



12/17/25

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

A2509008

In the Matter of the Application of Horizon West Transmission, LLC (U222-E) for a Certificate of Public Convenience and Necessity for the Ironwood Transmission Line Project.

Application 25-09-008

ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This scoping memo and ruling identifies the issues, need for evidentiary hearing, schedule, category, and other matters necessary to scope this proceeding pursuant to Public Utilities Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules). Any person who intends to offer evidence or comment on issues that will be addressed in the anticipated environmental document should submit them by public comment pursuant to the California Environmental Quality Act (CEQA), as explained below. A prehearing conference (PHC) will be scheduled as soon as practicable after the issuance of the environmental document to update the issues and the schedule for the remainder of the proceeding.

1. Procedural Background

On September 22, 2025, Horizon West Transmission, LLC (Horizon West) filed Application 25-09-008 requesting a certificate of public convenience and necessity (CPCN) for the Ironwood Transmission Line Project (Ironwood Project).

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¹ Public Resources Code §§ 21000, et seq.

The California Independent System Operator (CAISO) identified and selected the Ironwood Project² in its 2022-2023 Transmission Plan as a policy-driven upgrade to the transmission system. The 2022-2023 Transmission Plan identified a policy-driven need for the Ironwood Project as part of the Southern Area Reinforcement Projects in Southern California. The CAISO indicates the project will enable the delivery of existing generation in the resource portfolios approved by the Commission.

The Ironwood Project is an approximately 86-mile 500 kilovolt (kV) transmission line that will connect the San Diego Gas & Electric Company's (SDG&E) Imperial Valley Substation to Arizona Public Service Company's (APS) North Gila Substation in Yuma, Arizona. The North Gila Substation is outside the CAISO region and located in the WestConnect planning region. The Ironwood Project will cross private lands in unincorporated areas of Imperial and Yuma counties, the city of Calexico, California, and public lands under the jurisdiction or management of the U.S. Bureau of Land Management (BLM), U.S. Bureau of Reclamation (USBR), and the California Department of Parks and Recreation.

As a policy-driven upgrade, the CAISO selected the Ironwood Project through a competitive solicitation and selected Horizon West as the approved project sponsor. Once constructed, the Ironwood Project will become part of the CAISO-controlled transmission system. The costs of the Ironwood Project will be recovered solely through transmission rates as part of the CAISO's Transmission Access Charge (TAC), following approval by the Federal Energy

² The Ironwood Project is also referred to as the North Gila-Imperial Valley #2 500 kV Transmission Line Project in CAISO materials.

Regulatory Commission (FERC) pursuant to FERC's exclusive jurisdiction over rates for interstate transmission service.

No party filed a protest to this application.

As provided by General Order (GO) 131-E, the Ironwood Project is subject to environmental review pursuant to California Environmental Quality Act³ (CEQA). CEQA requires the lead agency (the Commission in this case) to conduct a review to identify environmental impacts of the project and ways to avoid or lessen environmental impacts.⁴ If the initial study shows that there is no substantial evidence that the Ironwood Project may have a significant effect on the environment or that the project proponent makes or agrees to revisions to the project plan that will reduce all project--related environmental impacts to less than significant levels, then the Commission may prepare a Negative Declaration or Mitigated Negative Declaration (MND) to that effect.⁵

Otherwise, the Commission must prepare an environmental impact report (EIR) that identifies and evaluates the environmental impacts of the Ironwood Project and a reasonable range of project alternatives, designs a recommended mitigation program to reduce any potentially significant impacts, and identifies, from an environmental perspective, the environmentally superior project alternative. The Commission may not approve a project unless it reviews and certifies the EIR, requires the environmentally superior project alternative and all of the identified mitigation measures (unless they are found to be infeasible), and determines that there are overriding considerations that merit project approval

³ Cal. Pub. Res. Code §§ 21000, et seq.

⁴ See Cal. Code Regs., tit. 14, § 15000, et seq. (CEQA Guidelines), § 15060.

⁵ *Id.*, § 15063.

⁶ *Id.*, § 15064.

despite the unavoidable significant impacts, if there are unavoidable significant impacts.⁷

In addition, pursuant to GO 131-E and Decision (D.) 06-01-042, the Commission will not approve a project unless its design complies with the Commission's policies governing the mitigation of electric and magnetic fields (EMF) effects using low-cost and no-cost measures.

Information on the Ironwood Project, including how to participate in the CEQA process and contact information for assigned Commission Energy Staff is included in Section 3 below.

2. Issues

Based on the record of this proceeding and governing authorities discussed above, the issues to be determined in this proceeding are:

- 1. Does the Ironwood Project serve a present or future public convenience and necessity that meets the requirements of Public Utilities Code Sections 1001, et seq.?
- 2. Does the Proposed Project qualify for the rebuttable presumption under Public Utilities Code Section 1001.1 in favor of the CAISO's needs evaluation?
- 3. If the CEQA Process results in an EIR:
 - a. What are the significant environmental impacts of the Ironwood Project, if any?
 - b. Are there potentially feasible mitigation measures that will avoid or lessen the identified significant environmental impacts?
 - c. As between the Ironwood Project and the project alternatives, which is environmentally superior?

⁷ See CEQA Guidelines §§ 15090-15091, § 15093, § 15126.2, § 15126.4, and § 15126.6.

- d. Are the mitigation measures or environmentally superior project alternatives infeasible for economic, social, legal, technological, or other considerations?
- e. To the extent that the Ironwood Project and/or project alternatives result in significant and unavoidable impacts, are there overriding considerations that nevertheless merit Commission approval of the Ironwood Project or project alternative?⁸
- 4. If the CEQA Process results in an MND:
 - a. Is there substantial evidence, in light of the whole record before the Commission, that the Ironwood Project as proposed or revised (to avoid or mitigate the effects to a point where clearly no significant effects would occur) will not have a significant effect on the environment?⁹
 - b. What are the mitigation measures/alternatives that will eliminate or lessen the impacts?
- 5. Did the Commission review and consider the environmental document (EIR or MND), was the environmental document completed in compliance with CEQA, and does it reflect the Commission's independent judgment?
- 6. What is the maximum prudent and reasonable cost of the Ironwood Project?¹⁰
- 7. What, if any, are the community values affected by the Ironwood Project under Public Utilities Code Section 1002(a)(1)?
- 8. What are the impacts on environmental and social justice communities, including the extent to which the construction of the Ironwood Project impacts the

⁸ CEQA Guidelines § 15093.

⁹ CEQA Guidelines § 15070.

¹⁰ See Public Utilities Code § 1005.5.

- achievement of any of the nine goals of the Commission's Environmental and Social Justice Action Plan?
- 9. Is the Ironwood Project and/or environmentally superior project alternative designed in compliance with the Commission's policies governing the mitigation of EMF effects using low-cost and no-cost measures?
- 10. Should the Commission grant Horizon West exemptions from certain affiliate transaction rules?

3. Schedule and Need for Evidentiary Hearing

As the first phase for the Commission's review of the Ironwood Project, the Commission's Energy Division has initiated the environmental review process under CEQA for the Ironwood Project, which will culminate in the issuance of an environmental document (EIR or MND).

If the environmental review process results in the issuance of an EIR, it will identify the Ironwood Project's significant environmental impacts, if any (Issue No. 2a), potentially feasible mitigation measures that will avoid or lessen the significant environmental impacts (Issue No. 2b), and the environmentally superior alternative (Issue No. 2c). Any person or party who wishes to present evidence or comments for consideration on these issues (Issues Nos. 2a to 2c) must do so through participation in the CEQA review process, *i.e.*, public review and comment on the draft environmental document. As required by CEQA, any such comment will be addressed and included in the final environmental document. The Commission will not take evidence regarding these CEQA issues outside of the final environmental document.

The Commission will take evidence on Issues 2d and 2e if an EIR is issued or on Issues 3a and 3b if an MND is issued.

To request addition to the CEQA review service list, or for other information regarding the environmental review process, please email: lironwoodTransmissionProject@kearnswest.com or visit the project website at: lironwoodTransmissionLineProject. Alternatively, contact the Energy Division Project Manager:

Boris Sanchez

California Public Utilities Commission

Energy Division - Infrastructure Permitting & CEQA

505 Van Ness Avenue, 4th Floor

San Francisco, CA 94102

Email: boris.sanchez@cpuc.ca.gov

It is difficult to assess the need for evidentiary hearings or establish a proceeding schedule on the other scoped issues until the environmental review process is completed. I will revisit this issue in the second phase of this proceeding.

Once the first phase is completed with a final environmental document, a second phase consisting of the formal proceeding activities will commence to review the remaining issues in view of the environmental document. The second phase will begin with a prehearing conference (PHC) as soon as practicable after the completion of the environmental review and the issuance of the environmental review document (EIR or MND), to identify any additional issues to be determined, the need for evidentiary hearing, and the schedule for the remainder of the proceeding. The ruling setting the date of the PHC will provide a schedule for filing PHC statements and other necessary guidance.

It is anticipated that the environmental review will take longer than a year to complete. The Commission requires additional time beyond the 18-month

statutory deadline to allow for the issuance of the final EIR or MND, conduct the PHC, take evidence, as needed, and argument on the issues, and prepare a proposed decision and circulate it for public review and comment before resolving the proceeding. Accordingly, pursuant to Public Utilities Code Section 1701.5, I approve a resolution date of October 30, 2027.

4. Alternative Dispute Resolution Program and Settlements

The Commission's Alternative Dispute Resolution (ADR) program offers mediation, early neutral evaluation, and facilitation services, and uses ALJs who have been trained as neutrals. At the parties' request, the assigned ALJ can refer this proceeding to the Commission's ADR Coordinator. Additional ADR information is available on the Commission's website.¹¹

Any settlement between parties, whether regarding all or some of the issues, shall comply with Article 12 of the Rules and shall be served in writing. Such settlements shall include a complete explanation of the settlement and a complete explanation of why it is reasonable in light of the whole record, consistent with the law and in the public interest. The proposing parties bear the burden of proof as to whether the Commission should approve the settlement.

5. Category of Proceeding and Ex Parte Restrictions

This ruling confirms the Commission's preliminary determination that this is a ratesetting proceeding. Accordingly, ex parte communications are restricted and must be reported pursuant to Article 8 of the Rules.

¹¹ https://www.cpuc.ca.gov/proceedings-and-rulemaking/alternative-dispute-resolution.

¹² Resolution ALJ-176-3570.

6. Public Outreach

Pursuant to Public Utilities Code Section 1711(a), where feasible and appropriate, before determining the scope of the proceeding, the Commission sought the participation of those likely to be affected, including those likely to derive benefit from, and those potentially subject to, a decision in this proceeding. This matter was noticed on the Commission's daily calendar. Where feasible and appropriate, this matter was incorporated into engagements conducted by the Commission's External Affairs Division with local governments and other interested parties.

In addition, as required by GO 131-E, Section VIII, Horizon West provided public notice of this matter as required by GO 131-E, Section VIII, as follows:¹³

- By direct mail to local, state and federal government entities, California Indian Reservation Tribal governments and other interested parties;
- By direct mail to all owners of land on which the proposed facility would be located and owners of property within 300 feet of the right-of-way as determined by the most recent local assessor's parcel roll available to the utility at the time notice is sent;
- By advertisement, not less than once a week, two weeks successively, in a newspaper or newspapers of general circulation in the county or counties in which the Ironwood Project would be located, the first publication to be not later than ten days after filing of the application; and
- By posting a notice on-site and off-site where the Ironwood Project would be located.

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¹³ See Application at 20.

7. Intervenor Compensation

Pursuant to Public Utilities Code Section 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation within 30 days of the PHC, to be held in the second phase of this proceeding.

8. Response to Public Comments

Parties may, but are not required to, respond to written comments received from the public. Parties may do so by posting such responses using the "Add Public Comment" button on the "Public Comment" tab of the online docket card for the proceeding.

9. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the electronic filing procedures is encouraged to obtain more information at http://consumers.cpuc.ca.gov/pao/ or contact the Commission's Public Advisor at 866-849-8390 or 866-836-7825 (TTY), or send an e-mail to public.advisor@cpuc.ca.gov.

10. Filing, Service, and Service List

The official service list has been created and is on the Commission's website. Parties should confirm that their information on the service list is correct and serve notice of any errors on the Commission's Process office, the service list, and the ALJ. Persons may become a party pursuant to Rule 1.4.14 When serving any document, each party must ensure that it is using the current official service list on the Commission's website.

¹⁴ The form to request additions and changes to the Service list may be found at https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/additiontoservicelisttranscriptordercompliant.pdf

This proceeding will follow the electronic service protocol set forth in Rule 1.10, with one exception, such that all parties are excused from the Rule 1.10 requirement to serve on the ALJ both an electronic and a paper copy of filed or serviced documents. Therefore, when serving documents on Commissioners, their personal advisors, and/or the ALJ, whether they are on the official service list or not, parties must only provide electronic service, transmitted no later than 5:00 p.m., on the date scheduled for service to occur, unless otherwise instructed by the ALJ.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at process_office@cpuc.ca.gov to request addition to the "Information Only" category of the official service list pursuant to Rule 1.9(f).

The Commission encourages those who seek information-only status on the service list to consider the Commission's subscription service as an alternative. The subscription service sends individual notifications to each subscriber of formal e-filings tendered and accepted by the Commission. Notices sent through subscription service are less likely to be flagged by spam or other filters. Notifications can be for a specific proceeding, a range of documents and daily or weekly digests.

11. Receiving Electronic Service from the Commission

Parties and other persons on the service list are advised that it is the responsibility of each person or entity on the service list for Commission proceedings to ensure their ability to receive emails from the Commission. Please add "@cpuc.ca.gov" to your email safe sender list and update your email screening practices, settings and filters to ensure receipt of emails from the Commission.

12. Assignment of Proceeding

Commissioner Karen Douglas is the assigned Commissioner, and Marcelo Lins Poirier is the assigned ALJ and presiding officer for the proceeding.

IT IS RULED that:

- 1. The scope of this proceeding is described above and is adopted.
- 2. The general schedule of this proceeding is set forth above and is adopted.
- 3. Parties who wish to present information to be considered on the identification of significant environmental impacts, project alternatives and mitigation measures, and the environmentally superior alternative must do so through participation in the California Environmental Quality Act review process as discussed in this ruling.
 - 4. The resolution deadline for this proceeding is October 30, 2027.
 - 5. The presiding officer is Administrative Law Judge Marcelo Lins Poirier.
 - 6. The category of the proceeding is ratesetting.

 Dated December 17, 2025, at San Francisco, California.

/s/ KAREN DOUGLAS

Karen Douglas
Assigned Commissioner