

(I) EXAMINE:

1. COMPLIANCE BY THE PUBLIC SERVICE COMPANY WITH POLICIES AND PROCEDURES OF THE PUBLIC SERVICE COMPANY'S COST ALLOCATION MANUAL;

2. PROPER ALLOCATION OF COSTS TO AN AFFILIATE OF THE PUBLIC SERVICE COMPANY IN ACCORDANCE WITH THE MANUAL; AND

3. APPROPRIATE CHARGING OF COSTS AND TRANSACTIONS RELATIVE TO THE MANUAL TO THE PUBLIC SERVICE COMPANY AND ITS AFFILIATES; AND

(II) IDENTIFY ADJUSTMENTS THAT SHOULD BE MADE:

1. TO THE MANUAL CONSISTENT WITH PRIOR COMMISSION RULINGS; AND

2. TO THE PUBLIC SERVICE COMPANY OR TO AN AFFILIATE OF THE PUBLIC SERVICE COMPANY RELATIVE TO THE EXAMINATION OF THE ALLOCATION OF COSTS AND CHARGING OF COSTS AND TRANSACTIONS.

[(c) A public service company may not be required to file more than one independent audit opinion under this section within a consecutive 3-year period.]

[(d)](C) The cost of the independent audit opinion filed under subsection (b) of this section shall be borne by the stockholders of the public service company.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2006.

Enacted May 26, 2006.

**CHAPTER 538**

**(Senate Bill 797)**

AN ACT concerning

**Tobacco Product Manufacturers - Master Settlement Agreement -  
Definitions - Modifications**

FOR the purpose of making certain technical changes to certain definitions in a prior enactment of the General Assembly to conform the enactment to the model statute provided by the Master Settlement Agreement between the State of Maryland and certain tobacco manufacturers in the United States; and generally relating to conforming a prior enactment of the General Assembly to a certain model statute.

BY repealing and reenacting, with amendments,

Chapter 169 of the Acts of the General Assembly of 1999, as amended by