HORIZONWEST TRANSMISSION

INDEPENDENT EVALUATOR

Annual Report on Compliance for Wildfire Mitigation Plan Compliance Year 2024

JUNE 30, 2025

BUREAU VERITAS

C2 GROUP®

TABLE OF CONTENTS

DISCLAIMER

This report has been compiled through the process of observation and review of documents provided by the electric service provider named herein. The Office of Energy Infrastructure Safety ("Energy Safety") instituted the requirement for an independent evaluation of electric utility providers Wildfire Mitigation Plans ("WMP"). Bureau Veritas is not the designer, implementer, or owner of the WMP and is not responsible for its content, implementation and/or any liabilities, obligations or responsibilities arising therein.

The report reflects only those conditions and practices which could be ascertained through observation at the time of evaluation. This report is limited to those items specifically identified herein. The report is not intended to validate that dangers, hazards and/or exposures are or are not present. Bureau Veritas shall only be responsible for the performance of the services identified or defined in its specific scope of services.

Bureau Veritas does not assume any responsibility for inaccurate, erroneous or false information, express or implied, that was provided to Bureau Veritas for its evaluation herein. In addition, Bureau Veritas shall have no responsibility to any third party relying on this report. This report is for the sole benefit of Energy Safety and the electric Service Provider herein.

1. EXECUTIVE SUMMARY

The devastating wildfires of the past and present have taught us valuable lessons about safeguarding California's lands, particularly in areas where electrical infrastructure coexists with wildland environments. In response to these challenges, the California Public Utilities Commission (CPUC) initiated Rulemaking 18-10-007 to provide guidance on Wildfire Mitigation Plans (WMPs) for Investor-Owned Utilities (IOUs), now referred to as Electrical Corporations (ECs). These WMPs are designed to cover a three-year period, with the first cycle of independent evaluations beginning in 2020.

This Independent Evaluator (IE) Annual Report of Compliance (ARC) assesses Horizon West Transmission (HWT)'s second cycle plan, which began in 2023 and extends to 2025. The IE ARC reviews the WMP initiatives as outlined for 2024 and evaluates HWT's performance in meeting their committed objective targets. These targets include specific quantifiable or qualitative performance goals, verification of QA/QC program implementation, processes, and results, as well as the distribution of funding to initiatives described within the WMP.

Pursuant to Public Utilities Code Section 8386.3(c)(2)(B)(i), (ii), (iii), and (iv), Bureau Veritas North America, Inc. (BVNA) has been selected as the IE to review and assess HWT's 2024 WMP in its entirety. This IE ARC will present BVNA's findings and results for review. BVNA was included in the Office of Energy Infrastructure and Safety (Energy Safety) Independent Evaluator List for 2024 WMPs, dated January 27, 2025, in accordance with Public Utilities Code section 8386.3(c)(2)(A).

In compliance with Energy Safety's requirements, HWT has contracted BVNA to provide the IE assessment. This assessment includes the IE responsibilities outlined in Public Utilities Code section 8386.3(c)(5)(C), which involve performing the following tasks:

- Task 1: Consult with Energy Safety on compliance assurance auditing that will be performed
- Task 2: Perform compliance assurance auditing, including field inspections
- Task 3: Draft and provide to Energy Safety a report on audit findings, including deficiencies of underfunded WMP activities
- Task 4: Draft and provide to Energy Safety a report on deficiencies of electrical corporations
- Task 5: Track and report deficiencies of audit findings

Docket Title: 2023 to 2025 Electrical Corporation Wildfire Mitigation Plans; Docket #: 2023-2025-WMPs produced on September 17, 2024, for HWT's 2024 WMP and the requirements of the Public Utilities Code (PU Code); Bureau Veritas North America, Inc. (BVNA), in partnership with C2 Group, have reviewed HWT's 2024 WMP.

Introduction

Bureau Veritas North America (BVNA) has conducted a comprehensive review of all documents supporting the implementation of Horizon West Transmission's (HWT) 2024 Wildfire Mitigation Plan (WMP) strategic initiatives. This Independent Evaluator (IE) report presents the findings and technical review of HWT's WMP.

HWT is a transmission-only utility that began operations on February 29, 2020. Its first facility, the Suncrest Static VAR Compensator (SVC), is situated on privately-owned lands in the south-central portion of San Diego County, California, approximately 3.8 miles southwest of Descanso and 3.4 miles southeast of Alpine. The facility comprises the SVC and a 230 kV underground transmission line that connects to the San Diego Gas & Electric (SDG&E) owned Suncrest Substation. The primary access to the site is via the [redacted]. The project site is located within the northwest quarter of Section 3, Township 16 South, Range 3 East, on the U.S. Geographical Survey (USGS) 7.5-minute Viejas Mountain, California quadrangle map. HWT's facility includes an access road, an on-site fire water storage tank, a perimeter concrete wall, and related infrastructure for the SVC facility. The site is classified as a Tier 3 High Fire-Threat District (HFTD) in San Diego County. Fire hazard designations are determined by factors such as topography, vegetation, and weather, with more hazardous sites characterized by steep terrain, unmaintained fuels/vegetation, and urban-wildland interface (WUI) locations.

The surrounding area of HWT's facility consists of semi-rural residential developed lands and open space, both in private and federal land holdings. The facility is situated on privately owned lands within the administrative boundary of the United States Forest Service-Cleveland National Forest. SDG&E's privately owned lands, including the Suncrest Substation, are located within one mile of the facility's west side, while the Cleveland National Forest lands lie to the north. Individual and private ownerships are found to the east and south of the project site. HWT's fire prevention performance metrics aim to reduce the potential for on-site ignitions that may spread to off-site vegetation, a philosophy that has proven successful to date. The 2024 WMP outlines established performance metrics that demonstrate an approach to preventing ignition events by identifying, documenting, tracking, and monitoring high-risk ignition sources that may result in flames, sparks, arcs, uncontrolled fires, loss of molten/heated material, or similar ignition vulnerabilities. As a transmission-only utility without distribution customers, HWT is not subject to the items outlined in PUC section §8386 and the WMP Guidelines relevant to customer communication, and no reference to Public Safety Power Shutoff (PSPS) is made.

This report includes the approach and methodology used to evaluate the Plan's comprehensiveness, HWT's Plan elements, and their fulfillment of initiatives and metrics, which are included in the Quality Assessment and Quality Control provisions outlined within the Plan Determinations and results. The BVNA team's review drew upon their expertise in critical elements as the IE to determine the comprehensiveness of HWT's Wildfire Mitigation Plan. While not all strategies were necessary to confirm HWT's fulfillment of their WMP due to the facility's size, location, and system or operational characteristics, BVNA's understanding of collected utility strategies demonstrated throughout the state is summarized below:

1. **Inspection and maintenance of distribution, transmission, and substation** includes a comprehensive approach conducting system patrols and ground inspections using advanced technological tools, managing predictive and electrical preventative maintenance, performing vegetation inspections and management, implementing vulnerability detection methods such as Light Detection and Ranging (LiDAR) inspection, and utilizing geospatial and topography identification along with geographic information system (GIS) mapping data. A key aspect of these programs is the identification and collection of data elements through each initiative. Understanding how this data is used and shared is essential for improving utility practices and enhancing overall wildfire mitigation efforts.
2. **System hardening** includes pole replacement, non-expulsion equipment, advanced fuses, tree attachment removal, less flammable transformer oil, covered wire and wire wrap, and undergrounding where it is supported by a cost benefit analysis.
3. **De-energization** actions are triggered and prioritized based on various fire weather conditions such as forecasted, imminent, and validated extreme fire weather conditions. Plans for re-energization when weather conditions subside to safe levels are implemented. Both manual and automatic capabilities to implement the de-energization and re-energization process exist.
4. **Advanced Technologies** include Distribution Fault Anticipation (DFA) technology, tree growth regulators, pulse control fault interrupters, oblique and hyperspectral imagery, advanced transformer fluids, advanced LiDAR systems, and advanced Supervisory Control and Data Acquisition (SCADA) systems. These technologies help reduce risk of electrical ignition, mitigate power outages, and prevent equipment damage.
5. **Vegetation management**, including routine preventative vegetation maintenance; corrective vegetative management and off-cycle tree work; emergency vegetation clearance, prioritized for portions of the service territory in Tier 2 and 3 HFTD; quality control processes; and resource protection plan, including animal and avian mitigation programs. Enhanced Vegetation Management (EVM) with enhanced inspections, aims to keep all aspects of trees away from power lines and to prescribe

minimum clearances that exceed state standards. EVM implements frequencies of inspection beyond the routine patrols to address dead, diseased or dying trees from power lines where they can do no harm.

6. **Situational Awareness** involves gathering real-time information from various sources to create a comprehensive understanding of current conditions. This included data from devices and sensors on electrical systems, weather monitoring equipment, and other tools that assess wildfire conductivity conditions. Utilization of programs such as online feeds and websites like the NFRDS help the EC employ risk-informed, data-supported decision-making processes. The goal of these situational awareness efforts is to achieve a shared understanding of actual conditions amongst all stakeholders, thereby improving collaborative planning and decision-making.
7. **Emergency Preparedness, Outreach, and Response** efforts engage a wide range of key stakeholders, including critical facilities, customers, local government, and essential agencies such as CAL FIRE. Strong communication channels are employed with local law enforcement agencies, first responders, hospitals, local emergency planning committees, other utility providers, and the California Independent System Operator. Coordination agreements such as mutual Aid or Assistance, as well as a community outreach plan is in place to inform and engage the various stakeholders.
8. **Operational practices** include communication protocols, and the execution of specific plans designed to minimize fire danger. A key element of this approach is the strategic deactivation of automatic reclosers during high-risk periods. De-energization decisions are based on a multifaceted risk assessment that consider various factors, including the type of facility, tree and vegetation density, the presence of available dry fuel, and other location specific vulnerabilities to wildfire risk.

Key Findings

As detailed in Section 4, the Independent Evaluator's (IE) compliance review has determined that HWT is substantially compliant with its 2024 WMP. This conclusion is based on the 2024 WMP, data responses, and field assessments. The key findings are as follows:

- HWT has met their intended targets outlined in the 2024 WMP and were validated with **2 total number of initiatives completed within 5% of the WMP targets**.
- Funding verification identified notable budget variances within Asset Inspections and Vegetation Inspections; however, both initiatives maintained full compliance and met their 2024 WMP Targets despite these variances.
- Although the 2024 WMP did not define explicit risk reduction goals, HWT maintained compliance and documentation integrity throughout initiatives.

- The QA/QC program was appropriately aligned with HWT's operational scale, achieving "Routine" levels in most dimensions (Roles & Responsibilities, QMS, Inspections & Audits, Technology Adoption) and "Applied" in Quality Culture. Implementation of the Asset Management Program (AMP) significantly improved data management, task automation, and overall program effectiveness.

Table 1: Initiatives with Absolute % Differences > 10%

Initiative Number, WMP Section Number, and Name	Total Budget ($)	Total Expenditure ($)	Total Variance Between Budget and Expenditure (%)
001 - 8.1.3.1 - Asset Inspection	$66	$225.9	242%
002 - 8.2.2.1 - Vegetation Inspections	$17	$8.3	51%

Table 2: 10 Largest Initiatives by Planned Expenditure

No.	Initiative Number, WMP Section Number, and Name	Failed to Fund? (Funded below 100%)
1	001 - 8.1.3.1 - Asset Inspection	No
2	002 - 8.2.2.1 - Vegetation Inspections	Yes

Recommendations

Given HWT's unique position as a transmission-only utility with a single facility (Suncrest SVC), their limited scope of initiatives were appropriately focused on Asset and Vegetation Inspections. All initiatives achieved their risk reduction goals despite budget variances. As detailed throughout this report, the Independent Evaluator's (IE) compliance review has determined that HWT is substantially compliant with its 2024 WMP. This conclusion is based on the 2024 WMP, supplemental documents, data request responses, and the on-site field assessment.

- **Budget Forecasting and Allocation Improvements:** Enhance the accuracy of employee time allocation forecasting to avoid significant reclassification issues and refine carryover cost tracking to ensure clarity and accuracy between compliance periods.

- **QA/QC Technology Advancement:** Explore opportunities for QA/QC technology adoption to advance from current maturity levels. Continue refining the AMP to

integrate broader operational functions, improving data utilization for predictive analysis and continuous improvement efforts.

2. FOCUS INITIATIVES AND DISCUSSION

Given HWT's limited scope as a transmission-only utility with only two total initiatives, all initiatives were designated as Focus Initiatives, as per Energy Safety guidance, which states that when an electrical corporation has fewer than 10 initiatives, each initiative should be considered a Focus Initiative, as shown in Table 3.

Table 3: List of Focus Initiatives

No.	Initiative Number, WMP Section Number, and Name
1	001 - 8.1.3.1 - Asset Inspection
2	002 - 8.2.2.1 - Vegetation Inspections

3. SITE AND SAMPLE SELECTION AND DISCUSSION

Given the limited scope of HWT's operations and the small number of initiatives, the IE conducted a full site visit of the facility rather than employing a sampling methodology. Sampling percentages do not apply, as the facility was observed in its entirety. The site visit included direct observation of all applicable infrastructure, vegetation clearances, and inspection practices. Onsite information was captured through visual assessment and a discussions with facility personnel. Detailed findings, including photographic evidence and location-specific observations, are documented in Attachment 7.5: Onsite Field Assessment Report.

4. REVIEW OF INITIATIVES ACROSS WMP CATEGORIES: COMPLIANCE AND FUNDING

To verify compliance, the IE employed a comprehensive approach that included reviewing and assessing multiple WMP activities through data requests, examining publicly available documents, and conducting an on-site facility assessment to document and validate the items outlined in Horizon West Transmission's 2024 WMP.

At the outset of the evaluation, the IE initiated the assessment by thoroughly reviewing HWT's 2024 WMP to identify HWT's stated 2024 WMP goals. For WMP activities described in the 2024 WMP but not provided within the publicly available records, the IE submitted data requests to verify these activities (see Attachment 7.2). In addition to the document analysis and data requests, the IE conducted a site visit to HWT's sole facility, Suncrest Facility, to collect images and evaluate compliance with the 2024 WMP activities or initiatives identified during the initial review (see Attachment 7.5).

The IE's analysis and synthesis of findings for each respective section are detailed further within Section 4, "Review of Initiatives Across WMP Categories: Compliance and Funding," of this report. This section provides an in-depth examination of HWT's compliance with the 2024 WMP based on information gathered through document review, data requests, and on-site facility assessments.

The IE evaluated HWT's 2024 WMP initiatives across the standard five WMP categories. Given HWT's focused operational scope as a transmission-only utility, initiatives were concentrated within Grid Design, Operations and Maintenance, and Vegetation Management and Inspections, which directly support wildfire risk mitigation as shown in Table 4.

Table 4: WMP Initiative Category Initiative Summary

WMP Initiative Category	No. of Focus and Field Verifiable Initiatives	No. of Focus and Non-Field Verifiable Initiatives	No. of Non-Focus and Field Verifiable Initiatives	No. of Non-Focus and Non-Field Verifiable Initiatives
Grid Design, Operations, and Maintenance	0	1	0	0
Vegetation Management and Inspections	0	1	0	0
Situation Awareness and Forecasting	0	0	0	0
Emergency Preparedness	0	0	0	0
Community Outreach and Engagement	0	0	0	0

Funding Evaluation Methodology

The IE employed a comprehensive approach to evaluate funding compliance for each initiative in the WMP. The funding methodology approach included the following:

- **Budget Baseline Establishment:** Reviewed WMP planned budgets from HWT's 2024 WMP filing to establish planned expenditure baselines and cross-referenced reported expenditures against accounting records and Q4 2024 QDR Table 11.
- **Actual Expenditure Verification:** Compared actual expenditures reported in HWT's March 2025 ARC against WMP budgets.
- **Variance Analysis:** Calculated absolute percent differences for all initiatives.

- **Threshold Application:** Applied a 10% threshold to identify initiatives requiring detailed explanation.
- **Supporting Documentation Review:** Requested and reviewed supporting documentation for all variances exceeding 10% if not already self-reported by HWT.

Using the above methodology and approach, Table 5 below summarizes the overall expenditures by Category, as detailed in HWT's March 2025 ARC, with additional details and synthesis for each initiative shown within Sections 4.1, 4.2, and 4.4 herein.

Table 5: Summary of WMP Expenditures by Category (Spend in Thousand $)

WMP Category	2024 Planned[1]	2024 Actual[1]	2024 Variance[1]
Community Outreach and Engagement	$0	$0	$0
Emergency Preparedness[2]	$70	$68	$(2)
Grid Design, Operations, and Maintenance	$66	$225.9	$159.9
Overview of the Service Territory	$0	$0	$0
Risk Methodology and Assessment	$0	$0	$0
Situational Awareness and Forecasting	$0	$0	$0
Vegetation Management and Inspection	$17	$8.3	$(8.7)
Wildfire Mitigation Strategy Development	$0	$0	$0
Total	**$153**	**$302.2**	**$149**

[1]2024 Planned and Actual data as shown in HWT ARC Report Dated March 2025.
[2]Although there are no stated targets from HWT's 2024 WMP, the Financial Evaluation for Emergency Preparedness regarding expenditures are further detailed within Section 4.4.

4.1 GRID DESIGN, OPERATIONS, AND MAINTENANCE

4.1.1 Initiative Summary Table

Table 6: Initiative Summary Table (Spend in Thousand $)

Initiative Number, WMP Section Number, and Name	WMP – Initiative Target	EC-Claimed Progress	EC-Claimed Initiative Status	Sample Size	Sample Validation Rate (%)	Verification Method	IE Finding on Initiative (Initiative Validation Rate)[3]	WMP – Planned Spend ($)	EC-Claimed Actual Spend ($ and % from budget)	Satisfied Risk Reduction Goal?
001, 8.1.3.1, Asset Inspection	Monthly Inspections	Monthly Inspections	Completed	12	100%	Monthly Asset Condition Reports (DR001)	Initiative Validated (100%)	$66	$225.90 (+242.3%)	No goal provided

[3]As detailed in Energy Safety's issued IE ARC Outline for WMP Compliance Year 2024 document, if the total initiative validation is greater or equal to 95%, the initiative is considered validated by the IE.

4.1.2 Written Detail for Initiatives

4.1.2.1 Initiative Review – Findings & Method

001 - 8.1.3.1 - Asset Inspection – Focus & Not-Field Verifiable

As described in the 2024 WMP, HWT indicated that asset management and inspections are conducted in accordance with the manufacturer's specifications and are completed every month. Per HWT's 2024 Q4 QDR, HWT was shown to conduct and complete each month's inspections, and per DR001 Response, HWT provided the 2024 monthly asset inspection reports from January through December 2024.

The IE reviewed and confirmed that HWT met its target of completing 12 monthly inspections during the 2024 compliance period through the review of all 12 monthly inspection reports for 2024. Data Request HWT_DR_001 (issued 5/1/2025, response received 5/6/2025) provided complete monthly asset condition assessments in the folder "Monthly Asset Condition Assessments - 2024." Per the 2024 WMP, HWT has no risk reduction goal identified for this initiative and has indicated risk reduction as N/A within the WMP.

Table 7: Detailed Inspections of Transmission Electric Lines and Equipment Summary

2024 Target	2024 Q4 QDR	2024 ARC	DR001 Response	Summary
Monthly Inspections	Monthly Inspections	Monthly Inspections	12 Monthly Inspections	Initiative Validated

All monthly asset condition assessment reports were provided and reviewed, demonstrating thorough documentation practices. Reports included detailed checklists covering various focused areas of the SVC for consistent inspections and reporting, including the following:

- Control House Checks, Batteries, Protection and Control
- Animal and Vegetation Checks at Substation and Pole Locations
- Switches – General Checks
- Motor and Hand Operators
- Transformers
- Insulators and Bushings at Substation and Transmission Poles
- Surge Arrestors at Substation and Transmission Poles
- Transmission Breakers – General Checks
- Station Service
- CCVT, CT, and PT
- Structural and Foundations Assessment at Substation and Pole Locations

- Static Wire Assessment
- Fence and Gate Assessment
- Dynamic Reactive Devices
- Splice Vault
- Water Tank

As noted in the DR001 Response, HWT implemented the Asset Management Program (AMP), which automates notifications of upcoming monthly inspections and corresponding work tasks requiring completion and closure by HWT staff, including follow-ups for any corrective actions noted. HWT's recordkeeping demonstrated maturity with consistent formatting and systematic filing. The implementation of the AMP system represents a significant enhancement in data management capabilities.

4.1.2.2 Funding Verification – Findings

001 - 8.1.3.1 - Asset Inspection

The IE identified that HWT planned $66,000 for Asset Inspections in its 2024 WMP, while actual expenditures totaled $225,900, reflecting a significant variance of +242.3%. This budget discrepancy primarily stemmed from the reclassification of employee time dedicated to these inspections, combined with minor carryover expenses from projects completed in 2023 but invoiced in 2024 as detailed within HWT's 2024 ARC Report Dated March 2025. Despite this variance, funding did not negatively impact the progression of the initiative. The IE verified that HWT consistently completed all planned monthly inspections, fully satisfying compliance requirements. Although the 2024 WMP did not define a risk reduction goal for this initiative, the IE acknowledges that all inspections were comprehensively executed and well-documented, supporting effective operational practices and oversight.

4.1.3 Synthesis of Findings

4.1.3.1 Initiative Review

In reviewing the Grid Design, Operations, and Maintenance category, the IE found HWT to be substantially compliant with its Wildfire Mitigation Plan initiatives for the year 2024. HWT consistently met its monthly asset inspection targets, providing comprehensive documentation for all required inspection areas, including key infrastructure components such as transformers, insulators, switches, and structural foundations. A notable advancement during this cycle was the introduction of the Asset Management Program (AMP), which significantly improved systematic scheduling, tracking, and recording of maintenance activities. Overall compliance with operational activities was consistently implemented and documented.

4.1.3.2 Funding Verification

Upon reviewing the Grid Design, Operations, and Maintenance category, the IE identified notable budgetary variances between HWT's planned and actual expenditures. Specifically, HWT budgeted $66,000 for 001 8.1.3.1 Asset Inspections in its 2024 WMP, but actual expenditures reached $225,900 resulting in a significant variance of +242.3%. This variance was primarily due to the reclassification of employee time allocated to these inspections and minor carryover expenses from projects completed in the previous year, which were invoiced in 2024.

Despite the substantial variance, funding discrepancies did not adversely affect initiative progression. The IE confirmed that HWT consistently completed all monthly inspections as planned, ensuring comprehensive execution and thorough documentation. Although the initiative lacked a defined risk reduction goal in the WMP, the IE acknowledges that the increased expenditures facilitated operational oversight and consistent compliance with inspections. Overall, while budgeting accuracy remains an area for improvement, particularly regarding employee time allocation and carryover expenses, the funding variance observed had no negative impact on the effective progression of the initiative or its compliance objectives.

4.2 VEGETATION MANAGEMENT AND INSPECTIONS

4.2.1 Initiative Summary Table

Table 8: Initiative Summary Table (Spend in Thousand $)

Initiative Number, WMP Section Number, and Name	WMP – Initiative Target	EC-Claimed Progress	EC-Claimed Initiative Status	Sample Size	Sample Validation Rate (%)	Verification Method	IE Finding on Initiative (Initiative Validation Rate)[3]	WMP – Planned Spend ($)	EC-Claimed Actual Spend ($ and % from budget)	Satisfied Risk Reduction Goal?
002, 8.2.2.1, Vegetation Inspections	Monthly Inspections	Monthly Inspections	Completed	12	100%	Monthly Asset Condition Reports (DR002)	Initiative Validated (100%)	$17	$8.30 (-51.2%)	No goal provided

[3]As detailed in Energy Safety's issued IE ARC Outline for WMP Compliance Year 2024 document, if the total initiative validation is greater or equal to 95%, the initiative is considered validated by the IE.

4.2.2 Written Detail for Initiatives

4.2.2.1 Initiative Review – Findings & Method

002 - 8.2.2.1 - Vegetation Inspections - Focus & Not-Field Verifiable

As described in the 2024 WMP, HWT indicated that the vegetation immediately around SVC is limited by the hardscaped defensible space. However, HWT implements weed abatement on a bimonthly basis during winter and spring and quarterly during summer and fall, along with monthly vegetation inspections. Per HWT's 2024 Q4 QDR, HWT was shown to conduct and complete each month's inspections, and per DR002 Response, HWT provided the 2024 monthly wildfire condition assessment reports from January through December 2024.

The IE reviewed and confirmed that HWT met its target of completing 12 monthly inspections during the 2024 compliance period through the review of all 12 monthly inspection reports for 2024. Data Request HWT_DR_002 (issued 5/1/2025, response received 5/6/2025) provided complete monthly wildfire condition assessments in the folder "Monthly Wildfire Condition Assessments - 2024." Per the 2024 WMP, HWT has no risk reduction goal identified for this initiative and has indicated risk reduction as N/A within the WMP.

Table 9: Detailed Inspections of Vegetation Around Transmission Electric Lines and Equipment Summary

Description	2024 Q4 QDR	2024 ARC	DR002 Response	Summary
Monthly Inspections	Monthly Inspections	Monthly Inspections	12 Monthly Inspections	Initiative Validated

All monthly wildfire condition assessment reports were provided and reviewed, demonstrating thorough documentation practices. Reports included detailed checklists covering various focused areas of the SVC and the SVC Riser Pole connected to SDG&E's Suncrest Substation for consistent inspections and reporting, including the following:

- General Equipment Failure Creating Spark, Heat, Flame
- Extreme Weather Conditions
- Wildlife or Vegetation Interference
- Failure to Follow Operations or Maintenance Procedures
- Vegetation as a Fuel Source
- Earthquake or Natural Disaster
- Inability to Adequately Respond to Fire on Property
- Vandalism

As noted in the DR002 Response, HWT implemented the Asset Management Program (AMP), which automates notifications of upcoming monthly inspections and corresponding work tasks requiring completion and closure by HWT staff, including follow-ups for any corrective actions noted. HWT's recordkeeping demonstrated maturity with consistent formatting and systematic filing. The implementation of the AMP system represents a significant enhancement in data management capabilities.

4.2.2.2 Funding Verification – Findings

002 - 8.2.2.1 - Vegetation Inspections

The IE identified that HWT planned expenditures of $17,000 for Vegetation Inspections in its 2024 WMP, while actual expenditures totaled $8,300, reflecting a significant variance of -51.2%. The primary reason for this budget underrun, as described by HWT in the 2024 ARC Report Dated March 2025, was due to lower-than-anticipated third-party contractor costs for vegetation management services and weed abatement surrounding the Suncrest facility. Despite the notable variance, the reduced spending did not negatively impact the initiative's progression. The IE verified that all monthly vegetation inspections were completed and documented, ensuring compliance with planned schedules and effectively maintaining the defensible space. Although the 2024 WMP did not explicitly define a specific risk reduction goal for this initiative, the IE concluded that the reduced expenditures had no adverse implications on operational effectiveness or compliance.

4.2.3 Synthesis of Findings

4.2.3.1 Initiative Review

The IE found that HWT maintained substantial compliance with its Vegetation Management and Inspection initiatives. Monthly vegetation inspections were consistently conducted and comprehensively documented, effectively addressing key wildfire risk factors, including vegetation clearance, wildlife interference, and potential equipment failures. The defensible space around the facility was effectively maintained through regular weed abatement schedules. Additionally, the AMP system notably improved the consistency and transparency of reporting. Overall, the initiative successfully met compliance targets, demonstrating effective vegetation management and risk mitigation practices.

4.2.3.2 Funding Verification

The IE reviewed HWT's Vegetation Management and Inspection category, identifying a significant budget variance in planned versus actual expenditures. Specifically, HWT budgeted $17,000 for 002 8.2.2.1 Vegetation Inspections in its 2024 WMP, while actual expenditures were reported at $8,300, a variance of -51.2%. This variance was primarily driven by lower-than-anticipated third-party contractor costs for vegetation management and weed abatement.

Despite this substantial variance, the reduced spending had no negative impact on the initiative's progression or effectiveness. The IE confirmed that all monthly inspections and associated activities were completed and documented, thereby maintaining compliance standards and ensuring a defensible space around the facility. Although the initiative lacked a specific risk reduction goal in the 2024 WMP, the reduced expenditures did not compromise the effectiveness of vegetation management practices. Instead, HWT achieved full compliance, demonstrating cost-effective operational management and effective risk mitigation practices.

4.3 SITUATIONAL AWARENESS AND FORECASTING

Initiatives for Situational Awareness and Forecasting are not present in HWT's 2024 WMP. Therefore, this subject is not applicable to or covered in this report.

4.4 EMERGENCY PREPAREDNESS

4.4.1 Initiative Summary Table

Initiatives for Emergency Preparedness are not present in HWT's 2024 WMP, however the financial evaluation was completed for reported financial planned budgets and expenditures as discussed in Section 4.4.2.2 and Section 4.4.3.2.

4.4.2 Written Detail for Initiatives

4.4.2.1 Initiative Review – Findings & Method

Initiatives for Emergency Preparedness are not present in HWT's 2024 WMP, however the financial evaluation was completed for reported financial planned budgets and expenditures as discussed in Section 4.4.2.2 and Section 4.4.3.2.

4.4.2.2 Funding Verification – Findings

Third-Party Fire Brigade Support Services

As identified in HWT's 2024 Q4 QDR Table 11, Emergency Preparedness had projected and actual spend identified for this WMP category although there is no corresponding initiative listed in Q4 QDR Table 1. Per HWT's 2024 ARC Report dated March 2025, HWT reported the final 2024 WMP planned and 2024 actuals for Emergency Preparedness. As described in HWT's 2024 ARC report, HWT maintains third-party fire brigade support services for the Suncrest Facility, with which these costs are associated. Since the absolute percent difference between budgeted and actual for this item is less than 10%, please refer to Table 10.

Table 10: Third-Party Brigade Support Services Funding Summary Table (Spend in Thousand $)

Description	WMP – Planned Spend ($)	EC-Claimed Actual Spend ($ and % from budget)
Third-Party Brigade Support	$70	$68.00 (-2.9%)

4.4.3 Synthesis of Findings

4.4.3.1 Initiative Review

Initiatives for Emergency Preparedness are not present in HWT's 2024 WMP, however the financial evaluation was completed for reported financial planned budgets and expenditures as discussed in Section 4.4.2.2 and Section 4.4.3.2.

4.4.3.2 Funding Verification

In reviewing the Emergency Preparedness category, the IE verified the budget and actual expenditures for HWT Third-Party Fire Brigade Support Services initiative. The budgeted amount outlined in the 2024 WMP was $70,000, and actual expenditures were reported as $68,000, resulting in a minor variance of approximately -2.9%. No initiatives in this category showed absolute percentage differences greater than the 10% threshold, requiring detailed justification. Overall, the variance observed was minimal and attributed primarily to efficient cost management related to third-party services. Funding compliance was appropriately maintained, and expenditure aligned closely with planned budget allocations.

4.5 COMMUNITY OUTREACH AND ENGAGEMENT

Initiatives for Community Outreach and Engagement are not present in HWT's 2024 WMP. Therefore, this subject is not applicable to or covered in this report.

5. EVALUATION OF QA/QC PROGRAMS

With HWT's limited operational scope as a transmission-only utility with a single facility, the Suncrest Substation, the QA/QC assessment provided reflects practices appropriate for its scale and operational complexity. The evaluation acknowledges that while some advanced technological implementations and extensive audit processes applicable to larger utilities may not be practical for HWT, the existing QA/QC framework effectively supports current operations, compliance obligations, and risk mitigation objectives. Based on the IE's review of documentation, responses to data requests (HWT_DR_001 and HWT_DR_002), and verification from HWT's previous QA/QC program evaluation, the following maturity ratings were determined for each QA/QC dimension:

Roles & Responsibilities – Level 3 (Routine)

HWT demonstrated clearly defined roles and responsibilities, with operational processes established and documented in the Asset Management Program (AMP). Responsibilities are consistently assigned and communicated, and the AMP provides automated notifications to personnel to ensure accountability and task closure. Roles are aligned across field operations with clear expectations.

Quality Culture – Level 2 (Applied)

A general awareness of the importance of QA/QC practices is evident, supported by the structured and routine nature of field inspections and reporting practices. Employees consistently conduct and document inspections, reflecting an embedded culture of quality in daily activities.

Quality Management System (QMS) – Level 3 (Routine)

HWT's AMP is fully digitized, featuring standardized procedures and clear documentation standards. The system effectively centralizes inspection and reporting data, providing accessible and timely information. AMP demonstrates data-management capabilities, enabling efficient oversight and effective tracking of field inspection outcomes. Regular use of AMP data to facilitate decision-making processes indicates a mature QMS, though additional integration across broader operational functions could further enhance its effectiveness.

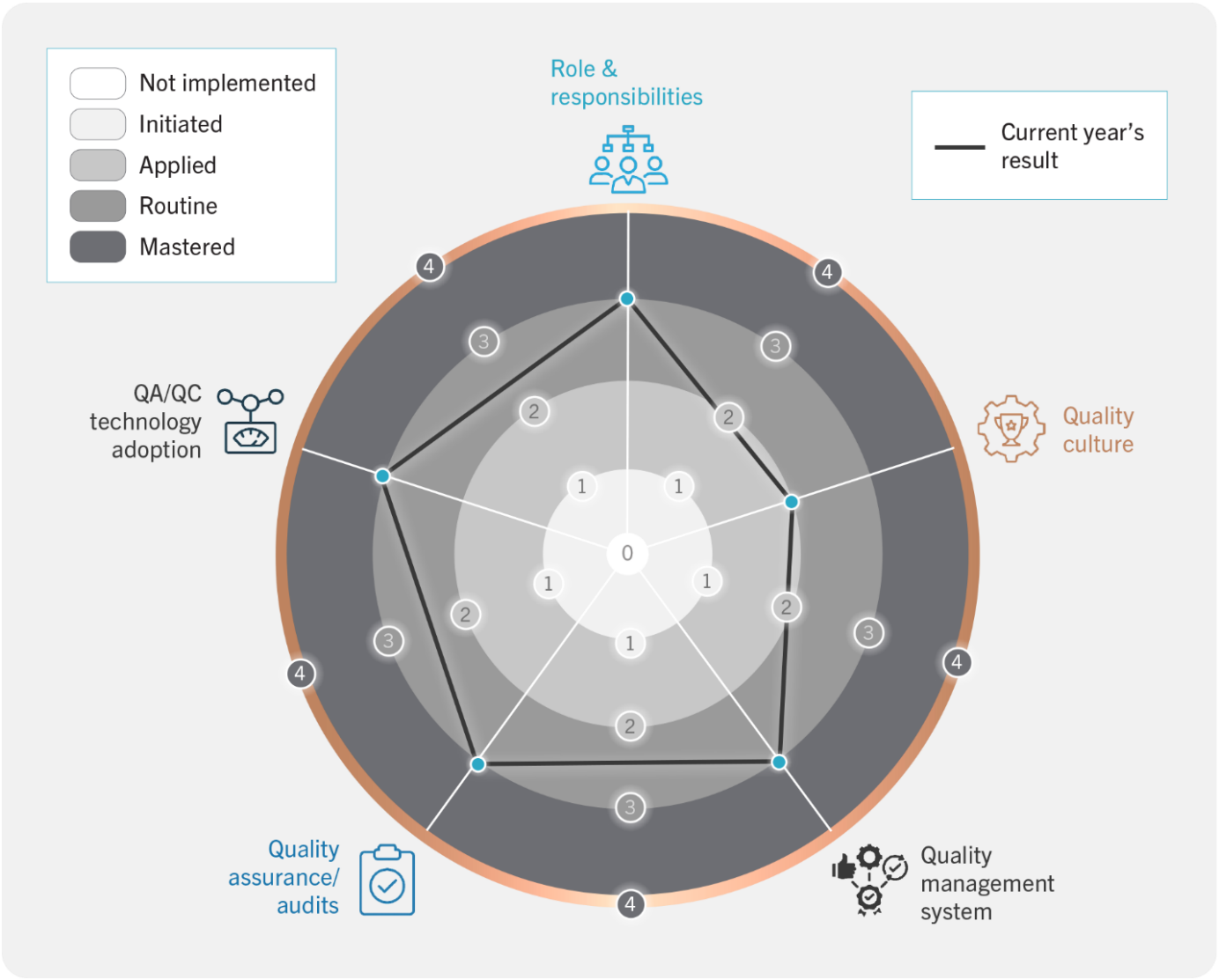
Quality Inspections and Audits – Level 3 (Routine)

Field inspections are systematically executed monthly, with annual QA/QC reviews of at least one inspection report per field engineer to confirm accuracy and completion.

QA/QC Technology Adoption – Level 3 (Routine)

HWT's current technological adoption primarily involves digital documentation through AMP and automated notifications. The system has streamlined inspection data collection, significantly reducing manual errors and enhancing data reliability.

Figure 1: QA/QC Maturity Sunburst Chart



6. CONCLUSION

The IE's comprehensive assessment confirms that Horizon West Transmission is substantially compliant with its 2024 WMP commitments. All planned initiatives were executed with thorough documentation, detailed monthly reporting, and effective onsite practices. Budgetary variances noted during the assessment, particularly in Asset Inspections and Vegetation Management, did not adversely affect operational compliance or effectiveness.

Significant strides in data management and procedural automation were made through the implementation of the Asset Management Program (AMP), positioning HWT for more effective risk management and operational transparency. While explicit risk reduction metrics were not defined, HWT's consistent execution of its inspection and maintenance programs demonstrated a clear and effective approach to mitigating wildfire risks within the limited operational context of its transmission-only facility.

7. ATTACHMENTS

The attachments listed below can be found on a separate Microsoft Excel file titled “2025 HWT IE ARC Appendix.”

7.1 CATALOG OF INITIATIVES

7.2 DATA REQUESTS

7.3 SME INTERVIEWS (N/A)

7.4 LIST OF “FAIL-TO-FUND” INITIATIVES

7.5 ONSITE FIELD ASSESSMENT REPORT

ATTACHMENT 7.5: ONSITE FIELD ASSESSMENT REPORT

IE FIELD VISIT

On Friday, 25 April 2025, the IE Team conducted a scheduled on-site visit at the HWT Transmission (HWT) Suncrest substation between 08:00 and 09:30 PDT. The field site visit attendee included:

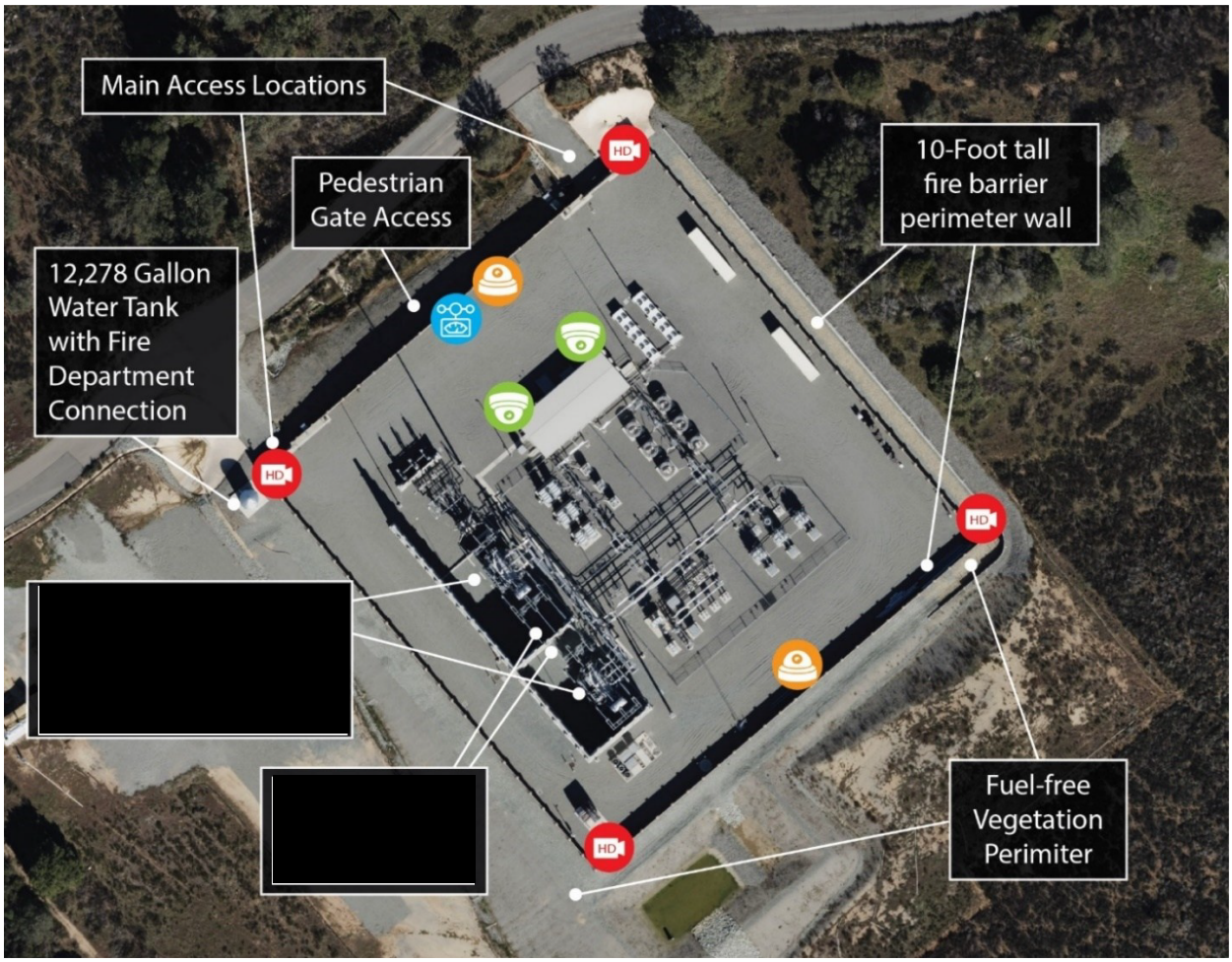
- Alexandre Veilleux, NextEra Energy
- Eric Pavlowski, NextEra Energy
- Lenneal Gardner, NextEra Energy
- Mark McCurdy, C2 Group
- Jason Paquette, C2 Group
- Alan Wu, C2 Group

Upon arrival at the facility, the IE team performed a standard security intercom check-in at the northwest gate, awaiting escort by representatives from NextEra Energy. Once access was granted, vehicles were parked along the northwest side of the perimeter wall within the substation. Mr. Pavlowski provided a comprehensive safety briefing that addressed potential hazards, primary evacuation routes, and available fire suppression resources.

The IE team initiated the assessment from the interior of the fenced facility, carefully evaluating key infrastructure components and assessing compliance with applicable WMP standards. The team then conducted an exterior perimeter assessment to confirm the implementation of WMP-required measures. Subsequently, the field assessment moved towards the west side of the substation, specifically evaluating the connection area of the 230 kV transmission line to SDG&E's Suncrest Substation.

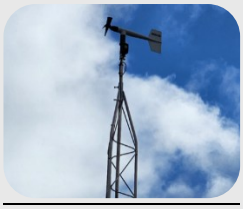
The field visit concluded with a thorough review of the remote monitoring station and the solar panels located northeast of the 230 kV entrance pole. The site visit provided essential insights into the substation's infrastructure, safety compliance, and operational status, enabling the IE team to validate adherence to the WMP.

Figure 2: HWT Suncrest Facility Overview

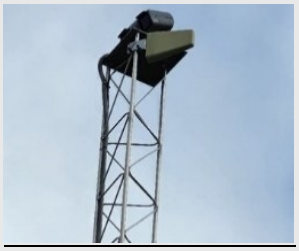


Dual Zoom, HD perimeter cameras & situational awareness cameras

Additional 360° situational awareness cameras



Weather Station



Situational security awareness cameras

INTERIOR-FENCE OBSERVATIONS

Mr. Veilleux and Mr. Pavlowski guided the IE Team along the entire interior perimeter, providing commentary on key wildfire-mitigation and situational-awareness assets. Four high-definition cameras mounted at the substation's corners were visually clean and properly aligned. Two 360-degree situational-awareness cameras, positioned at the northwest and southeast ends, were observed with no visible damage, giving full interior and exterior coverage. Additionally, two security cameras mounted above the control building entrances were free of obstructions.

The two transformers were free of oil staining, corrosion, or insulation discoloration. Blast-wall concrete was intact without cracking or leaning. Mr. Veilleux described a 5.2 magnitude San Diego earthquake (14 April 2025) that shook the site; camera footage reviewed afterward confirmed the seismic pads performed as designed and no mechanical or protection relays were triggered.

Figure 3: Transformer Seismic Isolation Pads

Suncrest SVC Transformer

Seismic Isolation Pads

The IE team observed small weed patches within the interior walls of the substation. Mr. Pavlowski stated that HWT's third-party vegetation contractor is scheduled to complete the weed-abatement sweep by the end of May 2025, at which time all interior vegetation growth will be removed.

Figure 4: Interior Vegetation Growth Observed

04/25/2025 Imagery – Pre-Weed Abatement

EXTERIOR-FENCE OBSERVATIONS

After completing the inside-fence audit, the IE team and Mr. Veilleux proceeded to examine the exterior of the substation. They also reviewed the firebreak maintenance procedures and the 12,000+ gallon on-site water tank, which serves as a crucial resource for fire control in the event of an emergency. The IE team observed a well-maintained, 30-foot-wide crushed rock fire break running adjacent to the perimeter wall which was entirely free of vegetation encroachment. This firebreak is subject to regular inspections and maintenance to ensure its effectiveness in minimizing the risk of utility-caused ignitions spreading beyond the confines of the Suncrest Facility.

Note: The 12,000-gallon fire-suppression tank showed no rust, seam leaks, or coating defects. Mr. Pavlowski added that CAL FIRE completed an inspection one week earlier and found the system fully compliant.

Figure 5: Water Tank, Defensible Space, and Retention Pond

12,000 Gallon Water Tank

Firebreak Outside Exterior Walls

View of Water Retention Pond

230 KV TRANSMISSION LINE (UNDERGROUND) ENTRANCE POLE & OBSERVATION SYSTEM (CAMERA, SOLAR PANEL, & CONTROL BOX)

The IE team and HWT representatives then proceeded to the point of interconnection between HWT's 230 kV underground transmission line and SDG&E's Suncrest Substation. At this location, the HWT-owned infrastructure includes a 230 kV cable pole, a mast-mounted camera, a ground-mounted solar panel, and a control box. The IE Team examined the transmission pole and observation system.

The tubular, steel transmission pole exhibited no pitting, weld-seam cracking, or coating loss. Anchor-base bolts were tight and no rust staining or metal fatigue was visible at the ground line or along the shaft. A mast-mounted pan-tilt-zoom camera, paired with a ground-mounted solar panel and sealed electronics enclosure, was operational. The ground beneath the solar array was clear of brush or grass.

Figure 6: 230 kV Transmission Line & Observation System

Solar Powered Observation System

230 kV Entrance Pole