

(II) IN ACHIEVING THE RATE REDUCTION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COMMISSION SHALL CONSIDER:

1. THE EXPIRATION OF ANY SURCHARGE;
2. CHANGES IN THE ELECTRIC COMPANY'S TAX LIABILITY;
3. COST OF SERVICE DETERMINATIONS ORDERED BY THE COMMISSION;
4. NET TRANSITION COSTS OR BENEFITS;
5. THE EFFECT ON THE COMPETITIVE ELECTRICITY SUPPLY MARKET;
6. WHETHER THE RATE REDUCTION AND RATE CAP WILL UNDULY IMPAIR THE ELECTRIC COMPANY'S FINANCIAL CONDITION;
7. THE COSTS ASSOCIATED WITH THE UNIVERSAL SERVICE PROGRAM; AND
8. THE INTERESTS OF THE PUBLIC, INCLUDING SHAREHOLDERS OF THE ELECTRIC COMPANY.

(III) THE COMMISSION MAY, WITHIN THE PARAMETERS PROVIDED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, INCREASE OR DECREASE THE ACTUAL RATE REDUCTION REQUIRED.

(IV) THE COMMISSION MAY ALLOW THE RECOVERY OF ANY EXTRAORDINARY COSTS BASED ON THE CIRCUMSTANCES OF AN INDIVIDUAL ELECTRIC COMPANY IF THE COMMISSION DETERMINES THAT THE ACTION IS NECESSARY AND IN THE PUBLIC INTEREST.

(V) IN DETERMINING THE RATE REDUCTION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COMMISSION MAY NOT INCREASE RATES FOR NONRESIDENTIAL CUSTOMERS.

(5) THE REQUIREMENTS OF PARAGRAPH (4) OF THIS SUBSECTION DO NOT APPLY TO AN ELECTRIC COMPANY IF THE COMMISSION APPROVES OR HAS IN EFFECT A SETTLEMENT THAT THE COMMISSION DETERMINES IS EQUALLY PROTECTIVE OF RATEPAYERS.

(E) (1) THE COMMISSION SHALL ASSESS THE AMOUNT OF ELECTRICITY GENERATED IN MARYLAND AS WELL AS THE AMOUNT OF ELECTRICITY IMPORTED FROM OTHER STATES IN ORDER TO DETERMINE WHETHER A SUFFICIENT SUPPLY OF ELECTRICITY IS AVAILABLE TO CUSTOMERS IN THE STATE.

(2) ON OR BEFORE JANUARY 1 IN 2001, 2003, 2005, AND 2007, THE COMMISSION SHALL REPORT TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE ON ITS ASSESSMENT UNDER THIS SUBSECTION, AND ANY RECOMMENDATIONS FOR LEGISLATION WHICH MAY BE NEEDED TO ENSURE AN ADEQUATE SUPPLY OF ELECTRICITY FOR CUSTOMERS IN THE STATE.