



August 12, 2025

Dear Stakeholders,

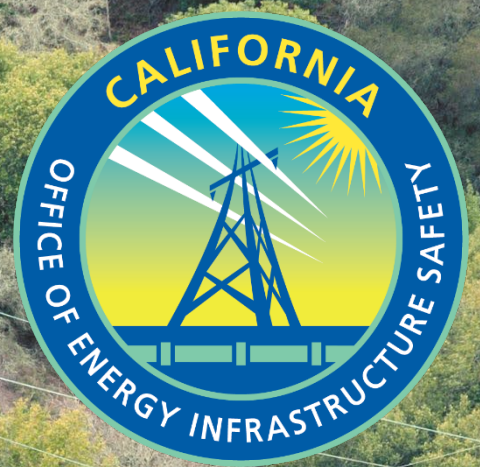
Enclosed is the Office of Energy Infrastructure Safety's (Energy Safety's) Annual Report on Compliance regarding LS Power Grid California's execution of its 2023 Wildfire Mitigation Plan.

This Annual Report on Compliance is published as of the date of this letter. LS Power Grid California 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 E-Filing system in the 2023 Annual Report on Compliance docket.¹

Sincerely,

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

¹ Submit responses to the [2023-ARC docket via the Office of Energy Infrastructure Safety's E-Filing system](https://efiling.energysafety.ca.gov/EFiling/DocketInformation.aspx?docketnumber=2023-ARC) here: <https://efiling.energysafety.ca.gov/EFiling/DocketInformation.aspx?docketnumber=2023-ARC>.



OFFICE OF ENERGY INFRASTRUCTURE SAFETY

**2023 ANNUAL REPORT ON
COMPLIANCE**

LS POWER GRID CALIFORNIA

August 2025

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Executive Summary

The Office of Energy Infrastructure Safety (Energy Safety) is tasked with evaluating and either approving or denying Wildfire Mitigation Plans (WMPs) annually filed by electrical corporations pursuant to Public Utilities Code section 8386 *et seq.* The law also directs Energy Safety to ensure that the electrical corporations have complied with their WMPs.

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. Energy Safety's annual compliance evaluation of LS Power's execution of its 2023 WMP is a comprehensive look at whether LS Power's completion of its 2023 WMP initiatives reduced the risk of its equipment igniting a catastrophic wildfire.

Energy Safety's evaluation found that LS Power Grid California (LS Power) completed two of two (100%) of its 2023 targets for initiative activities and objectives in its 2023-2025 Base WMP (2023 WMP).

LS Power's 2023 WMP did not provide a planned budget, however it expended an actual amount of \$16,000 for WMP work activities.

Energy Safety conducted its compliance review process through a variety of means including an analysis of data submitted by LS Power to Energy Safety. Energy Safety additionally reviewed LS Power's self-assessment in its Electrical Corporation Annual Report on Compliance (EC ARC) and the findings of its independent evaluator.

Energy Safety identified areas for improvement regarding the accuracy of WMP documentation submitted by LS Power. Energy Safety expects LS Power to improve the accuracy of its documentation going forward.

Energy Safety acknowledges that in 2023, LS Power undertook efforts to reduce its wildfire risk on the Orchard Substation construction site, as well as in preparation for construction at the Fern Road Substation site.

On balance, LS Power was successful in executing its plan for wildfire risk mitigation.

1. Introduction

This Annual Report on Compliance presents the Office of Energy Infrastructure Safety's (Energy Safety's) statutorily mandated assessment of LS Power Grid California's (LS Power's) compliance with its 2023 targets for initiatives and objectives in its 2023-2025 Base Wildfire Mitigation Plan (2023 WMP). While the 2023-2025 Base WMP considers activities over a three- and ten-year horizon, this report only addresses targets established for initiatives and objectives for the 2023 compliance year. Therefore, this report uses the term "2023 WMP" to refer to portions of the 2023-2025 Base WMP addressed by this report.

In the sections that follow, Energy Safety describes the statutory regulatory basis for its reporting, the information supplied by the electrical corporation, and the independent evaluation conducted by Energy Safety to examine LS Power's execution of its 2023 WMP and how its infrastructure performed in 2023 relative to wildfire risk. Finally, Energy Safety provides its conclusions, observations, and recommendations for further actions by LS Power.

1.1 Compliance Process

The statutory objective of electrical corporation wildfire mitigation planning efforts is to ensure that electrical corporations are constructing, maintaining, and operating their infrastructure in a manner that will minimize the risk of catastrophic wildfire.¹

Energy Safety's 2024 Compliance Process, as approved by the California Public Utilities Commission, establishes the parameters for this Annual Report on Compliance. Consistent with the 2024 Compliance Process, this report considers the totality of all compliance assessments completed with respect to LS Power's 2023 WMP. This includes all inspection, audit, investigation, and data analysis work performed by Energy Safety, as well as separate electrical corporation and independent third-party evaluations of compliance.²

Energy Safety assessed whether the electrical corporation met the 2023 WMP targets for initiatives and objectives, looking specifically at whether the electrical corporation funded and performed the work stated for each initiative.³

¹ Pub. Util. Code § 8386(a).

² Compliance Process, page 8.

³ Compliance Process, page 8.

2. LS Power Grid California 2023 Wildfire Mitigation Plan

LS Power submitted a comprehensive WMP in 2023 covering a three-year term from 2023 through the end of 2025. Energy Safety approved LS Power's 2023 WMP on January 30, 2024.⁴ There was one WMP initiative target established for 2023:⁵

1. Meeting with local agencies to establish and maintain relationships, ensure public officials are aware of the facilities, and work to reduce risk of communication failures during an emergency.⁶

LS Power's continuing mitigation efforts beyond 2023 covered several programs, and include the following three and ten-year objectives:⁷

Three-year objectives include:

- Grid Design, Operations, and Maintenance:
 - Implementation of Hot Work Programs during construction and maintenance activities.
 - Implement a monthly substation inspection program once operational.
- Vegetation Management:
 - Establish risk-based vegetation buffer zones and implement a monthly substation inspection program once operational.
- Situational Awareness and Forecasting:
 - Integration of StormGeo weather forecasting into decision-making and safety practices.
 - Implement 24/7 video-security surveillance at substation locations.
- Emergency Preparedness:
 - Establish and ensure integration into Local Public Safety Computer dispatch systems.
 - Work to build relationships with local fire agencies and conduct annual visits.
- Community Outreach and Engagement:
 - Work to build relationships with local fire agencies and conduct annual visits.

Ten-year objectives include:

- Grid Design, Operations, and Maintenance:

⁴ WMP Decision.

⁵ 2023 WMP, page 96.

⁶ 2023 WMP, page 96.

⁷ 2023 WMP, page 96.

- Incorporate enterprise asset management system into LS Power maintenance orders.
- Vegetation Management and Inspections:
 - Same as three-year plan as described above.
- Situational Awareness and Forecasting:
 - Evaluate and enhance the use of live video by control room Transmission System Operators.
- Emergency Preparedness:
 - Establish more formalized review of procedures with benchmarking.
- Community Outreach and Engagement
 - Share lessons among Independent Transmission Operator (ITO) peers.

Of particular importance is one objective which has goals for the 2023 compliance year:

- Implementing Hot Work Programs (i.e., protocols for work activities that require a flame, have a high probability to produce sparks, or work activities allowed during elevated weather events) during construction and maintenance activities.⁸

Descriptions of the activities and objectives of the programs and initiatives contained in LS Power's 2023 WMP are listed in the table in Appendix A.

⁸ 2023 WMP, pages 95, 100.

3. LS Power Grid California Annual Report on Compliance

Public Utilities Code section 8386.3(c)(1) directs electrical corporations to file a report addressing the electrical corporation's compliance with their WMP during a compliance year. This document is known as the Electrical Corporation Annual Report on Compliance (EC ARC).

Energy Safety's 2023 Compliance Guidelines outlined the requirements for an EC ARC prepared to address the 2023 compliance year and filed by the electrical corporation in early 2024. The EC ARC was required to detail the electrical corporation's self-assessment of its compliance with the 2023 WMP during the 2023 compliance period.⁹

LS Power submitted its EC ARC to Energy Safety on March 29, 2024.¹⁰ The following is a narrative summary of the EC ARC.

According to LS Power's 2023 EC ARC, LS Power has "no baseline risk values and no insightful way to calculate risk reduction." Therefore, an assessment of risk was not included in its EC ARC.¹¹

Additionally, LS Power reiterated its three- and ten-year objectives, and planned verification methods for work completed, such as work procedures or commissioning documentation.

3.1 EC ARC Information on Initiative Completion

In its EC ARC, LSP did not assess its risk reduction intent or progress in 2023, as its facilities were primarily under construction and non-operational. However, LS Power highlighted the following as key accomplishments in 2023:

- Hot Work Programs (i.e., protocols for work activities that require flame or have a high probability to produce sparks) were applied to maintenance activities during their operational phases. This program will also include protocols for activities allowed during elevated weather events. This process was facilitated through a Worker Environmental Awareness Program (WEAP). In LS Power's WEAP, Hot Work Programs are listed as required and must meet various minimum requirements to enhance safety. WEAP training is required and followed by all personnel at each site.¹²

⁹ Compliance Guidelines.

¹⁰ 2023 WMP.

¹¹ EC ARC, page 5.

¹² 2023 WMP, page 95; EC ARC, page 5.

- With respect to establishing and building relationships with local fire agencies, the minimum target of two meetings for the year was exceeded through attending multiple agency meetings for both substation locations in 2023.¹³

3.2 EC ARC Information on Initiative Funding

In general, LS Power spent above the planned amounts on its 2023 WMP initiatives by approximately \$16,000.¹⁴ LS Power's EC ARC listed planned expenditures for each initiative in its three-year plan from 2023-2025. The planned expenditures listed were not previously reported in its 2023 WMP or Quarterly Data Report (QDR).

¹³ EC ARC, page 7.

¹⁴ EC ARC, pages 8-9.

4. Independent Evaluator ARC for LS Power Grid California

Energy Safety, in consultation with the Office of the State Fire Marshal, annually publishes a list of entities qualified to serve as independent evaluators of WMP compliance.¹⁵ Each electrical corporation is then required to hire an independent evaluator (IE) from the list to perform an independent WMP compliance assessment.¹⁶

The IE reviews and assesses the electrical corporation's compliance with its approved WMP. As part of its evaluation, the IE must determine whether the electrical corporation failed to fund any activities included in its plan.

On July 1st of each year, the IE issues its Independent Evaluator Annual Report on Compliance (IE ARC) for a given electrical corporation.¹⁷

The 2023 IE ARC for LS Power was prepared by Bureau Veritas. The IE ARC included a review of the wildfire mitigation initiatives and activities implemented in 2023, and an accounting of whether LS Power met its performance targets, underfunded any of the initiatives, and followed its quality assurance and quality control (QA/QC) processes.

The IE determined that LS Power completed its initiative activities and objectives outlined in the approved LS Power 2023 WMP.¹⁸ The IE also evaluated LS Power's funding of initiatives. The IE evaluated all planned and actual expenditures related to the WMP, including general work not associated with specific initiatives with 2023 targets.

With respect to planned initiative activities and expenditures, LS Power had a goal for "building relationships with local fire agencies and conducting annual visits," but did not specify a planned expenditure for this work in its WMP. The IE ARC reported that LS Power spent \$16,000 on this initiative activity for staff travel to and from the site locations, and for meetings with local fire safety officials.

Separately from planned initiative activities and expenditures, the IE reported that LS Power spent \$47,000 on "Wildfire Mitigation Strategy Development" activities that did not have specified initiative activity targets or planned expenditure. The funding allocated to this work included a contract with Dudek Consulting to assess wildfire risk and develop practices for construction fire prevention at the Fern Road substation.

¹⁵ Pub. Util. Code § 8386.3(c)(2)(A).

¹⁶ Pub. Util. Code § 8386.3(c)(2)(B)(i).

¹⁷ Pub. Util. Code § 8386.3(c)(2)(B)(i).

¹⁸ IE ARC, page 7.

The IE did not verify work against the objective for implementation of Hot Work Program protocols.

Finally, the IE concluded that LS Power is applying and following its QA/QC processes.¹⁹

¹⁹ IE ARC, page 7.

5. Energy Safety Evaluation of WMP Initiative Completion

Energy Safety's evaluation of LS Power's performance in 2023 indicates that LS Power attained its two targets (100%) for its 2023 WMP initiative activities and objectives. The subsections below describe Energy Safety's evaluation of LS Power's execution of its 2023 WMP.

5.1 LS Power 2023 WMP Initiative Activities Assessed by Energy Safety

Energy Safety assessed two targets for wildfire mitigation initiatives and objectives from the 2023 WMP. The initiatives are grouped into two main categories:

1. Grid Design, Operations, and Maintenance with one initiative assessed.
2. Emergency Preparedness with one initiative assessed and a funding budget.

A complete list of targets appears in Appendix A, Table 2.

The initiative and objective assessment process included comparing the actual initiative and objective completion figures reported by LS Power in the QDR, the EC ARC, and the IE ARC.²⁰ The information from each of these sources are summarized along with the final assessment of compliance for each initiative in the table in Appendix A.

5.2 Energy Safety Analysis of Substantial Vegetation Management Audit

Public Utilities Code section 8386.3(c)(5) requires Energy Safety to perform an audit of the work performed by, or on behalf of, an EC with respect to the vegetation management requirements in its WMP.¹⁸ Energy Safety refers to this audit as the Substantial Vegetation Management (SVM) Audit.

However, LS Power did not have vegetation management targets or goals for 2023; therefore, Energy Safety did not conduct an SVM Audit of LS Power for 2023.

²⁰ 2023 Q4 QDR; EC ARC; IE ARC.

5.3 Energy Safety Field Inspection Analysis

For the 2023 compliance period, Energy Safety did not conduct inspection activities of LS Power's facilities.

5.4 LS Power Grid California WMP Objective and Initiative Activity Attainment in 2023

Energy Safety assessed one wildfire mitigation initiative activity from the 2023 WMP and found that the one initiative activity target was met:

- Developing relationships with local fire agencies for future coordination as needed.

Energy Safety also assessed 2023 objectives that had targets associated with work performed in 2023. Energy Safety found that a target for one 2023 WMP objective was met:

- Establishing Hot Work Programs for use in construction and in energized operations.

The detail of Energy Safety's assessment appears in Appendix A of this report.

6. Wildfire Risk Reduction: Performance Metrics, and Overall WMP Execution

LS Power's infrastructure was under construction and not energized in 2023. Therefore, Energy Safety did not conduct an ignition risk and outcome metric analysis for LS Power in 2023.

6.1 Issues Related to LS Power's Execution, Management, or Documentation of WMP Implementation

LS Power's inconsistent reporting of planned and actual initiatives for 2023, and planned and actual expenditure for 2023 in its data sources (2023 WMP, QDR, and EC ARC) complicated Energy Safety's assessment of compliance for 2023.

Examples of the inconsistent reporting include:²¹

- The 2023 Q4 QDR listed eight initiatives planned for the entire 2023-2025 WMP cycle, rather than 2023 initiatives with targets or objectives only.
- In the 2023 Q4 QDR, all the initiative statuses were listed as "ongoing" or "in progress." None of the initiatives provided an accurate status of "complete."
- The EC ARC also reported out on progress of eight initiatives for the entire 2023-2025 WMP cycle.
- The numbering of the pages of the EC ARC is inaccurate. The pages read as if there are only five pages to the report, but there are eight. Pages six through eight read as "Page 6 of 5," etc.
- The 2023 Q4 QDR did not report the 2023 planned expenditure, as in its approved 2023 WMP.
- The 2023 Q4 QDR did report an actual expenditure in 2023 of \$63,000, including \$47,000 spent on "Wildfire Mitigation Strategy Development," which is not an approved initiative with a target or objective for 2023.

²¹ 2023 Q4 QDR, Table 1, 11; EC ARC, pages 5-7.

- The EC ARC reported an actual spend of \$16,000 towards its 2023 planned targets and objectives.

Energy Safety expects LS Power to exercise improved data governance practices in the future and provide consistent reporting to Energy Safety.

7. Conclusion

Energy Safety has determined that LS Power met its 2023 WMP targets.

However, Energy Safety identified areas for improvement regarding the accuracy of WMP documentation submitted by LS Power. Energy Safety expects LS Power to improve the accuracy of its documentation going forward.

On balance, LS Power was successful in executing its plan for wildfire risk mitigation.

8. References

Table 1. References

Citation	Reference
2023 Q4 QDR	LS Power, “ <u>LSPGC 2023 Q4 Tables 1-15 R1</u> ,” Published April 15, 2024, URL:(https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=56490&hareable=true).
2023 WMP	LS Power, “ <u>Wildfire Mitigation Plan</u> ,” Published May 9, 2023, URL:(https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=53817&hareable=true).
2023 WMP Decision	Office of Energy Infrastructure Safety, “ <u>Decision on LS Power Grid California’s 2023-2025 Wildfire Mitigation Plan</u> ,” Published January 30, 2024, URL:(https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=56225&hareable=true).
Compliance Guidelines	Office of Energy Infrastructure Safety, “ <u>Compliance Guidelines</u> ,” Published September 2023, URL:(https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=55586&hareable=true).
Compliance Process	Office of Energy Infrastructure Safety, “ <u>Compliance Process</u> ,” Published September 2024, URL:(https://energysafety.ca.gov/wp-content/uploads/2024/12//2024-wmp-compliance-process.pdf).
EC ARC	LS Power, “ <u>LS Power Grid California's 2023 Annual Report on Compliance for 2023 Wildfire Mitigation Plan</u> ,” Published March 29, 2024, URL:(https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=56439&hareable=true).
IE ARC	Bureau Veritas, “ <u>Final Independent Evaluator Annual Report on Compliance</u> ,” Published July 1, 2024, URL:(https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=57456&hareable=true).

Citation	Reference
Pub. Util. Code § 8386	<u>Public Utilities Code section 8386</u> , Effective January 1, 2022, URL:(https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PUC&sectionNum=8386).

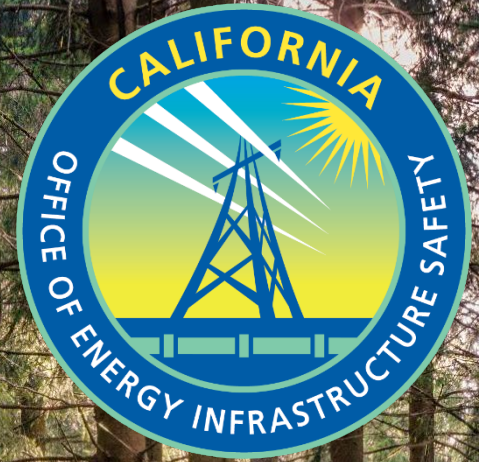
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APPENDICES

9. Appendices

Appendix A: LS Power Information on WMP Initiative Activity Attainment

Each of LS Power's two initiative activity and objective targets from its 2023 WMP, and LS Power's self-reporting on compliance contained in its QDR, its EC ARC, and the IE ARC are summarized in Table 2.²²

Table 2. LS Power WMP Initiative Activity and Objective Attainment Information²³

2023 WMP Initiative/ Objective	2023 WMP Activity Target	QDR	EC ARC	IE ARC	Attainment Status	Planned Expenditure (\$ thousand)	Actual Expenditure (\$ thousand)
Personnel Work Procedures and Training in Conditions of Elevated Fire Risk 8.1.8.3 LSP-01	Implement Hot Work Programs during construction and maintenance activities	Target: Implement Hot Work Program Actual: In Progress	Target: Implement Hot Work Program Actual: Implemented by construction personnel	Target: Implement Hot Work Program Actual: Implemented by construction personnel	Met	\$0	\$0

²² 2023 Q4 QDR; EC ARC; IE ARC.

²³ This table includes all initiative activities that had targets for the 2023 compliance year but does not include initiative activities for which LS Power had planned or actual expenditures and no targets for the 2023 compliance year.

2023 WMP Initiative/ Objective	2023 WMP Activity Target	QDR	EC ARC	IE ARC	Attainment Status	Planned Expenditure (\$ thousand)	Actual Expenditure (\$ thousand)
Collaboration on Local Wildfire Mitigation Planning 8.5.4 LSP-09	Meetings with local agencies	Target: 2 Actual: 5	Target: N/A Actual: N/A	Target: 2 Actual: N/A	Met	\$0	\$16