

## 980 CMR 7.00: LONG-RANGE FORECASTS AND SUPPLEMENTS

### Section:

- 7.01: General Provisions
- 7.02: Procedures
- 7.03: Demand Forecasts by Electric Companies
- 7.04: Supply Plans of Electric Companies
- 7.05: Annual Supplements by Electric Companies
- 7.06: Demand or Sendout Forecasts by Gas Companies
- 7.07: Supply Plans of Gas Companies
- 7.08: Annual Supplements by Gas Companies
- 7.09: Forecast Requirements

### 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.

(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 - 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 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.

(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 its 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;
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).



