

~~(D) (1) THE COMMISSION SHALL ESTABLISH PROCEDURES FOR THE ANNUAL REVIEW OF THE COMPETITIVE TRANSITION CHARGE FOR EACH ELECTRIC COMPANY TO RECONCILE THE ANNUAL REVENUES RECEIVED FROM THE CHARGE WITH THE ANNUAL AMORTIZATION OF TRANSITION COSTS APPROVED BY THE COMMISSION UNDER THIS SECTION TO TAKE ACCOUNT OF ACTUAL KILOWATT HOUR SALES IN THE PRIOR YEAR COMPARED WITH PREVIOUSLY ESTIMATED KILOWATT HOUR SALES. THE COMMISSION SHALL ADJUST THE COMPETITIVE TRANSITION CHARGE BASED ON ANY UNDER RECOVERY OR OVER RECOVERY WITH RESPECT TO THE AUTHORIZED AMORTIZATION AMOUNT.~~

~~(2) NOTHING IN THIS SUBTITLE SHALL BE CONSTRUED AS PREVENTING THE COMMISSION FROM APPROVING FOR AN INVESTOR OWNED ELECTRIC COMPANY.~~

~~(I) AN ADJUSTMENT MECHANISM PROPOSED BY SUCH INVESTOR OWNED ELECTRIC COMPANY IN ITS INITIAL RESTRUCTURING PROPOSAL FILED PRIOR TO JANUARY 1, 1999 THAT TAKES INTO ACCOUNT DIFFERENCES OTHER THAN DIFFERENCES IN KILOWATT HOUR SALES, TAKING INTO CONSIDERATION ANY REQUIREMENTS RELATED TO ANY TRANSITION BONDS;~~

~~(II) AN ADJUSTMENT THAT TAKES INTO ACCOUNT GENERATION ASSET SALES BY AN ELECTRIC COMPANY OR AN AFFILIATE TO A NONAFFILIATE THAT ARE CONSUMMATED ON OR BEFORE JUNE 30, 2005, OR~~

~~(III) ANY OTHER MECHANISM AS PART OF A SETTLEMENT.~~

~~(E) (1) IN DETERMINING THE APPROPRIATE TRANSITION COSTS OR BENEFITS FOR EACH ELECTRIC COMPANY'S GENERATION RELATED ASSETS, THE COMMISSION SHALL CONDUCT AN EVIDENTIARY HEARING TO ESTABLISH THE VALUE OF THOSE GENERATION ASSETS.~~

~~(2) THE COMMISSION MAY CONSIDER IN THE DETERMINATION OF THE VALUATION OF EACH ASSET EVIDENCE OF BOOK VALUE, FAIR MARKET VALUE, SALES OF COMPARABLE ASSETS, APPRAISALS, THE REVENUE THE COMPANY WOULD RECEIVE UNDER RATE OF RETURN REGULATION, THE REVENUE THE COMPANY WOULD RECEIVE IN A RESTRUCTURED ELECTRICITY SUPPLY MARKET, OTHER APPROPRIATE EVIDENCE OF VALUE, AND OTHER ISSUES CONSIDERED BY THE COMMISSION.~~

~~(3) THE COMMISSION SHALL DETERMINE AN EQUITABLE ALLOCATION OF COSTS OR BENEFITS BETWEEN SHAREHOLDERS AND RATEPAYERS. IN DETERMINING THE ALLOCATION OF TRANSITION COSTS OR BENEFITS, THE COMMISSION SHALL CONSIDER THE FOLLOWING FACTORS:~~

~~(I) THE PRUDENCE AND VERIFIABILITY OF THE ORIGINAL INVESTMENT;~~

~~(II) WHETHER THE INVESTMENT CONTINUES TO BE USED AND USEFUL;~~

~~(III) WHETHER THE LOSS IS ONE OF WHICH INVESTORS CAN BE SAID TO HAVE REASONABLY BORNE THE RISK; AND~~