

(I) THE POTENTIAL IMPACT OF THE MERGER ON RATES AND CHARGES PAID BY CUSTOMERS AND ON THE SERVICES AND CONDITIONS OF OPERATION OF THE PUBLIC SERVICE COMPANY OPERATING IN THE STATE;

(II) THE POTENTIAL IMPACT OF THE MERGER ON CONTINUING INVESTMENT NEEDS FOR THE MAINTENANCE OF UTILITY SERVICES, PLANT, AND RELATED INFRASTRUCTURE;

(III) THE PROPOSED CAPITAL STRUCTURE THAT WILL RESULT FROM THE MERGER, INCLUDING ALLOCATION OF EARNINGS FROM THE PUBLIC SERVICE COMPANY OPERATING IN THE STATE;

(IV) THE POTENTIAL EFFECTS ON EMPLOYMENT BY THE PUBLIC SERVICE COMPANY OPERATING IN THE STATE;

(V) THE PROJECTED ALLOCATION OF ANY SAVINGS BETWEEN STOCKHOLDERS AND RATE PAYERS;

(VI) ISSUES OF RELIABILITY, QUALITY OF SERVICE, AND QUALITY OF CUSTOMER SERVICE;

(VII) THE POTENTIAL IMPACT OF THE MERGER ON COMMUNITY INVESTMENT;

(VIII) AFFILIATE AND CROSS-SUBSIDIZATION ISSUES;

(IX) THE USE OR PLEDGE OF UTILITY ASSETS FOR THE BENEFIT OF AN AFFILIATE;

(X) THE VALUATION OF ASSETS HELD BY AN AFFILIATE OF THE PUBLIC SERVICE COMPANY OPERATING IN THE STATE, INCLUDING GENERATION ASSETS AND REAL PROPERTY, AT THE TIME OF TRANSFER OF THOSE ASSETS TO THE AFFILIATE AND AT THE TIME OF THE PROPOSED MERGER;

(XI) JURISDICTIONAL AND CHOICE-OF-LAW ISSUES; AND

(XII) ANY OTHER ISSUES THE SPECIAL COUNSEL CONSIDERS RELEVANT TO THE ASSESSMENT OF THE PROPOSED MERGER IN RELATION TO THE PUBLIC INTEREST, CONVENIENCE, AND NECESSITY.

(3) (I) IF THE SPECIAL COUNSEL FINDS THAT THE MERGER IS CONSISTENT WITH THE PUBLIC INTEREST, CONVENIENCE, AND NECESSITY, AND PROVIDES A NET BENEFIT TO CONSUMERS, THE SPECIAL COUNSEL SHALL RECOMMEND THAT THE GENERAL ASSEMBLY APPROVE THE MERGER.

(II) THE SPECIAL COUNSEL MAY RECOMMEND APPROVAL OF THE MERGER CONDITIONED ON THE PARTIES' SATISFACTORY PERFORMANCE OR ADHERENCE TO SPECIFIC REQUIREMENTS.

(4) IF THE SPECIAL COUNSEL DOES NOT FIND THAT THE MERGER IS CONSISTENT WITH THE PUBLIC INTEREST, CONVENIENCE, AND NECESSITY, OR THAT