

980 CMR: ENERGY FACILITIES SITING BOARD

980 CMR 7.00: LONG-RANGE FORECASTS AND SUPPLEMENTS

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7.01: General Provisions

(1) Scope and Purpose. 980 CMR 7.00 sets forth the procedures for the filing of and requirements for the content of long-range forecasts, amended forecasts and supplements. Forecasts are required to be filed every five years, and supplements in every intervening year. Forecasts include a projection of future demand or sendout and a description of facilities which may be required to meet future demand or sendout. Forecasts by electric companies will cover a ten year period, and gas companies a five year period.

980 CMR 7.01, 7.02 and 7.09 apply to both electric and gas companies. 980 CMR 7.03, 7.04 and 7.05 set forth procedures for the preparation of forecasts and supplements by electric companies. 980 CMR 7.06, 7.07 and 7.08 set forth the procedures for the preparation of forecasts and supplements by gas companies.

(2) Statutory Authority. 980 CMR 7.00 is promulgated pursuant to M.G.L. c. 164, §§ 69H, 69I and 69J.

(3) Definitions. For purposes of 980 CMR 7.00, the definitions set forth in 980 CMR 2.03 and 980 CMR 7.00 apply, unless the context or subject matter requires a different interpretation.

Forecast means long-range forecast, amended, or supplemental forecast.

Lead Company means, in the case of a facility proposed to be constructed or owned jointly by more than one company, the company responsible for providing all information required by 980 CMR 7.04, 7.05, 7.07 or 7.08 to be included in a forecast or supplement and all information required pursuant to 980 CMR 1.05(6) and 7.02(8)(a) during the course of a proceeding, and, in the case of a facility proposed to be constructed or owned by only one company, that company.

Peak Demand or Peak Load (electric) means the maximum rate or consumption of electrical energy in a system, or part thereof, expressed as the maximum megawatt hours per hour during a specified time period (day, week, month, year, etc.)

Peak Demand or Peak Load (gas) means the highest daily consumption in a month, season, or year.

Sendout means the total volume of gas distributed by a company, including gas used by the company and gas unaccounted for.

(4) Application of 980 CMR 1.00 and 2.00. 980 CMR 1.00 and 2.00 shall apply to 980 CMR 7.00 except to the extent that 980 CMR 1.00, 980 CMR 2.00 and 980 CMR 7.00 in conflict. In the event of a conflict, 980 CMR 1.00 shall prevail over 980 CMR 2.00 and 980 CMR 7.00 shall prevail over 980 CMR 1.00 and 2.00.

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(5) General Principles and Practices.

(a) 980 CMR 7.00 shall apply to all electric and gas companies, including but not limited to generating companies, transmission companies, pipeline companies, liquid natural gas companies, synthetic gas manufacturing companies, and distribution companies. Each such company shall prepare a separate forecast or supplement, subject to the provisions of 980 CMR 7.01(5)(c).

(b) In the case of a company doing business in other states or countries as well as in the Commonwealth, the company shall prepare two separate forecasts or supplements: one for Massachusetts only and a second for its entire electric or gas operation. The latter forecast shall be for informational purposes and shall not be subject to review by the Council; provided, however, that the Council shall review a forecast of its entire operations if that forecast serves to justify the construction of facilities in the Commonwealth and subject to Council review. Notwithstanding the provisions of this paragraph to the contrary, interstate gas transmission companies shall not be required to prepare any forecast or supplement for any part of a service area which lies outside of the Commonwealth of Massachusetts and the states of Connecticut, Maine, New Hampshire, New York, Rhode Island and Vermont.

(c) Companies may file joint forecasts or supplements, using the same or comparable methodologies and assumptions. Even so, all historical sales and demand or sendout data and forecast levels must be stated separately for each company whose wholesale and retail sales exceed two percent of total retail sales in the Commonwealth. Any company whose wholesale and retail sales do not exceed two percent need not file such data separately if it participates in a joint forecast or supplement. In the event of a joint forecast or supplement, the Council may conduct a joint adjudicatory proceeding concerning the forecasts or supplement. In such a proceeding the Council may render separate and different decisions for different companies.

(d) Electric companies shall, whenever appropriate and unless otherwise specified, report data in terms of megawatts electric (MW), megawatts thermal (MWt), megawatt-hours (MWH), kilovolts (kV), megavolt-amperes (MVA), or millions of Btu's (MMBtu). Gas companies shall, whenever appropriate and unless otherwise specified, report data in terms of millions of Btu's (MMBtu) or millions of Btu's per day (MMBtu/day).

(e) The following practices shall be followed when accurate historical data cannot be provided.

1. Historical data which cannot be provided shall be estimated.
2. Notation shall be made indicating which data were estimated.
3. A description of the estimation process used shall be included in the forecast or supplement.
4. Data records of significant required data shall be kept so as to replace the estimated data if the data becomes available in subsequent forecast years. Such estimated data shall be replaced, if appropriate, by the next long-range forecast or supplement.

(f) Where a facility is to be owned jointly by more than one company, then a designated lead company may include in its long-range forecast the information required by 980 CMR 7.04(8) or 7.07(7) and all other participants may incorporate such information by reference.

(g) The information required by this Chapter shall be submitted in such form as the Council may require.

(h) The procedures and requirements established in 980 CMR 7.03, 7.04, 7.06 and 7.07 for forecasts shall apply to supplements to the extent appropriate pursuant to the terms of 980 CMR 7.05 and 7.08.

(6) Exemption of Facilities Under Construction.

(a) No electric or gas facility which is under construction prior to May 1, 1976, shall be subject to any requirement that it be included in an approved long-range forecast, nor shall failure to include such a facility in a long-range forecast impair in any way the rights of the company constructing the facility to file an application for a Certificate with the Council in regard to the facility or to seek a license to construct, operate or maintain the facility from any local or other state agency.

7.02: Procedures

- (1) Petition. A petition, as used in Part, shall consist of any long-range forecast, supplement, or amended forecast filed with Council pursuant to 980 CMR 7.00. A complete petition shall be deemed to have commenced an adjudicatory proceeding.
- (2) Title; Other Required Information. In addition to the information required by 980 CMR 7.03 through 7.08, every petition, as far as possible, shall contain the following:
 - (a) a title which indicates the nature of the proceedings, whether a long-range forecast, a supplement, or an amended forecast, and the complete name and address of the lead company filing the petition and of any other company or companies for which it is filed;
 - (b) the name and address of the officer of the company to whom communications with respect to the petition should be addressed and, if the company is represented by counsel, the name and address of counsel;
 - (c) a reference to the statute pursuant to which the petition is filed; and
 - (d) a request that the long-range forecast, supplement, or amended forecast which is the subject of the petition be approved.
- (3) Filing Dates.
 - (a) Every electric company shall file the first long-range forecast containing the information required by 980 CMR 7.03 and 7.04 and every gas company shall file the first long-range forecast containing the information required by 980 CMR 7.06 and 7.07, either individually or jointly with other such companies, on or before May 1, 1976; the second long-range forecast shall be filed on or before December 31, 1980 for gas companies or April 1, 1981 for electric companies; and subsequent long-range forecasts shall be filed every fifth year thereafter.
 - (b) Every electric and gas company shall file the first supplement, either individually or jointly with other such companies, on or before December 31, 1976, and subsequent supplements shall be filed each year thereafter except years during which a long-range forecast is filed pursuant to 980 CMR 7.02(3)(a).
- (4) Notice. Notice of filing of a petition shall be given by the Council or the company in the manner set forth in 980 CMR 1.03(2). Such notice shall, in addition, state that copies of the petition are available at the offices of the Council and at repositories of documents chosen pursuant to 980 CMR 7.02(5) and that persons desiring more information should contact the Council.
- (5) Repository of Documents. Each company participating in the filing of a petition shall place a copy or copies of the petition in one or more repositories of documents chosen pursuant to 980 CMR 2.03(4). Each electric company shall choose at least one repository for each 2,000,000 MWH of sales or part thereof per year. Each gas company shall choose at least one repository for each 15,000,000 MMBtu or part thereof sold per year. Repositories shall be chosen and distributed in order to provide convenient access to the petition to as many of the company's customers as possible. The Council may in its discretion require that additional documents, data or transcripts be provided for each such repository by the company or any other party. Materials may be removed from a repository after the conclusion of all judicial appeals or the expiration of all time limits for judicial appeals.
- (6) Adjudicatory Hearing. The Council shall hold an adjudicatory hearing within six months after the filing of a complete petition. The Council may in its discretion combine proceedings concerning more than one petition in a single adjudicatory hearing, provided that the Council issues a separate decision for each such petition.
- (7) Informational Hearing. The Council shall conduct a public hearing for informational purposes in each locality in which there is the site or alternative site for a facility proposed in a petition. 980 CMR 7.00 shall not be interpreted to require, but may be interpreted to allow, the Council to hold an informational hearing in more than one place for any proposed transmission line. The informational hearing shall be held at least 14 days prior to the commencement of the adjudicatory hearing required by 980 CMR 7.02(6). An informational hearing shall not be required concerning a proposed site, if such hearing has already been

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held in regard to a previously filed long-range forecast or supplement. The Council shall give such notice or require the company to give such notice as is necessary to inform the public in the affected area of the time, place, and nature of the hearing. The Council may require the company proposing the site or alternative site to present oral testimony at such an informational hearing as a necessary precondition of Council approval of the petition.

(8) Conduct of Adjudicatory Proceedings.

(a) The Council may in its discretion require at any time during an adjudicatory hearing subject to 980 CMR 7.00 that a company or other party produce such additional information, data or evidence as the Council needs to render a decision.

(b) In reviewing any question presented concerning a proposed facility described pursuant to 980 CMR 7.04 or 7.07, the Council may in its discretion examine the question in great detail or examine the question in limited detail. The Council may base its determination of the level of detail upon such factors as the completeness of plans for and design of the facility, the adequacy or probable adequacy of review or subsequent review by local or other state agencies, the importance of the question, and the wishes of the company, local and other state agencies, or other parties.

(9) Council Decisions.

(a) Within 12 months from the date of filing of a complete petition or such other time as may be agreed upon, the Council shall render a decision approving the forecast or supplement, approving it subject to stated conditions, approving it in part and rejecting it in part, or rejecting it. Approval shall require a majority vote. The Council may, among other actions, approve a forecast but retain jurisdiction to review further the plans for a particular facility at a later time. Conditional or partial approval of a forecast or supplement may, according to its terms, be deemed to satisfy the requirement of M.G.L. c. 164, § 69I, that a site and facility conform to the most recently approved forecast or supplement for purposes of permit proceedings before other agencies.

(b) The Council shall approve the demand or sendout segment of a forecast or supplement, if it determines that each of the following requirements has been met by the company:

1. All historical data and current operating data and information required by 980 CMR 7.00 and information relating to energy policies for the Commonwealth are substantially accurate and complete.

2. The forecasts of demand required by 980 CMR 7.00 are based on substantially accurate historical information or, where appropriate, estimates and upon reasonable statistical projection methods. What constitutes a reasonable statistical projection method may depend upon the size of the company, the state of the art of forecasting, and the extent to which the requirements of 980 CMR 7.00 are met.

3. Any projections relating to service area, facility use and pooling or sharing arrangements are consistent with such forecasts of other companies subject to Council jurisdiction as may have already been approved and with reasonable projections of activities of companies outside of Council jurisdiction in the New England area.

(c) The Council shall approve the supply segment of a forecast or supplement, if it determines that all information relating to environmental impact of proposed facilities is substantially accurate and complete, and that plans for expansion and construction of facilities are consistent with current health, environmental protection, and resource use and development policies of the Commonwealth as set forth in the constitution, general laws, and duly promulgated rules and regulations of responsible state, regional or local agencies. Approval of a planned facility in a forecast shall not be construed to limit or pre-empt the authority and responsibility of any state, regional or local agency to issue or require any approval, consent, permit, certificate or condition for the construction, operation or maintenance of such facility under other laws of the Commonwealth, nor shall such approval constitute a determination that a proposed facility complies with or satisfies any statutory or regulatory standard other than those of the Council. Therefore, to the extent that any such policies are implemented or enforced by a state, regional, or local agency by the issuance or requirement of an approval, consent, permit, certificate or condition for the construction, operation or maintenance of such facility, such plans will be deemed consistent with such policies.

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(d) In reviewing a supply plan the Council shall approve or disapprove only those facilities included pursuant to 980 CMR 7.04(8) and 7.07(7). It shall not approve or disapprove facilities and generating plants included pursuant to 980 CMR 7.04(5)-(7), 7.07(5) and (6).

(e) A decision shall be set forth in writing and the reasons therefor included.

(10) Determination of Council Jurisdiction.

(a) Any company or other person may at any time petition the Council pursuant to this Rule for a determination whether an electric or gas plant, transmission line, pipeline, or gas storage tank (proposed, under construction, or existing) is within the definition of facility, is exempt from Council jurisdiction pursuant to 980 CMR 7.01(1), should be included in any forecast or supplement pursuant to 980 CMR 7.00, or may qualify for a Certificate pursuant to 980 CMR 6.00.

(b) Should the Council decide to consider such a petition; its action shall be taken through an adjudicatory proceeding, subject to all procedures set forth in 980 CMR 1.00.

(c) The petition shall state the name of the petitioner, the nature of the petition, and the determination of the Council sought by the petitioner.

(d) The petition shall be accompanied by such briefs, information, data, and written testimony as the petitioner may deem appropriate to support its request. The Council may during a hearing require such additional information, data and evidence as it in its discretion deems appropriate.

(e) If a hearing is held, the Council shall within four months issue a decision on a petition stating fully the extent to which a proposed facility is within or without Council jurisdiction for a specific purpose, or deferring a determination of Council jurisdiction.

(f) The Council may consider a petition pursuant to this Rule to determine whether a facility is within Council jurisdiction for purposes of a forecast, supplement, Application for a Certificate at the same time it reviews the forecast, supplement or Application. A company by submitting information to the Council pursuant to 980 CMR 6.00 or 7.00 does not waive the right to challenge Council jurisdiction.

(g) A determination by the Council pursuant to this Rule that a proposed facility is not within the jurisdiction of the Council and need not be included in forecast or supplement shall be equivalent to a determination by the Council that the said facility and its site conform to the most recently approved forecast or supplement. Such a determination by the Council shall be sufficient but not necessary to satisfy the requirement of M.G.L. c. 164, § 69I that the Council approve a forecast or supplement to which the site and facility conform before any state agency may issue a construction permit.

(h) The existence of the procedures of this Part shall not be deemed to preclude any party from raising the question of Council jurisdiction during a proceeding.

7.03: Demand Forecasts by Electric Companies

(1) Scope and Purpose. 980 CMR 7.03 sets forth the requirements for forecasts of demand which every electric company must meet in each long-range forecast. A long-range forecast, including a demand forecast, must be filed on the dates set forth in 980 CMR 7.02(3)(a). Every electric company must file a long-range forecast. Forecasts of demand shall be submitted and reviewed so that the Council may better determine whether plans for new facilities as proposed by electric companies are in conformity with the energy, environmental and economic policies of the Commonwealth.

(2) Description of Agreements.

(a) A long-range forecast shall include summary descriptions of all existing agreements with other electric companies relating to joint planning or joint forecasting of electric power needs, to construction of future facilities, or to the purchase or sale of electric power or reserve capacity. This description shall include:

1. the name of the parties to each agreement, identifying the role of each party;
2. the Federal Energy Regulatory Commission or Massachusetts Department of Public Utilities Docket or File Number, if any, associated with the agreement;
3. the commencement and termination dates of each agreement;

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4. for agreements for the purchase or sale of electricity, the amount of power that will or may be bought or sold in each year covered by the long-range forecast, expressed in MW and/or MWH (if no MW or MWH figure is expressed in the contract, the forecasting company shall estimate the MW or MWH requirements needed to fulfill the contract); and
 5. for agreements of the joint planning or forecasting of electricity needs, a summary of the provisions of the agreement.
- (b) For the purposes of 980 CMR 7.03(2) the term "existing agreements" shall include such contracts, letters of intent, and precedent agreements as contain legal commitments. A company may at any time petition the Council by submitting a contract, letter of intent, precedent agreement or other agreement for a determination whether it is an existing agreement as defined in this Rule. The Council may require further information and shall within 60 days of the petition issue a determination. A company may petition in the alternative for a determination pursuant to this paragraph that an item is not an existing agreement or for a determination pursuant to 980 CMR 4.04(3) that the item is exempt from public access; in such event the Council shall protect the confidentiality of the item as provided by 980 CMR 4.04(4).
- (3) Demand Forecasting Requirements. Each long-range forecast shall meet the requirements specified in 980 CMR 7.03(4) through (7).
- (4) Time Frame.
- (a) Except as provided by 980 CMR 7.03(2) or (3), the period of time to be covered by the forecast shall include:
 1. the five calendar years preceding the year in which the forecast is submitted, for purposes of establishing historical baseline data for each of the categories of information to be included in the forecast; and
 2. at least the succeeding ten calendar years (where a company seeks approval of a facility more than ten years prior to the expected date of operation, it shall extend its forecast by the appropriate number of years).
 - (b) For purposes of the forecast required to be filed on or before May 1, 1976, the period of time to be covered shall, if the company forecasts on a calendar year basis, include:
 1. the years 1970 through 1974 for historical purposes;
 2. the year 1975 as the current year; and
 3. at least the years 1976 through 1985 for forecast purposes.
- (5) Methodology for Forecasting Demand. The Council does not prescribe a particular methodology that must be used by all electric companies in forecasting future demand. However, the selected methodology must be explained and justified by the forecasting company in accordance with the requirements of 980 CMR 7.03(5). Furthermore, the methodology must meet the applicable requirements of 980 CMR 7.09.
- (a) The methodology shall be fully described, and such description shall include:
 1. identification of significant determinants of future demand, and of the means by which they were taken into account;
 2. description of data used in making the forecast and identification of the sources of such data;
 3. explanation of techniques employed for gathering, organizing, adjusting, and extrapolating from or interpreting the data, together with examples of the applications of such techniques;
 4. significant assumptions made and the reasons for making them; and
 5. a statement of the level of confidence of the company in dependent and independent variables, and explanation of how the statement of the level of confidence was arrived at.
 - (b) The forecast shall be accompanied by explanations of whether and, if so, how it takes into account and how were obtained the following determinants of future demand:
 1. population;

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2. price of electricity and price-elasticity of demand for electricity (including cost of fuels used in generation), both absolute and relative to that of other forms of energy that may be substituted for electricity in end uses;
 3. income of consumers, or value of the gross product of the service area;
 4. energy policies of the Commonwealth and of the federal government, both currently existing and possible for the future;
 5. strategies of the forecasting company for promoting consumption or conservation of electricity, or for modifying load curves; and
 6. any other factors deemed relevant, such as investment by others in and use of capital goods that require electricity, including residential appliances (e.g., stoves, refrigerators, water heaters and heating and air conditioning equipment), industrial equipment and commercial equipment.
- (c) The forecast documentation shall be sufficiently explicit and complete to allow Council fully to understand the forecast from the information presented.

(6) Contents of Forecast. The demand forecast shall include the following items for each of the years it covers:

- (a) the total annual electrical energy generated and consumed or to be generated and consumed in the forecast area, with breakdowns for each of the classes specified in 980 CMR 7.03(7);
- (b) the seasonal peak loads for both summer and winter, with breakdowns for each of the classes specified in 980 CMR 7.03(7)(a);
- (c) annual load factor;
- (d) annual load duration curve, defined as the duration in hours of each level of kilowatt demand;
- (e) load profiles, defined as kilowatt loads to be graphed as a function of the time of day, for representative weekday in both January and August and for actual past winter and summer peak days or a forecast peak day in both January and August.

Forecasts of the 980 CMR 7.03(6)(c) through (e) are not required to be disaggregated among the classes in 980 CMR 7.03(7).

(7) Level of Aggregation.

- (a) Separate forecasts of total annual electrical energy generated and consumed and seasonal peak loads shall be made for each of the following customer classes;
 1. residential without electric heating;
 2. residential with electric heating;
 3. commercial
 4. industrial;
 5. street lighting;
 6. railway;
 7. sales for resale;
 8. any other customer classes;
 9. losses, internal use and unaccounted for; and
 10. total energy requirements.

The foregoing categories shall be defined to the extent possible as defined by the Federal Energy Regulatory Commission.

(b) The forecast of total annual electrical energy consumed by industrial customers required by 980 CMR 7.03(6)(a) and 7.03(7)(a)4. shall be disaggregated by two digit Standard Industrial Classification Code.

7.04 Supply Plans of Electric Companies

(1) Scope and Purpose.

- (a) 980 CMR 7.04 sets forth the requirements for a statement of supply resources and plans which every electric company must meet in each long-range forecast. A long-range forecast, including supply plans, must be filed on the dates set forth in 980 CMR 7.02(3)(a) in the same manner as provided by 980 CMR 7.03(1). Except as otherwise provided by 980 CMR 7.04 or 980 CMR 7.05(3), every facility expected to commence operation in the tenth year after the date

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of a forecast must be included in the

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supply plans required by 980 CMR 7.04(8). For purposes only of the long-range forecast required to be submitted on or before May 1, 1976, a company must include pursuant to 980 CMR 7.04(8) all facilities expected to commence operation at any time prior to December 31, 1985, and not exempted from Council authority for any reason. Facilities expected to commence operation more than ten years after the date of the forecast may be included in the supply plan. Only those facilities required to be described as set forth in 980 CMR 7.04(8) are subject to Council approval or disapproval. Information concerning other construction projects must in any event be provided to the extent required by 980 CMR 7.04(5), (6) and (7).

(b) Statements of supply plans shall be submitted and reviewed so that the Council may better determine whether the supply plans will fulfill the energy, environmental and economic policies of the Commonwealth.

(c) As provided by 980 CMR 7.04(1)(b), an electric company may include a proposed facility in a forecast or modify the plans for a proposed facility pursuant to 980 CMR 7.04(8) nine years or less before it is expected to commence operation, if the electric company's plans have changed, requiring the completion of a facility nine years or less after the date of the forecast under consideration. The company shall notify the Council of such change of plans or proposed facility as early as possible. The notification may be in the form of the filing of a long-range forecast, amended forecast, supplement, or in the form of a motion to amend an approved forecast or supplement or a forecast or supplement then under consideration. The circumstances and factors necessitating the change in plans and the completion of a facility shall be fully described in said notification.

(2) Inventory of Resources.

(a) Each electric company shall provide one or more maps of appropriate scale showing:

1. the location and capacity of all generating facilities, including units below 100 MW (including jointly-owned units and units outside Massachusetts);
2. the location of transmission substations with a voltage rating of 69 kV or higher; and
3. the location of transmission lines rated 69 kV or higher and interconnections with the transmission facilities of other companies.

(b) Each electric company shall provide a schedule of existing generating facilities (including jointly-owned facilities), including units below 100 MW which shall contain:

1. the facility name, location, and in-service date;
2. unit numbers;
3. the MW capability (summer and winter);
4. the type or types of energy resources used;
5. the type of service (base load, cycling, peaking);
6. the total acreage of the facility site; and
7. a statement concerning the reliability of the facility during each of the most recent five years.

In the case of any facility containing any single generating unit with a capacity in excess of 100 MW, the information required by this paragraph, whenever appropriate, shall be reported separately for every generating unit comprising the facility.

(c) Each electric company shall provide a schedule of existing 69 kV or higher voltage transmission facilities which shall contain as to each transmission circuit:

1. origin, terminus and length;
2. design and operating voltages;
3. nominal width of right-of-way (in the case of a right-of-way containing more than one circuit the total width will be given),
4. type of structure; and
5. size of conductor and material.

(d) Each electric company shall provide a schedule of existing transmission substations with a voltage rating of 69 kV or higher which shall contain:

1. name and location;
2. transmission voltage
3. main power transformer capacity; and
4. the total acreage of the substation site.

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(3) Federal Energy Regulatory Commission Reports. Each Company shall submit any Federal Energy Regulatory Commission form that the Council determines may be useful. The Council may require that a copy of any Commission form be deposited in any repository of documents chosen pursuant to 980 CMR 7.02(5).

(4) Comparison of Resources and Requirements to Meet Forecast Demand.

(a) For each of the years covered by the forecast, the following items should be listed as total generating capacity at the time of the winter and summer peaks. These items should be differentiated as to existing or additional capacity and capacity in units included or not included in the definition of "facility". Some elements may be unknown or difficult to forecast, but the basis for any estimates should be described:

1. anticipated peak loads;
2. capacity available from existing sources;
3. capacity available from planned additions;
4. planned retirements;
5. capacity available from purchases to meet peak;
6. capacity committed to sell coincident with peak; and
7. reserve capacity.

(b) Estimates of the total energy input in primary fuels required to meet demand for the first two future years of the forecast should be furnished. Primary fuels should be organized by standard categories (nuclear fuel, coal, gas and the various petroleum products) and quantified on the basis of MMBtu.

(c) The company shall state fully the extent to which consideration of the risk of insufficient generating capacity influences the plans set forth pursuant to 980 CMR 7.04(1).

(5) Small Generating Plants Planned. Each company shall provide, for each generating plant of less than 100 MW (including jointly-owned plants) planned or under construction with an in-service date within the coming ten years, the following information to the extent known or planned:

- (a) the facility name and location;
- (b) the unit numbers;
- (c) the anticipated in-service date;
- (d) the MW capability (summer and winter);
- (e) the type or types of energy resources to be used;
- (e) the type of service (base load, cycling, peaking);
- (f) the total acreage of the facility site; and
- (h) a statement of the anticipated reliability of the facility.

This information is required for informational purposes only.

(6) Generating Facilities Planned in Other States. Each company shall provide for each generating plant or facility of any size, planned or under construction in a state other than Massachusetts with an in-service date within the coming ten years, and owned or to be owned entirely or in part by the company, the following information to the extent known or planned:

- (a) the facility name and location;
- (b) the unit numbers;
- (c) the anticipated in-service date;
- (d) the MW capability (summer and winter);
- (e) the type or types of energy resources to be used;
- (f) the type of service (base load, cycling, peaking); and
- (g) a statement concerning the anticipated reliability of the facility.

(7) Exempt and Approved Facilities.

(a) Each company shall provide for each facility (including jointly-owned facilities) planned or under construction in the Commonwealth with an in-service date within the coming ten years but not requiring Council approval in a forecast because exempt pursuant to 980 CMR 7.01(6) or 980 CMR 7.02(10) or because already contained in an approved forecast or supplement, the information required by 980 CMR 7.00 to the extent known or planned.

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- (b) For each such generating facility, the company shall state:
 1. the facility name and location;
 2. the unit numbers
 3. the anticipated in-service date;
 4. the MW capability (summer and winter);
 5. the type or types of energy resources to be used;
 6. the type of service (base load, cycling, peaking); and
 7. a statement concerning the anticipated reliability of the facility.
- (c) For each such transmission facility, the company shall state:
 1. origin, terminus, length and, if known, route;
 2. design and operating voltages;
 3. the anticipated in-service date;
 4. type of structure; and
 5. size of conductor and material.

(8) Planned Facilities.

- (a) For each new facility to be located in Massachusetts, not otherwise approved or exempted, the lead company shall include a description of the facility and an assessment of its environmental impact as well as a discussion of the relationship of the proposed facility to the current health, environmental protection, and resource use and development policies of the Commonwealth as set forth in the constitution, general laws, and duly promulgated rules and regulations of responsible state, regional or local agencies. Such description shall include the following information:
 1. name of the lead company;
 2. name of participating owners;
 3. facility name and location; and
 4. predicted dates of commencement and completion of construction.
- (b) The lead company should also:
 1. state the name and degree of jurisdiction of other state agencies (include references to statutory authority of agency);
 2. state the name and degree of jurisdiction of federal agencies (include references to statutory authority of agency); and
 3. identify the agency or agencies for which environmental assessments must be prepared under M.G.L. c. 30, § 62 and 42 USC, § 4332.
- (c) For a proposed transmission line, the lead company shall provide the information and documentation set forth in Administrative Bulletin 78-2.
- (d) For a proposed new substation site or expansion of any existing site beyond the acreage shown on the schedule required under 980 CMR 7.04(2)(d)4. for those substations which are associated with and constructed at the same time as a transmission line or generating facility whose construction is to be commenced after May 1, 1976, the lead company shall provide:
 1. a summary statement of purpose, location, approximate size of the site, general nature and capacity of major equipment, proposed ultimate development, estimated cost, alternative sites, other alternatives, and a discussion of the alternative of no new substation;
 2. a general description of the site and surrounding area in terms of natural features, including topography and water resources, and land use, both existing and proposed, including types and densities in developed areas, agricultural and other open uses, parks and recreation areas, areas designated by a governmental agency for protection as nature preserves or historic or scenic districts, near-by roads, near-by utility or transportation corridors and zoning; and
 3. an evaluation of the impact of the facility in terms of its effect on natural features and land use as just described, its visibility, and, if applicable, its air quality, water quality, solid waste, radiation and noise effects.
- (e) For a proposed generating facility, the lead company shall provide:

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1. a summary statement of purpose, name and location or alternative locations of the facility, approximate size of site and buildings, size and nature of the major equipment, peak capacity (summer and winter), the type of service (base-load, cycling, peaking), fuel storage facilities, major ancillary equipment, alternative sites, possible alternative fuel types, alternative methods of generation or sources of power, effect if the specified generating facility were not constructed, estimated cost, and major environmental protection equipment;
 2. a description of each alternate site and surrounding area in terms of natural features, including topography, water resources, soils, vegetation, and wildlife, and land use, both existing and proposed, including types and densities in developed areas, agricultural and other open uses, parks and recreation areas, areas designated by a governmental agency for protection as nature preserves or historic or scenic districts, nearby roads, nearby utility and transportation corridors;
 3. aerial photographs of appropriate scale of each alternative site and the surroundings showing the approximate location of the facilities;
 4. a map showing the current use of each alternative site, contiguous property and surroundings up to one mile;
 5. U.S.G.S. 1:24,000 scale maps with overlays showing each alternative site and the location of each alternative facility; and
 6. an evaluation of the impact of the facility in terms of its effect on natural features (especially water resources), land use as described above, visibility, air quality, water quality, solid waste, radiation, noise, and socioeconomics.
- (9) Exclusions. The following activities are deemed not to constitute the construction of facilities subject to 980 CMR 7.04(8):
- (a) a change, not having significant visual impact, of transformers, circuit breakers, or other miscellaneous equipment contained within the physical boundaries of the substation site;
 - (b) reconductoring or rebuilding of an existing transmission line at the same voltage;
 - (c) modification in or replacement of equipment at or within a generating plant site which does not increase the gross capacity at such site by more than ten percent;
 - (d) modifications or minor relocations of a transmission line required by a public highway project or other governmental action;
 - (e) changes or alteration to a transmission line which do not significantly affect the general physical characteristics of the facility, including conversion to a higher voltage;
 - (f) temporary placement of generating or substation facilities to be utilized for a period less than one year; and
 - (g) commencement of permanent placement of facilities on an emergency basis subject to compliance with the provisions of 980 CMR 6.06(2).

7.05: Annual Supplements by Electric Companies

- (1) Scope and Purpose. 980 CMR 7.05 sets forth the requirements for annual supplements which every electric company must file on the dates set forth in 980 CMR 7.02(3)(b). Annual supplements shall be submitted so that the Council may review any significant proposed changes in the information contained in previously approved forecasts and supplements, so that the Council may determine whether plans for new facilities as proposed by electric companies will fulfill the energy, environmental and economic policies of the Commonwealth.
- (2) Content of Supplements.
 - (a) Each annual supplement shall set forth appropriate changes in the company's long-range forecast, as previously supplemented, considering at least a ten year period succeeding the date on which the current supplement is filed. Any new facility expected to commence operation in the tenth year after the said date must be included in the supplement. Any new facility for which Council approval is required and which is expected to commence operation nine years or less after the said date may be included only as provided by 980 CMR 7.04(1)(c). Each supplement shall explain any differences between the most recent previous forecast or supplement and the current supplement and

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events occurring in the year since the previous forecast or supplement was filed. Each supplement shall fulfill or report the fulfillment of any stated conditions that the Council, in granting a qualified approval of a previously filed long-range forecast or supplement, may have required the forecasting company to meet in its annual supplement or by the time such supplement is filed.

(b) In the event that an annual supplement represents the first filing by a company or that a company did not file the next previous long-range forecast, the supplement must, unless an intervening supplement has done so, contain all information normally required by 980 CMR 7.03 and 7.04 to be filed in connection with a long-range forecast.

(3) Occasional Supplements.

(a) Notwithstanding the time limits of 980 CMR 7.04(1), an electric company may at any time file an occasional supplement to an approved forecast or annual supplement. The sole purpose of an occasional supplement shall be to propose for Council approval the construction of one or more transmission lines less than 15 miles in length and of a capacity of 115 kV or less and ancillary structures.

(b) An occasional supplement shall be a petition, and notice of its filing shall be given in the manner required by 980 CMR 1.03(2) and 7.02(4).

(c) An occasional supplement shall consist of:

1. a statement setting forth the need for the transmission line to provide for a necessary energy supply for the Commonwealth with a minimum impact on the environment at the lowest possible cost;
2. a statement providing all the information required by 980 CMR 7.04(8)(b) and (c); and
3. such other information as the Council may reasonably require.

(d) Notwithstanding the time limit of 980 CMR 7.02(9)(a) the Council shall within six months from the date of filing of a complete, occasional supplement render a decision approving it, approving it subject to stated conditions, approving it in part and rejecting it in part, or rejecting it.

(e) An occasional supplement may be combined with a forecast or an annual supplement.

7.06 Demand or Sendout Forecasts by Gas Companies

(1) Scope and Purpose. 980 CMR 7.06 sets forth the requirements for forecasts of demand and sendout which every gas company must meet in each long-range forecast in which a new facility is proposed. If no new facility is proposed, a gas company shall be required to submit a forecast of sendout only but shall not be required to submit a forecast of demand. Every gas company must file a long-range forecast.

Forecasts of demand and sendout shall be submitted and reviewed so that the Council may better determine whether plans for new facilities as proposed by gas companies are in conformity with the energy, environmental and economic policies of the Commonwealth.

Interstate natural gas companies subject to Federal Energy Regulatory Commission regulation and persons who have filed an application with the Federal Energy Regulatory Commission for construction of facilities subject to the Natural Gas Act, and operating or intending to operate in Massachusetts will file demand or sendout data with the Council. Such data may be extracted from the companies' annual filings with the Federal Energy Regulatory Commission and shall be for informational purposes only; no adjudicatory proceedings will be held thereon. Duplicates of the companies' FERC filing may be submitted in lieu of the above demand and sendout data.

(2) Description of Agreements.

(a) A long-range forecast shall include summary descriptions of all existing agreements with other gas companies relating to joint planning or joint forecasting of gas needs, to construction of future facilities, or to the purchase or sale of gas. This description shall include:

1. the names of the parties to each agreement, identifying the role of each party;
2. the Federal agency or Massachusetts Department of Public Utilities Docket or File Number, if any, associated with the agreement;
3. the commencement and termination dates of each agreement;

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4. for agreements for the purchase or sale of gas, the amount of gas that will or may be bought or sold in each year covered by the long-range forecast. (If no figure is expressed in the contract, or if it may not be possible to fulfill the contract entirely because of supply constraints, the forecasting company shall estimate the amount of gas that will be bought or sold in each year covered by the forecast.); and
 5. for agreements for the joint planning or forecasting of gas demand and sendout, a summary of the provisions of the agreement.
- (b) For the purpose of 980 CMR 7.06 the term "existing agreements" shall include such contracts, letters of intent, and precedent agreements as contain legal commitments. A company may at any time petition the Council by submitting a contract, letter of intent, precedent agreement or other agreement for a determination whether it is an existing agreement as defined in 980 CMR 7.06. The Council may require further information and shall within 60 days of the petition issue a determination. A company may petition in the alternative for a determination pursuant to 980 CMR 7.06(2)(b) that an item is not an existing agreement or for a determination pursuant to 980 CMR 4.04(3) that the item is exempt from public access; in such event the Council shall protect the confidentiality of the item as provided by 980 CMR 4.04(4).
- (3) Demand and Sendout Forecasting Requirements. Each long-range forecast shall meet the requirements specified in 980 CMR 7.06(4) and 7.06(7).
- (4) Time Frame.
- (a) Except as provided by 980 CMR 7.06(4)(b) or (c), the period of time to be covered by the forecast shall include:
 1. the five calendar years preceding the year in which the forecast is submitted, for purposes of establishing historical baseline data for each of the categories of information to be included in the forecast;
 2. the current calendar year, for which both projected and actual data shall be submitted; and
 3. at least the succeeding five calendar years.
 - (b) For purposes of the forecast required to be filed on or before May 1, 1976, the period of time to be covered shall, if the company forecasts on a calendar basis, include:
 1. the years 1970 through 1974 for historical purposes;
 2. the year 1975 as the current year; and
 3. at least the years 1976 through 1980 for forecast purposes.
- (5) Methodology for Forecasting Demand and Sendout. The Council does not prescribe a particular methodology that must be used by all gas companies in forecasting future demand and sendout. However, the selected methodology must be explained and justified by the forecasting company in accordance with the requirements of 980 CMR 7.06. Furthermore, the methodology must meet the applicable requirements of 980 CMR 7.09.
- (a) The methodology shall be fully described, and such description shall include or be accompanied by:
 1. identification of significant determinants of future demand and sendout, and of the means by which they were taken into account;
 2. description of data used in making the forecast, and identification of the sources of such data;
 3. explanation of techniques employed for gathering, organizing, adjusting, and extrapolating from or interpreting the data, together with examples of the applications of such techniques;
 4. significant assumptions made and the reasons for making them;
 5. a statement of the level of confidence of the company in dependent and independent variables, and explanations of how each statement of the level of confidence was determined.
 - (b) The forecast shall be accompanied by explanations of whether and, if so, how it takes into account and how were obtained the following actual and estimated determinants of future demand and sendout:
 1. population;

7.06: continued

2. price of gas and price elasticity of demand for gas (including costs of feedstocks used in production of gas), both absolute and relative to those of other forms of energy that may be substituted for gas and in end uses;
 3. income of consumers, or value of the gross product of the service area;
 4. energy policies of the Commonwealth and of the federal government, both currently existing and possible for the future;
 5. constraints upon the availability of gas or feedstocks;
 6. strategies of the forecasting company for promoting consumption or conservation of gas; and
 7. any other factors deemed relevant, such as investment by others in and use of capital goods that require gas, including residential appliances (e.g., stoves, water heaters and space heating systems), industrial and commercial equipment.
- (c) The forecast documentation shall be sufficiently explicit and complete to allow the Council to fully understand the forecast from the information presented.

(6) Contents of Forecast. The demand and sendout forecast shall include the following items for each of the years it covers:

- (a) total annual gas demand and sendout in the forecast area, with breakdown for each of the classes specified in 980 CMR 7.06(7);
- (b) the peak daily winter demand and sendout, with a breakdown for each of the classes specified in 980 CMR 7.06(7)(a) and (b);
- (c) annual load factor, defined as average daily demand and sendout divided by maximum daily demand and sendout;
- (d) annual load duration curve, defined as the duration in days of each level of daily sendout;
- (e) load profiles, defined as sendout to be graphed as a function of the time of day, for a representative weekday in both January and August and for the winter peak day;
- (f) load profiles, defined as annual demand and sendout graphed as a function of the day of the year. Forecasts of the items required by 980 CMR 7.06(6)(c) and (f) are required only with reference to total gas demand and sendout in the forecast areas. Forecasts of the items required by 980 CMR 7.06(6)(d) and (e) are required only with reference to total gas sendout in the forecast area; no forecast of demand is required.

(7) Level of Aggregation.

- (a) Separate forecasts of total annual demand and sendout and of peak daily winter demand and sendout shall be made for each customer class used by the company for billing purposes, and there shall be included data for losses, gas used by the company and gas unaccounted for.
- (b) For each rate class the customers of which are predominantly residential, the demand and sendout data required by 980 CMR 7.06(6)(a) and (b) shall be disaggregated for customers with and for customers without gas heating.
- (c) For each rate class the customers of which are predominantly industrial, the demand and sendout data required by 980 CMR 7.06(6)(a) shall be disaggregated by two digit Standard Industrial Classification Code.

7.07: Supply Plans of Gas Companies

(1) Scope and Purpose.

- (a) 980 CMR 7.07 sets forth the requirements for a statement of supply resources and plans which every gas company must meet in each long-range forecast.

A long-range forecast, including supply plans, must be filed on the dates set forth in 980 CMR 7.02(3)(a) in the same manner as provided by 980 CMR 7.06(1). Except as otherwise provided by 980 CMR 7.07, every facility expected to commence operation in the fifth year after the date of a forecast must be included in the supply plans required by 980 CMR 7.07(7). For purposes only of the long-range forecast required to be submitted on or before May 1, 1976, a company must include pursuant to 980 CMR 7.07(7) all facilities expected to commence operation at any time prior to December 31, 1980, and not exempted from Council authority for any reason. Facilities expected to commence operation more than five years after the date of the forecast may be included in the supply plan; in such a case 980 CMR 7.06(4)(a)(3) must be complied with.

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Only those facilities

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required to be described as set forth in 980 CMR 7.07(7) are subject to Council approval or disapproval. Information concerning other construction projects must in any event be provided to the extent required by 980 CMR 7.07(5) and (6).

(b) Statements of supply plans shall be submitted and reviewed so that the Council may better determine whether the supply plans will fulfill the energy, environmental and economic policies of the Commonwealth. The long-range forecast will allow for an early initial review of the plans for proposed facilities.

(c) As provided by 980 CMR 7.07(1)(c), a gas company may include a proposed facility in a forecast pursuant to 980 CMR 7.07(7) four years or less before it is expected to commence operation. The Council may approve that part of the forecast relating to the said facility if it determines that changed circumstances which the gas company should not reasonably have foreseen and taken into account at the time of filing of any prior forecast or supplement require the completion of the facility four years or less after the date of the forecast under consideration. The changed circumstances should be described fully in the said forecast.

(2) Inventory of Resources. The following inventory of existing facilities shall be included in each long-range forecast.

(a) The inventory shall include a schematic map showing the routes of the company's pipelines having a normal operating pressure in excess of 100 psi gauge and the location of units designed for or capable of the manufacture or storage of gas.

(b) The inventory shall include a schedule of the company's existing facilities designed for or capable of the manufacture or storage of gas. Companies may exclude from such schedule any manufacturing or storage facility not used and not reasonably capable of being used (due to geographic separation, unavailable capacity or other reason) for the manufacture or storage of gas ultimately consumed in Massachusetts.

(c) Such a schedule shall contain for each facility included pursuant to 980 CMR 7.01(2)(b):

1. a general description of the type of facility (for example for storage facilities: LNG storage, vapor storage; for manufacturing facilities: SNG plant, propane air facility, LNG vaporization facility, LNG liquefaction facility);
2. the type of feedstock currently utilized for the manufacture of gas and the type of gas produced, or the type of gas stored, as applicable;
3. the capacity of the existing facility under normal operating conditions, expressed as the unit's normal annual and normal daily manufacturing capacity; or as its storage capacity; and
4. in the case of a facility for the manufacture of gas, a statement concerning the reliability during each of the most recent five years.

(d) The inventory shall include a schedule of all of the company's pipelines having a normal operating pressure in excess of 100 pounds per square inch (100 psi) gauge including those less than one mile in length, or at the company's election, a schedule of such pipelines in a separable segment of the company's interstate pipelines used or reasonably capable of being used to transmit gas to customers located in the Commonwealth. Said schedule shall contain the following information for each such pipeline:

1. name or numerical designation (if any);
2. origin, terminus, and length;
3. diameter and maximum allowable operating pressure; and
4. general description of the right-of-way.

(3) Federal Energy Regulatory Commission Reports. Each company shall submit copies of any Federal Energy Regulatory Commission form that the Council determines may be useful. The Council may require that a copy of any Commission form be deposited in any repository of documents chosen pursuant to 980 CMR 7.02(5).

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(4) Comparison of Resources and Requirements to Meet Forecast Demand. For each of the years covered by the forecast, the following items should be listed as total gas supply capacity at the time of the winter peak. These items should be differentiated as to existing or additional capacity in units included or not included in the definition of "facility". Some elements may be unknown or difficult to forecast, but the basis for any estimates should be described:

- (a) anticipated annual and peak demand and sendout;
- (b) sendout available from existing sources;
- (c) sendout available from planned additions; and
- (d) planned retirements.

The company shall state fully the extent to which considerations of the risk of insufficient supply influence the plans set forth pursuant to 980 CMR 7.07.

(5) Facilities Planned in Other States. Each company shall provide for each gas facility, planned or under construction in a state other than Massachusetts with an in-service date within the coming five years, owned or to be owned entirely or in part by the company and intended to serve Massachusetts customers directly or indirectly, the following information:

- (a) the nature of the facility;
- (b) the anticipated in-service date;
- (c) the capacity of the facility; and
- (d) in the case of the facility for the manufacture of gas, a statement concerning the anticipated reliability.

This information is required for informational purposes only.

(6) Exempt and Approved Facilities. Each company shall provide for each facility (including jointly owned facilities) planned or under construction in the Commonwealth with an in-service date within the coming five years but not requiring Council approval in a forecast because exempt pursuant to 980 CMR 7.01(6) or 7.02(10) or because already contained in an approved forecast or supplement, the following information to the extent known or planned:

- (a) the nature of the facility;
- (b) the anticipated in-service date;
- (c) the capacity of the facility; and
- (d) in the case of the facility for the manufacture of gas, a statement concerning the anticipated reliability.

This information is required for informational purposes only.

(7) Planned Facilities.

(a) For each new facility to be located in Massachusetts, the in-service date of which is to be within the time period covered by the filing, which has not been included in a long-range forecast, an amended forecast or a supplement previously approved by the Council, and which has not been exempted from Council jurisdiction pursuant to 980 CMR 7.01(6) or 7.02(10), the lead company shall include a description of the facility and its environmental impact as well as a discussion of the relation of the proposed facility to the current health, environmental protection, and resource use and development policies of the Commonwealth as set forth in the constitution, general laws, and duly promulgated rules and regulations of responsible state, regional or local agencies having the force of law. Such description shall include the following information:

- 1. name of the lead company;
 - 2. facility name and location;
 - 3. names of participating owners; and
 - 4. predicted dates of commencement and completion of construction.
- (b) The lead company shall also:
- 1. name any other state agency asserting jurisdiction over the proposed facility and include a reference to the statutory authority granting agency jurisdiction;
 - 2. name any federal agency asserting jurisdiction over the proposed facility and include a reference to the statutory authority granting agency jurisdiction; and
 - 3. identify the agency or agencies for which environmental assessments must be prepared under M.G.L. c. 30, § 62 and 42 USC, § 4332.

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- (c) For a proposed manufacturing or storage facility, the company shall provide:
1. a summary statement of purpose, name and location of facility; approximate size of site; general description of major structures and equipment; alternate sites; possible alternative methods of manufacture or storage considered by the company; estimated cost; major environmental protection equipment; type of facility, anticipated reliability and planned daily and annual capacity of SNG plants, LNG vaporization facilities, LNG liquefaction facilities and other manufacturing facilities; capacity of LNG storage facilities, vapor storage facilities and other gas storage facilities; type of feedstock and operating fuel; type and size of storage for feedstock and operating fuel; and a discussion of the alternative of no new manufacturing or storage facility;
 2. a general description of site and surrounding area in terms of natural features including topography, water resources, soils, vegetation, and wildlife, and land use, both existing and proposed, including types and densities in developed area, agricultural and other open uses, parks and recreation areas, areas designated by a governmental agency for protection as natural preserves or historic or scenic districts; nearby roads, nearby gas pipelines, transportation corridors and zoning (Include a map or aerial photographs showing the proposed site and its surroundings up to one mile from the site, designating current major land use patterns within such area, and showing the location within the site of the proposed facilities.); and
 3. an evaluation of impact of the facility in terms of its effect on: natural features (especially water resources), land use as just described, visibility, air quality, water quality, solid waste, and noise.
- (d) For a proposed gas pipeline intended to have normal operating pressure in excess of 100 psi gauge and length in excess of one mile, the company shall provide:
1. a summary statement of name or numerical description of line, purpose, location of terminal points, general location and length of route, facility characteristics including types of structures above and below the ground, proposed normal maximum operating pressure, right-of-way width, estimated cost, possible alternative routes and transportation methods, and a discussion of the alternative of no new pipeline (include U.S.G.S maps of 1:24,000 scale of the area of the proposed route and alternative routes);
 2. land use, both existing and proposed, including types and densities in developed areas, agricultural and other open uses, parks and recreation areas, areas designated for protection as natural preserves or historic or scenic districts, road crossings and traffic patterns, nearby utility or transportation corridors, cemeteries and schools; and
 3. a brief evaluation of impact of the facility in terms of its effect on natural features and land use, as just described, its visibility and, if applicable, its air quality, water quality, solid waste, and noise effects.
- (e) For each planned new facility the company shall provide a statement of need, which shall consist of:
1. a description of the ways in which the company's existing facilities will not be adequate to serve the requirements forecast; and
 2. a description of the use which is to be made of each new facility, including whether the new facility will be used to replace existing facilities or to meet additional requirements.
- (8) Exclusions. The following activities are deemed not to constitute the construction of facilities subject to 980 CMR 7.07(7):
- (a) modification, addition to, or replacement of equipment at an existing site which is a component part of an existing facility capable of the manufacture or storage of gas, unless such modification, addition, or replacement:
 1. increases the capacity of the storage component of the facility by more than 50% or 50,000 barrels; or
 2. increases the capacity of the manufacturing component of the facility by more than 50% or 25,000 MMBtu per day provided that increases of 10,000 MMBTU per day or less do not constitute the construction of facilities under 980 CMR 7.07(7);
 - (b) necessary maintenance of existing facilities for the manufacture or storage of gas or existing pipelines;

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- (c) the upgrading of an existing pipeline, which has been in existence for at least 24 months and which is capable of operating at pressures in excess of 100 psi gauge;
- (d) construction of a pipeline which for at least the first two years of service will be used at a pressure of less than 100 psi gauge or which involves the rebuilding, relaying, minor relocation, or reconstruction of all or part of an existing line which traverses essentially the same route; and
- (e) commencement or permanent placement of facilities on an emergency basis subject to the provisions of 980 CMR 6.06(2).

(9) Interstate Facilities.

(a) When interstate natural gas companies regulated by the Federal Energy Regulatory Commission (FERC) pursuant to the Natural Gas Act, 15 U.S.C. §§ 717 *et seq.* plan to construct new or modify existing facilities within the Commonwealth, the Council requires the following information:

1. A copy of the company's application to FERC for a certificate of public convenience and necessity with respect to the facility construction/modification.
2. Identification of the (1) general route of a pipeline or the sites of other facilities and (2) of the municipalities in the Commonwealth to be affected by such construction/modification and a description of the manner in which these municipalities will be affected. This information can be provided in a cover letter to the submittal of the FERC application to the Council, which letter references those parts of the application where that information can be found.

This information will be submitted to the Council at the same time the individual company files its application with FERC.

Within 60 days of receipt of this information, the Council will hold public informational hearings in the municipality or municipalities where the affected sites are located and will complete said hearings within 30 days of the time for commencement thereof. The company will attend this hearing so that the public's questions concerning the construction project may be addressed and potential difficulties identified early in the application process. Interested citizens who attend such hearings will be advised as to the nature and availability of their options, rights and/or remedies with respect to the project. Notice of such hearings will be given 21 days in advance in a practical manner to be specified by the hearing officer designated by the Council.

(b) Upon receipt of the company's application to FERC, the Council will act to preserve the rights of interested citizens of the Commonwealth by intervening in the FERC proceedings on said application. After conducting the public informational hearings as described in 980 CMR 7.07(9)(a), the Council will present to FERC through its intervention the difficulties and problems identified at said public hearings.

(c) Further, upon receipt of said application, the Council will contact the appropriate FERC personnel and request joint public hearings as described in (a) above and also will request joint adjudicatory hearings, said joint hearings to be conducted by the Council and FERC.

(d) The Council will also continue to apply the criteria set off in Policy 8 of the Massachusetts Coastal Zone Management Program (MCZMP) as authorized by the Federal Coastal Zone Management Act (the "Act"), 16 U.S.C. sec. 1451 *et seq.* and implemented further in 980 CMR 9.00 herein. A MCZMP consistency review of the company's application as contemplated by the Act, 16 U.S.C. sec. 1456(c)(3) will be conducted by the Massachusetts Coastal Zone Management Office.

7.08 Annual Supplements by Gas Companies

(1) Scope and Purpose. 980 CMR 7.08 sets forth the requirements for annual supplements which every gas company must file on the dates set forth in 980 CMR 7.02(3)(b).

Annual supplements shall be submitted so that the Council may review any significant proposed changes in the information contained in previously approved forecasts and supplements and so that the Council may determine whether plans for new facilities as proposed by gas companies will fulfill the energy, environmental and economic policies of the Commonwealth. Interstate natural gas companies will update on an annual basis the data filed with the Council pursuant to the third paragraph of 980 CMR 7.06(1) for informational purposes only.

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If a new facility is proposed as part of a supplement and if demand as well as sendout has not been forecast in the most recent forecast or supplement, a company must provide a complete long-range forecast of demand and sendout, in lieu of the supplement.

(2) Content of Supplements.

(a) Each annual supplement shall set forth appropriate changes in the company's long-range forecast, as previously supplemented, considering at least a five year period succeeding the date on which the current supplement is filed. Any new facility expected to commence operation in the fifth year after the said date must be included in the supplement. Any new facility for which Council approval is required and which is expected to commence operation four years or less after the said date may be included only as provided by 980 CMR 7.07(1)(c). Each supplement shall explain any differences between the most recent previous forecast or supplement and the current supplement and events occurring in the year since the previous forecast or supplement was filed. Each supplement shall fulfill or report the fulfillment of any stated conditions that the Council, in granting a qualified approval of a previously filed long-range forecast or supplement, may have required the forecasting company to meet in its annual supplement or by the time such supplement is filed.

(b) In the event that an annual supplement represents the first filing by a company or that a company did not file the next previous long-range forecast, the supplement must, unless an intervening supplement has done so, contain all information normally required by 980 CMR 7.06 and 7.07 to be filed in connection with a long-range forecast.

7.09 Forecast Requirements

(1) Scope and Purpose. This Part sets forth basic requirements for forecasting and applies to electric and gas forecasts and supplements filed on and after December 1, 1978. 980 CMR 7.09(2) applies to all forecasting methodologies while 980 CMR 7.09(3) applies only where econometric approaches are employed.

(2) General Requirements. With respect to all forecasting methodologies:

(a) Each is to be designed to accommodate sensitivity testing of major assumptions and parameters.

(b) Where computer programs are employed, these are to be made available to the Council upon request.

(c) Where computer programs are employed, source listings of computer programs, descriptions of the structure of each program and subprogram, and descriptions of the relationships between logical parts are to be made available to the Council upon request.

(d) Each forecasting methodology must explicitly consider and quantify the following factors:

1. conservation programs and policies of the Commonwealth;
2. conservation programs and policies of the federal government;
3. the penetration of alternative energy technologies, including but not limited to, wind and solar devices, cogeneration, and biomass conversion;
4. improvements in the efficiencies of new and existing appliances and machinery, including building insulation;
5. behavioral changes with respect to energy use by customers, such as reduction in heating, cooling, and lighting levels;
6. responses to higher price levels, potential or actual changes in rate structure, and load management.

(3) Econometric Forecasting Models. Documentation of econometric forecasting methodologies for final form equations shall include:

(a) a statement of the *a priori* theoretical or empirical basis for functional form and variable selection;

(b) a statement of the procedures by which variables have been added or deleted in the development of final form specification;

(c) justification of all estimated coefficients which have incorrect signs;

(d) identification of the method of estimation;

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7.09: continued

(e) statistical documentation of each equation; including standard error of estimation, residual sum of squares, F-test, R-squared (adjusted or unadjusted), and a test for serial correlation for time series data;

(f) statistical documentation of each estimated parameter of each independent variable, including t-value or standard error at the same specified level of significance, mean of the dependent variables, and the standard deviation of each dependent variable.

Upon request of the Council, the petitioner or lead company shall provide copies of the original computer outputs of all regressions, all data files together with identification of the sources of the data, and an index of variable names for cross-referencing between computer outputs and the forecast documentation.

REGULATORY AUTHORITY:

980 CMR 7.00: M.G.L. c. 164, §§ 69H, 69I, 69J.