085	\$4,632	\$547
2021	\$9,575	\$20,536	\$10,961

As indicated in Table 1, HWT expended over \$10.9 million more than the planned amount in 2021. HWT explained that it incurred the additional cost because, during 2021, it performed grid hardening work that was originally planned for 2022. The cost of that additional work was not included in HWT's 2021 WMP cost estimate for grid hardening.⁴

Although HWT spent \$10.9 more than planned for all the 2021 WMP work, HWT spent \$13.2 million more than planned for the grid hardening work. The difference is due to the fact that HWT spent less for its work on the other initiatives.⁵ HWT did not explain these differences in its 2021 EC ARC, nor did it report the difference between individual initiatives, instead reporting by initiative categories. HWT's explanation was only that it was able to achieve targets in these categories.

For initiative 7.3.9.6, where Energy Safety could not determine if the target was met, there was no planned expenditure for the 2021 compliance year.

³ Office of Energy Infrastructure Safety, "Final Decision on WMP 2022 Update HWT," Aug. 30, 2022. p. 14. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=53895&shareable=true>

⁴ Horizon West Transmission, "Annual Report on Compliance for 2021," March 31, 2022. pp. 3-4. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52224&shareable=true>

⁵ Horizon West Transmission, "Annual Report on Compliance for 2021," March 31, 2022. p. 4. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52224&shareable=true>

2. Appendix B

2.1 Substantial Vegetation Management Audit

On February 1, 2024, Energy Safety issued its SVM Audit and Audit Report for HWT. In the SVM Audit, Energy Safety assessed whether HWT met its quantitative commitments and verifiable statements in its 2021 WMP Update related to vegetation management. To perform this assessment, Energy Safety reviewed available information and, where necessary, requested additional documentation from HWT.

Energy Safety found that HWT performed the work required for the one vegetation management initiative in its 2021 WMP Update, as detailed in Table 2 below. As a result of HWT completing all the work required, Energy Safety found that HWT substantially complied with the substantial portion of the vegetation management requirements in its 2021 WMP Update.

Table 2. Energy Safety's Findings from HWT 2021 SVM Audit Report of WMP Vegetation Management Initiative

2021 WMP Update Initiative Number	2021 WMP Update Initiative Name	Finding
7.3.5	Vegetation Management and Inspections	All Work Performed

3. Appendix C

3.1 Initiative Performance

Energy Safety assessed whether HWT achieved its 2021 WMP Update qualitative and quantitative commitments through multiple analyses and information sources.

Energy Safety verified compliance to qualitative and quantitative commitments within HWT's 2021 WMP Update for its System Hardening, Asset Management and Inspections, and Vegetation Management initiatives. For each electrical corporation, the initiatives for compliance verification comprised >60% of the total WMP Update Proposed Expenditures.

Energy Safety also analyzed HWT's Q4 2021 QIU submission from March 31, 2022, HWT's EC ARC, and HWT's Q4 2021 QN to assess whether HWT achieved its 2021 WMP Update qualitative and quantitative initiative commitments.

3.1.1 2021 Quarterly Reporting Initiative Performance Analysis

HWT submitted three of its 2021 QIUs. The QIUs reported on seven initiatives, although of those seven, HWT reported twice on one initiative to account for two different targets.⁶ Additionally, HWT omitted eight initiatives from its QIUs even though qualitative targets were established by the WMP.⁷ Therefore, for the purpose of this analysis, Energy Safety considers a total of 14 initiatives.

As shown in Table below, of HWT's total 14 WMP initiatives, one contained a quantitative target and 13 contained qualitative targets.

Table 3: HWT Number of 2021 WMP Update Initiatives with Quantitative and Qualitative Targets

HWT's 2021 WMP Update Initiatives	Numbers
Initiatives with Quantitative Targets	1
Initiatives with Qualitative or Unspecified Targets	13
Initiatives with Both Quantitative and Qualitative Targets	0

⁶ The duplicated initiative was Initiative 7.3.3.12 (Other corrective action).

⁷ Of the eight omitted initiatives, seven were considered routine maintenance and inspection activities that HWT confirmed as completed in their EC ARC. HWT failed to report on initiative 7.3.9.6 in their QIUs or EC ARC.

HWT's 2021 WMP Update Initiatives	Numbers
Total Initiatives	14

3.1.2 Initiative Performance Results

Results for Initiatives with Quantitative Targets

HWT met the target for its singular initiative with a quantitative target. Table summarizes the initiative with an exclusively quantitative target.

Table 4: Initiatives with only Quantitative Targets

Initiative Number	Initiative Name	Target Units	WMP Target	Reported Actual Progress in QIU	Reported Actual Progress in EC ARC
7.3.3.16 ⁸	Undergrounding of electric lines and/or equipment	Feet Undergrounded	115	Complete	115 feet undergrounded

Results for Initiatives with Qualitative Targets

In its 2021 Quarter 4 QIU, HWT reported that it had completed five out of 13 of its 2021 WMP Update initiatives with qualitative targets, including:

- Completing installation of an underground cable monitoring system and additional cameras (7.3.2.2)
- Completing the development of a proprietary fire risk index for its territory (7.3.2.4)
- Installing transformer seismic pads, blast walls and flame-suppressing stone in transformer container pits (7.3.3.12)⁹
- Completing monthly inspection activities of transmission electric lines and equipment (7.3.4.2)¹⁰

⁸ While HWT does not classify this initiative as a quantitative target, Energy Safety has placed it in this category given its quantitative nature.

⁹ HWT reports the work for this initiative in 2021 is complete. The project is still set to be finished in 2022 per the 2021 WMP Update.

¹⁰ HWT reports this initiative as “in progress” in the QIU in order to reflect the ongoing nature of maintenance. Considering the nature of this initiative, Energy Safety considers them completed.

- Completing monthly inspection activities of vegetation around transmission electric lines and equipment (7.3.5.3)¹¹

In its QIUs, HWT did not report on eight WMP qualitative initiatives without allocated planned expenditure. In its EC ARC, HWT reported that seven of those initiatives were completed through routine maintenance and inspections.¹² This overall progress is further supported by the IE ARC. These initiatives included:

- Quality assurance / quality control of inspections (7.3.4.14)
- Substation inspections (7.3.4.15)
- Quality assurance / quality control of inspections (7.3.5.13)
- Substation inspections (7.3.5.17)
- Substation Vegetation Management (7.3.5.18)
- Vegetation management to achieve clearances around electric lines and equipment (7.3.5.20)
- Stationed and on-call ignition prevention and suppression resources and services (7.3.6.6)

HWT did not report on one of 13 WMP qualitative initiatives in either the QIU or EC ARC:

- Protocols in place to learn from wildfire events (7.3.9.6) – For this initiative, HWT established in its WMP that it would implement lessons learned as identified in After Action Review (AAR) of local wildfires, such as the 2020 Valley Fire. HWT stated it would continue conducting AAR as needed in the future to identify further improvements to wildfire strategy.¹³ However, the QIU and EC ARC did not report on this initiative. The IE reported a finding of “N/A,” stating that no AARs were conducted in 2021.¹⁴ Energy Safety cannot determine if the initiative’s qualitative target was met.

Based on Energy Safety’s review against the stated WMP targets, Energy Safety concludes that HWT met the targets for 12 of 13 initiatives (or 92%) with qualitative targets. Energy Safety was unable to determine if HWT met the target for one initiative due to HWT’s incomplete reporting.

¹¹ HWT reports this initiative as “in progress” in the QIU in order to reflect the ongoing nature of maintenance. Considering the nature of this initiative, Energy Safety considers these complete.

¹² Horizon West Transmission, "Annual Report on Compliance for 2021," March 31, 2022. p. 3. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52224&shareable=true>

¹³ Horizon West Transmission, "Wildfire Mitigation Plan 2021," March 1, 2021. p. 73. [Online]. Available: https://energysafety.ca.gov/wp-content/uploads/docs/wmp-2021/hwt_2021_wmp.pdf

¹⁴ Bureau Veritas, "Final Independent Evaluator ARC," June 30, 2022. p. 24. [Online]. Available: <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52693&shareable=true>

3.1.3 2021 Grid Design and System Hardening Initiatives Analysis

HWT's Grid Design and System Hardening initiatives represented 66% of HWT's total planned expenditure for its 2021 WMP Update.¹⁵

Energy Safety assessed whether HWT met its qualitative and quantitative commitments in its 2021 WMP Update for its Grid Design and System Hardening (Section 7.3.3)¹⁶ initiatives.

Energy Safety found that in 2021, HWT implemented verifiable statements for the Grid Design and System Hardening initiative commitment reviewed, as detailed in Table below.

Table 5: Energy Safety's Analysis of HWT's 2021 WMP Grid Design and System Hardening Initiative

Initiative Number and Name	2021 WMP Update Quantitative Target	2021 Actual Reported	2021 WMP Update Qualitative Target	2021 Actual Reported	Method of Verification	Energy Safety Finding
7.3.3.16: Undergrounding of Electric Lines and/or Equipment	Undergrounding 115 feet of overhead span of transmission lines at the Suncrest Facility	Completed undergrounding of 115 feet of overhead span of transmission lines at the Suncrest Facility	N/A	N/A	Data Request, QIU, EC ARC	Commitment met

3.1.4 2021 Asset Management and Inspections Initiatives Analysis

HWT's Asset Management and Inspections initiatives represented 1% of HWT's total planned expenditure for its 2021 WMP Update.¹⁷

¹⁵ Horizon West Transmission, "Wildfire Mitigation Plan 2021," March 1, 2021. p. 24. [Online]. Available: https://energysafety.ca.gov/wp-content/uploads/docs/wmp-2021/hwt_2021_wmp.pdf

¹⁶ Horizon West Transmission, "Wildfire Mitigation Plan 2021," March 1, 2021. p. 62. [Online]. Available: https://energysafety.ca.gov/wp-content/uploads/docs/wmp-2021/hwt_2021_wmp.pdf

¹⁷ Horizon West Transmission, "Wildfire Mitigation Plan 2021," March 1, 2021. p. 24. [Online]. Available: https://energysafety.ca.gov/wp-content/uploads/docs/wmp-2021/hwt_2021_wmp.pdf

Energy Safety assessed whether HWT met its quantitative and qualitative commitments in its 2021 WMP Update for its Asset Management and Inspections (Section 7.3.4)¹⁸ initiatives.

Energy Safety found that in 2021, HWT implemented its verifiable statements for the Asset Management and Inspections initiative commitment reviewed, as detailed in Table below.

Table 6: Energy Safety's Analysis of HWT's 2021 WMP Update Asset Management and Inspections Initiative

Initiative Number and Name	2021 WMP Update Quantitative Target	2021 Actual Reported	2021 WMP Update Qualitative Target	2021 Actual Reported	Method of Verification	Energy Safety Finding
7.3.4.2: Detailed inspections of transmission electric lines and equipment	N/A	N/A	Complete monthly inspections of the Suncrest Facility	Monthly inspections completed	Data request, QIU, EC ARC	Commitment met

¹⁸ Horizon West Transmission, "Wildfire Mitigation Plan 2021," March 1, 2021. p. 64. [Online]. Available: https://energysafety.ca.gov/wp-content/uploads/docs/wmp-2021/hwt_2021_wmp.pdf