

(a) The Public Service Commission may not take final action to approve or disapprove a merger between FPL Group, Inc., and Constellation Energy Group, Inc., pending as of the effective date of this Act until five members of the Commission have been appointed and qualified in accordance with Section 12 or Section 22 of this Act.

(b) The Public Service Commission appointed in accordance with Section 12 or Section 22 of this Act shall:

(1) conduct investigatory and evidentiary proceedings, including the use of any necessary outside experts and consultants, to reevaluate the general regulatory structure, agreements, orders, and other prior actions of the Public Service Commission under the Electric Customer Choice and Competition Act of 1999, including the determination of and allowances for stranded costs;

(2) on or before ~~December 31, 2006~~ June 30, 2007, report the results of that reevaluation to the General Assembly in accordance with § 2-1246 of the State Government Article;

(3) promptly and comprehensively review and take action on the proposed merger between FPL Group, Inc., and Constellation Energy Group, Inc., in accordance with the standards and procedures contained in § 6-105 of the Public Utility Companies Article, as enacted by this Act;

(4) provide to residential customers of the Baltimore Gas and Electric Company funds for mitigation of rate increases including:

(i) any adjustment, in favor of those customers, to allowances for stranded costs for assets that were transferred from Baltimore Gas and Electric Company to an affiliate; and

(ii) any funds identified by the Commission as properly allocated to Baltimore Gas and Electric Company and its residential customers as conditions of approval of the merger between FPL Group, Inc., and Constellation Energy Group, Inc.; and

(5) require that any funds for mitigating rates for residential electric customers under item (4) of this subsection must be in the form of a nonbypassable credit on the customer's bill, and may not be recovered subsequently from those customers in rates or otherwise.

SECTION 6. AND BE IT FURTHER ENACTED, That:

(a) Starting January 1, 2007, the investor-owned electric company incorporated in Maryland whose parent is involved in a merger on the effective date of this Act shall determine and apply residential electric credits totaling \$38,661,980 each year for a period of 10 years to the bills of all residential electric customers of the electric company.

(b) The credits shall be in the form of a nonbypassable credit or suspension on the customer's bill, derived as follows:

(1) for a period of 10 years, the electric company shall suspend the collection of the residential return component of the administrative charge collected