

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

**WSD Action Statement**

Date: February 8, 2021
Subject: Horizon West's December 11, 2020 Change Order Report

Summary

This Action Statement by the Wildfire Safety Division (WSD) approves the Horizon West Transmission, LLC. (Horizon West) Change Order Report submitted on December 11, 2020. Horizon West requests a change in deployment timing of an undergrounding conversion project that was planned for 2020 and rescheduled to 2021. The delay was caused by a required, longer-than-anticipated process to modify an existing easement between Horizon West and San Diego Gas & Electric (SDG&E).

Background and Standard of Review

Resolution WSD-002 established a process for electrical corporations to submit a Change Order Report in order to modify, reduce, increase, or end any initiatives in its Wildfire Mitigation Plan (WMP) prior to the 2021 WMP update. The WSD reviews an electrical corporation's Change Order Report to determine whether the electrical corporation has sufficiently provided the following information:

- a) Identification of the proposed change
- b) Justification of the proposed change
- c) The change in expected outcomes resulting from the proposed change

Regarding criterion "c," the WSD evaluates whether the electrical corporation sufficiently explained how the proposed change will impact the outcomes of its wildfire mitigation programs and if the electrical corporation has undertaken or committed to necessary steps to minimize adverse outcomes.

In support of its review of Horizon West's December 11, 2020 Change Order Report, the WSD engaged in follow-up conversations with Horizon West staff.

WSD Evaluation of Change Order Request

a) Identification of the Proposed Change

In its 2020 WMP, Horizon West anticipated undergrounding a 115-foot¹ segment of overhead, 230 kilovolt (kV), transmission line that interconnects Horizon West's Suncrest Dynamic Reactive Power Support Facility to SDG&E Suncrest Substation by September 2020.² Previously, in its comments on Draft Resolution WSD-009, Horizon West stated that there would likely be a delay in completing the underground conversion, as explained below. In its Change Order Report, Horizon West proposes a change in deployment timing for the undergrounding conversion with a new completion date of August 1, 2021.

The WSD finds that Horizon West has sufficiently identified the proposed change in its December 11, 2020 Change Order Report pursuant to Resolution WSD-002.

b) Justification of Change

Horizon West explains that the delay in undergrounding the 115-foot segment is due to required, "minor,"³ modifications of an existing easement between Horizon West and SDG&E.⁴ Horizon West began working with SDG&E in late 2019 to modify the easement for the undergrounding project. However, SDG&E required Horizon West to execute a new easement agreement rather than modify the existing agreement. While the parties have agreed on the final version of the easement and the associated, temporary, construction easement, the process took longer than anticipated. To ensure Horizon West completes work within the California Independent System Operator (CAISO) approved outage window and the required start date of March 1, 2021⁵, Horizon West has requested that SDG&E submit its filing seeking approval with the California Public Utilities Commission (CPUC) as soon as possible and no later than December 31, 2020.⁶

The WSD finds that Horizon West has provided sufficient justification for the proposed change in its December 11, 2011 Change Order Report.

¹ See Pages 39, 56, and 57 of Horizon West's 2020 WMP, Pg.1 Horizon West's December 11, 2020 Change Order

² Horizon West's WMP, at p. 57. Horizon West clarified it internally defined 'upcoming wildfire season' as September through October 2020.

³ Horizon West's Change Order Report, at p. 3.

⁴ The easement, in Advice Letter 3405-E, was approved by the CPUC and became effective on August 19, 2019.

⁵ The CAISO approved an outage at Horizon West Suncrest Facility to begin in the 2nd quarter of 2021. To meet this schedule of completing underground conversion, Horizon West's construction team must begin work in the easement area by March 1, 2021

⁶ SDG&E filed Advice Letter 3673-E on January 14, 2021 and is awaiting Energy Division's approval.

c) Change in Expected Outcomes Resulting from the Proposed Change & Budget Impact⁷

Horizon West states that the budget, size, and scope of the 115-foot segment project remain consistent with its 2020 WMP, reiterating that the underground conversion will effectively mitigate ignition risk and confirming that the \$1.7 million budgeted in 2020 for the underground conversion is unchanged. While Horizon West indicates that the proposed change in deployment timing does not affect the expected mitigation outcomes, the WSD notes that the undergrounding project is a major initiative to reduce Horizon West's ignition risk; therefore, any delay is significant. The underground conversion is now expected to be completed by August 1, 2021.

The WSD finds that Horizon West has sufficiently explained the budget for the underground conversion project has been reallocated to 2021.

Conclusion

Horizon West's December 11, 2020 Change Order Report is approved. The WSD finds this Change Order Report complies with Guidance Resolution WSD-002. The WSD expects that by August 1, 2021 Horizon West will underground the 115 feet of over headline that interconnects Horizon West's and SDG&E's facilities.

Sincerely,



Caroline Thomas Jacobs
Director, Wildfire Safety Division
California Public Utilities Commission

⁷Approval of a WMP or Change Order Report does not equate to approval of costs. See Resolution WSD-002, Ordering Paragraph 2, and Resolution WSD-011, Ordering Paragraph 8.