

7610.0320 FORECAST DOCUMENTATION.

Subpart 1. **Forecast methodology.** An applicant may use the forecast methodology that yields the most useful results for its system. However, the applicant shall detail in written form the forecast methodology employed to obtain the forecasts provided under parts 7610.0300 to 7610.0315, including:

- A. the overall methodological framework that is used;
- B. the specific analytical techniques that are used, their purpose, and the components of the forecast to which they have been applied;
- C. the manner in which these specific techniques are related in producing the forecast;
- D. where statistical techniques have been used, the purpose of the technique, typical computations (e.g., computer printouts, formulas used) specifying variables and data, and the results of appropriate statistical tests;
- E. forecast confidence levels or ranges of accuracy for annual peak demand and annual electrical consumption; and
- F. a brief analysis of the methodology used, including its strengths and weaknesses, its suitability to the system, cost considerations, data requirements, past accuracy, and any other factors considered significant by the utility.

Subp. 2. **Data base for forecasts.** The utility shall discuss in written form the data base used in arriving at the forecast presented in part 7610.0310, including:

- A. a complete list of all data sets used in making the forecast, including a brief description of each data set and an explanation of how each was obtained, (e.g., monthly observations, billing data, consumer survey, etc.) or a citation to the source (e.g., population projection from the state demographer); and
- B. a clear identification of any adjustments made to raw data to adapt them for use in forecasts, including the nature of the adjustment, the reason for the adjustment, and the magnitude of the adjustment.

Subp. 3. **Discussion.** The utility shall discuss in writing each essential assumption made in preparing the forecasts, including the need for the assumption, the nature of the assumption, and the sensitivity of forecast results to variations in the essential assumptions.

Subp. 4. **Subject of assumption.** The utility shall discuss the assumptions made regarding the availability of alternative sources of energy, the expected conversion from other fuels to electricity or vice versa, future prices of electricity for customers in the utility's system and the effect that such price changes will likely have on the utility's system demand, the assumptions made in arriving at any data requested in part 7610.0310 that is not available

historically or not generated by the utility in preparing its own internal forecast, the effect of existing energy conservation programs under federal or state legislation on long term electrical demand, the projected effect of new conservation programs that the utility deems likely to occur through future state and federal legislation on long term electrical demand, and any other factor considered by the utility in preparing the forecast. In addition the utility shall state what assumptions were made, if any, regarding current and anticipated saturation levels of major electric appliances and electric space heating within the utility's service area. If a utility makes no assumptions in preparing its forecast with regard to current and anticipated saturation levels of major electrical appliances and electric space heating it shall simply state this in its discussion of assumptions.

Subp. 5. **Coordination of forecasts with other systems.** The utility shall provide in writing:

A. a description of the extent to which the utility coordinates its load forecasts with those of other systems, such as neighboring systems, associate systems in a power pool, or coordinating organizations; and

B. a description of the manner in which such forecasts are coordinated, and any problems experienced in efforts to coordinate load forecasts.

Statutory Authority: *MS s 216C.10*

History: *L 1987 c 312 art 1 s 9; 16 SR 1400*

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