

CONSOLIDATED EDISON CO OF NEW YORK INC
Form 10-Q
November 01, 2010
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United States
Securities And Exchange Commission
Washington, D.C. 20549

FORM 10-Q

x Quarterly Report Pursuant To Section 13 or 15(d) of the Securities Exchange Act of 1934
For The Quarterly Period Ended September 30, 2010

or

.. Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____

Commission File Number	Exact name of registrant as specified in its charter and principal office address and telephone number	State of Incorporation	I.R.S. Employer ID. Number
1-14514	Consolidated Edison, Inc. 4 Irving Place, New York, New York 10003 (212) 460-4600	New York	13-3965100
1-1217	Consolidated Edison Company of New York, Inc. 4 Irving Place, New York, New York 10003 (212) 460-4600	New York	13-5009340

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

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Consolidated Edison, Inc. (Con Edison)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Consolidated Edison of New York, Inc. (CECONY)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Con Edison	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
CECONY	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Con Edison			
Large accelerated filer <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>
CECONY			
Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input checked="" type="checkbox"/>	Smaller reporting company <input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Con Edison	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
CECONY	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

As of October 27, 2010, Con Edison had outstanding 290,536,094 Common Shares (\$.10 par value). All of the outstanding common equity of CECONY is held by Con Edison.

Filing Format

This Quarterly Report on Form 10-Q is a combined report being filed separately by two different registrants: Consolidated Edison, Inc. (Con Edison) and Consolidated Edison Company of New York, Inc. (CECONY). CECONY is a subsidiary of Con Edison and, as such, the information in this report about CECONY also applies to Con Edison. As used in this report, the term the Companies refers to Con Edison and CECONY. However, CECONY makes no representation as to the information contained in this report relating to Con Edison or the subsidiaries of Con Edison other than itself.

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Glossary of Terms

The following is a glossary of frequently used abbreviations or acronyms that are used in the Companies' SEC reports:

Con Edison Companies

CECONY	Consolidated Edison Company of New York, Inc.
Con Edison	Consolidated Edison, Inc.
Con Edison Development	Consolidated Edison Development, Inc.
Con Edison Energy	Consolidated Edison Energy, Inc.
Con Edison Solutions	Consolidated Edison Solutions, Inc.
O&R	Orange and Rockland Utilities, Inc.
Pike	Pike County Light & Power Company
RECO	Rockland Electric Company
Companies	Con Edison and CECONY
Utilities	CECONY and O&R

Regulatory Agencies, Government Agencies, and Quasi-governmental Not-for-Profits

EPA	U. S. Environmental Protection Agency
FERC	Federal Energy Regulatory Commission
IRS	Internal Revenue Service
ISO-NE	ISO New England Inc.
NJBPU	New Jersey Board of Public Utilities
NJDEP	New Jersey Department of Environmental Protection
NYAG	New York State Attorney General
NYISO	New York Independent System Operator
NYPA	New York Power Authority
NYSDEC	New York State Department of Environmental Conservation
NYSpsc	New York State Public Service Commission
NYSERDA	New York State Energy Research and Development Authority
NYSRC	New York State Reliability Council, LLC
PJM	PJM Interconnection LLC
PAPUC	Pennsylvania Public Utility Commission
SEC	U. S. Securities and Exchange Commission

Accounting

ABO	Accumulated Benefit Obligation
ASU	Accounting Standards Update
FASB	Financial Accounting Standards Board
LILO	Lease In/Lease Out
OCI	Other Comprehensive Income
SFAS	Statement of Financial Accounting Standards
SSCM	Simplified service cost method
VIE	Variable interest entity

Environmental

CO ₂	Carbon dioxide
GHG	Greenhouse gases
MGP Sites	Manufactured gas plant sites
PCBs	Polychlorinated biphenyls
PRP	Potentially responsible party
SO ₂	Sulfur dioxide
Superfund	Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 and similar state statutes

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Units of Measure

dths	Dekatherms
kV	Kilovolts
kWh	Kilowatt-hour
mdths	Thousand dekatherms
MMlbs	Million pounds
MVA	Megavolt amperes
MW	Megawatts or thousand kilowatts
MWH	Megawatt hour
Other	
AFDC	Allowance for funds used during construction
COSO	Committee of Sponsoring Organizations of the Treadway Commission
EMF	Electric and magnetic fields
ERRP	East River Repowering Project
Fitch	Fitch Ratings
First Quarter Form 10-Q	The Companies combined Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2010
Form 10-K	The Companies combined Annual Report on Form 10-K for the year ended December 31, 2009
LTIP	Long Term Incentive Plan
Moody's	Moody's Investors Service
S&P	Standard & Poor's Rating Services
Second Quarter Form 10-Q	The Companies combined Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2010
Third Quarter Form 10-Q	The Companies combined Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2010
VaR	Value-at-Risk

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Forward-Looking Statements

This report includes forward-looking statements intended to qualify for the safe-harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements of future expectation and not facts. Words such as expects, estimates, anticipates, intends, believes, plans, will and similar expressions identify forward-looking statements. Forward-looking statements are based on information available at the time the statements are made, and accordingly speak only as of that time. Actual results or developments might differ materially from those included in the forward-looking statements because of various factors such as those discussed under Risk Factors in Item 1A of the Form 10-K.

Table of Contents**Consolidated Edison, Inc.
Consolidated Income Statement (Unaudited)**

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2010	2009	2010	2009
	<i>(Millions of Dollars/Except Share Data)</i>			
OPERATING REVENUES				
Electric	\$ 2,814	\$ 2,604	\$ 6,959	\$ 6,362
Gas	229	208	1,276	1,430
Steam	91	77	487	521
Non-utility	573	600	1,463	1,445
TOTAL OPERATING REVENUES	3,707	3,489	10,185	9,758
OPERATING EXPENSES				
Purchased power	1,425	1,338	3,708	3,543
Fuel	106	83	342	403
Gas purchased for resale	73	89	482	723
Other operations and maintenance	738	676	2,117	1,879
Depreciation and amortization	211	200	626	589
Taxes, other than income taxes	449	418	1,283	1,145
TOTAL OPERATING EXPENSES	3,002	2,804	8,558	8,282
OPERATING INCOME	705	685	1,627	1,476
OTHER INCOME (DEDUCTIONS)				
Investment and other income	9	3	29	25
Allowance for equity funds used during construction	4	4	13	9
Other deductions	(3)	(3)	(12)	(11)
TOTAL OTHER INCOME (DEDUCTIONS)	10	4	30	23
INCOME BEFORE INTEREST AND INCOME TAX EXPENSE	715	689	1,657	1,499
INTEREST EXPENSE				
Interest on long-term debt	152	148	450	441
Other interest	7	10	13	20
Allowance for borrowed funds used during construction	(2)	(3)	(7)	(6)
NET INTEREST EXPENSE	157	155	456	455
INCOME BEFORE INCOME TAX EXPENSE	558	534	1,201	1,044
INCOME TAX EXPENSE	205	195	433	369
NET INCOME	353	339	768	675
Preferred stock dividend requirements of subsidiary	(3)	(3)	(9)	(9)
NET INCOME FOR COMMON STOCK	\$ 350	\$ 336	\$ 759	\$ 666
Net income for common stock per common share basic	\$ 1.24	\$ 1.22	\$ 2.69	\$ 2.43
Net income for common stock per common share diluted	\$ 1.23	\$ 1.22	\$ 2.68	\$ 2.42
DIVIDENDS DECLARED PER SHARE OF COMMON STOCK	\$ 0.595	\$ 0.590	\$ 1.785	\$ 1.770
AVERAGE NUMBER OF SHARES OUTSTANDING BASIC (IN MILLIONS)	283.0	275.1	282.2	274.5
AVERAGE NUMBER OF SHARES OUTSTANDING DILUTED (IN MILLIONS)	284.6	276.0	283.7	275.4

The accompanying notes are an integral part of these financial statements.

Table of Contents**Consolidated Edison, Inc.
Consolidated Statement of Cash Flows (Unaudited)**

	For the Nine Months Ended September 30,	
	2010	2009
	<i>(Millions of Dollars)</i>	
OPERATING ACTIVITIES		
Net Income	\$ 768	\$ 675
PRINCIPAL NON-CASH CHARGES/(CREDITS) TO INCOME		
Depreciation and amortization	626	589
Deferred income taxes	562	255
Rate case amortization and accruals	8	(38)
Common equity component of allowance for funds used during construction	(13)	(9)
Net derivative (gains)/losses	35	(2)
Other non-cash items (net)	(19)	(39)
CHANGES IN ASSETS AND LIABILITIES		
Accounts receivable - customers, less allowance for uncollectibles	(114)	55
Materials and supplies, including fuel oil and gas in storage	(9)	118
Other receivables and other current assets	(114)	(171)
Prepayments	(473)	257
Recoverable energy costs		102
Accounts payable	(105)	(168)
Pensions and retiree benefits	(33)	(35)
Accrued taxes	63	(9)
Accrued interest	45	53
Deferred charges, deferred derivative losses, noncurrent assets and other regulatory assets	(472)	(9)
Deferred credits and other regulatory liabilities	142	(118)
Other assets	(8)	(4)
Other liabilities	82	(33)
NET CASH FLOWS FROM OPERATING ACTIVITIES	971	1,469
INVESTING ACTIVITIES		
Utility construction expenditures	(1,455)	(1,524)
Cost of removal less salvage	(103)	(126)
Non-utility construction expenditures	(6)	(5)
Common equity component of allowance for funds used during construction	13	9
Purchase of additional ownership interest in Honeoye Storage Corporation	(12)	
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(1,563)	(1,646)
FINANCING ACTIVITIES		
Net proceeds from short-term debt	846	146
Retirement of long-term debt	(781)	(279)
Issuance of long-term debt	870	750
Issuance of common stock	78	25
Debt issuance costs	(6)	(5)
Common stock dividends	(468)	(450)
Preferred stock dividends	(9)	(9)
NET CASH FLOWS FROM FINANCING ACTIVITIES	530	178
CASH AND TEMPORARY CASH INVESTMENTS:		
NET CHANGE FOR THE PERIOD	(62)	1
BALANCE AT BEGINNING OF PERIOD	260	74
BALANCE AT END OF PERIOD	\$ 198	\$ 75
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period for:		
Interest	\$ 394	\$ 377
Income taxes	\$ 284	\$ 4

The accompanying notes are an integral part of these financial statements.

Table of Contents**Consolidated Edison, Inc.
Consolidated Balance Sheet (Unaudited)**

	September 30, 2010	December 31, 2009
	<i>(Millions of Dollars)</i>	
ASSETS		
CURRENT ASSETS		
Cash and temporary cash investments	\$ 198	\$ 260
Accounts receivable – customers, less allowance for uncollectible accounts of \$72 in 2010 and \$70 in 2009, respectively	1,161	1,047
Accrued unbilled revenue	547	579
Other receivables, less allowance for uncollectible accounts of \$8 and \$5 in 2010 and 2009, respectively	503	379
Fuel oil, gas in storage, materials and supplies, at average cost	364	355
Prepayments	604	131
Regulatory assets	276	172
Revenue decoupling mechanism receivable	5	117
Other current assets	232	174
TOTAL CURRENT ASSETS	3,890	3,214
INVESTMENTS	391	385
UTILITY PLANT, AT ORIGINAL COST		
Electric	19,793	18,645
Gas	4,180	3,983
Steam	2,027	1,935
General	1,904	1,866
TOTAL	27,904	26,429
Less: Accumulated depreciation	5,707	5,412
Net	22,197	21,017
Construction work in progress	1,223	1,422
NET UTILITY PLANT	23,420	22,439
NON-UTILITY PLANT		
Non-utility property, less accumulated depreciation of \$50 and \$45 in 2010 and 2009, respectively	46	19
Construction work in progress	3	6
NET PLANT	23,469	22,464
OTHER NONCURRENT ASSETS		
Goodwill	429	416
Intangible assets, less accumulated amortization of \$3 and \$2 in 2010 and 2009, respectively	3	4
Regulatory assets	6,981	7,103
Other deferred charges and noncurrent assets	289	258
TOTAL OTHER NONCURRENT ASSETS	7,702	7,781
TOTAL ASSETS	\$ 35,452	\$ 33,844

The accompanying notes are an integral part of these financial statements.

Table of Contents**Consolidated Edison, Inc.
Consolidated Balance Sheet (Unaudited)**

	September 30, 2010	December 31, 2009
	<i>(Millions of Dollars)</i>	
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Long-term debt due within one year	\$ 5	\$ 731
Notes payable	846	
Accounts payable	1,068	1,173
Customer deposits	283	274
Accrued taxes	115	51
Accrued interest	201	156
Accrued wages	89	91
Fair value of derivative liabilities	159	114
Other current liabilities	381	350
TOTAL CURRENT LIABILITIES	3,147	2,940
NONCURRENT LIABILITIES		
Obligations under capital leases	8	14
Provision for injuries and damages	172	168
Pensions and retiree benefits	2,826	3,363
Superfund and other environmental costs	239	212
Asset retirement obligations	127	122
Fair value of derivative liabilities	127	131
Other noncurrent liabilities	112	108
TOTAL NONCURRENT LIABILITIES	3,611	4,118
DEFERRED CREDITS AND REGULATORY LIABILITIES		
Deferred income taxes and investment tax credits	6,229	5,609
Regulatory liabilities	931	829
Other deferred credits	24	32
TOTAL DEFERRED CREDITS AND REGULATORY LIABILITIES	7,184	6,470
LONG-TERM DEBT	10,667	9,854
SHAREHOLDERS' EQUITY		
Common shareholders' equity (See Statement of Shareholders' Equity)	10,630	10,249
Preferred stock of subsidiary	213	213
TOTAL SHAREHOLDERS' EQUITY	10,843	10,462
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 35,452	\$ 33,844

The accompanying notes are an integral part of these financial statements.

Table of Contents**Consolidated Edison, Inc.****Consolidated Statement of Comprehensive Income (Unaudited)**

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2010	2009	2010	2009
	<i>(Millions of Dollars)</i>			
NET INCOME	\$ 353	\$ 339	\$ 768	\$ 675
OTHER COMPREHENSIVE INCOME/(LOSS), NET OF TAXES				
Pension plan liability adjustments, net of taxes of \$1 and \$4 in 2010 and \$1 and \$3 in 2009, respectively	1	2	5	5
Less: Reclassification adjustment for losses included in net income, net of taxes of \$0 in 2010 and \$1 and \$1 in 2009, respectively		1		1
TOTAL OTHER COMPREHENSIVE INCOME, NET OF TAXES	1	1	5	4
COMPREHENSIVE INCOME	\$ 354	\$ 340	\$ 773	\$ 679
Preferred stock dividend requirements of subsidiary	(3)	(3)	(9)	(9)
COMPREHENSIVE INCOME FOR COMMON STOCK	\$ 351	\$ 337	\$ 764	\$ 670

The accompanying notes are an integral part of these financial statements.

Table of Contents**Consolidated Edison, Inc.****Consolidated Statement of Common Shareholders Equity (Unaudited)**

	Common Stock			Retained Earnings	Treasury Stock		Accumulated Other		Total
	Shares	Amount	Additional Paid-In Capital		Shares	Amount	Capital Stock	Comprehensive Income/(Loss)	
<i>(Millions of Dollars/Except Share Data)</i>									
BALANCE AS OF DECEMBER 31, 2008	273,721,686	\$ 29	\$ 4,112	\$ 6,685	23,210,700	\$ (1,001)	\$ (60)	\$ (67)	\$ 9,698
Net income for common stock				180					180
Common stock dividends				(162)					(162)
Issuance of common shares dividend reinvestment and employee stock plans	532,533		20						20
Other comprehensive income								1	1
BALANCE AS OF MARCH 31, 2009	274,254,219	\$ 29	\$ 4,132	\$ 6,703	23,210,700	\$ (1,001)	\$ (60)	\$ (66)	\$ 9,737
Net income for common stock				150					150
Common stock dividends				(162)					(162)
Issuance of common shares dividend reinvestment and employee stock plans	584,916		21						21
Other comprehensive income								2	2
BALANCE AS OF JUNE 30, 2009	274,839,135	\$ 29	\$ 4,153	\$ 6,691	23,210,700	\$ (1,001)	\$ (60)	\$ (64)	\$ 9,748
Net income for common stock				336					336
Common stock dividends				(162)					(162)
Issuance of common shares dividend reinvestment and employee stock plans	520,041		20						20
Other comprehensive income								1	1
BALANCE AS OF SEPTEMBER 30, 2009	275,359,176	\$ 29	\$ 4,173	\$ 6,865	23,210,700	\$ (1,001)	\$ (60)	\$ (63)	\$ 9,943
BALANCE AS OF DECEMBER 31, 2009	281,123,741	\$ 30	\$ 4,420	\$ 6,904	23,210,700	\$ (1,001)	\$ (62)	\$ (42)	\$ 10,249
Net income for common stock				226					226
Common stock dividends				(167)					(167)
Issuance of common shares dividend reinvestment and employee stock plans	647,731		28						28
Other comprehensive income								3	3
BALANCE AS OF MARCH 31, 2010	281,771,472	\$ 30	\$ 4,448	\$ 6,963	23,210,700	\$ (1,001)	\$ (62)	\$ (39)	\$ 10,339
Net income for common stock				183					183
Common stock dividends				(168)					(168)
Issuance of common shares dividend reinvestment and employee stock plans	555,964		25						25
Other comprehensive income								1	1
BALANCE AS OF JUNE 30, 2010	282,327,436	\$ 30	\$ 4,473	\$ 6,978	23,210,700	\$ (1,001)	\$ (62)	\$ (38)	\$ 10,380
Net income for common stock				350					350
Common stock dividends				(168)					(168)
Issuance of common shares dividend reinvestment and employee stock plans	1,487,598	1	66						67
Other comprehensive income								1	1
BALANCE AS OF SEPTEMBER 30, 2010	283,815,034	\$ 31	\$ 4,539	\$ 7,160	23,210,700	\$ (1,001)	\$ (62)	\$ (37)	\$ 10,630

The accompanying notes are an integral part of these financial statements.

Table of Contents**Consolidated Edison Company of New York, Inc.****Consolidated Income Statement (Unaudited)**

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2010	2009	2010	2009
	<i>(Millions of Dollars)</i>			
OPERATING REVENUES				
Electric	\$ 2,570	\$ 2,395	\$ 6,402	\$ 5,865
Gas	204	183	1,126	1,259
Steam	91	77	487	521
TOTAL OPERATING REVENUES	2,865	2,655	8,015	7,645
OPERATING EXPENSES				
Purchased power	764	753	2,102	2,009
Fuel	105	83	343	404
Gas purchased for resale	63	76	408	618
Other operations and maintenance	637	573	1,832	1,606
Depreciation and amortization	198	188	586	554
Taxes, other than income taxes	432	403	1,232	1,101
TOTAL OPERATING EXPENSES	2,199	2,076	6,503	6,292
OPERATING INCOME	666	579	1,512	1,353
OTHER INCOME (DEDUCTIONS)				
Investment and other income	5	8	23	23
Allowance for equity funds used during construction	3	3	10	8
Other deductions	(2)	(3)	(11)	(10)
TOTAL OTHER INCOME (DEDUCTIONS)	6	8	22	21
INCOME BEFORE INTEREST AND INCOME TAX EXPENSE	672	587	1,534	1,374
INTEREST EXPENSE				
Interest on long-term debt	137	134	406	399
Other interest	5	11	13	19
Allowance for borrowed funds used during construction	(1)	(2)	(6)	(6)
NET INTEREST EXPENSE	141	143	413	412
INCOME BEFORE INCOME TAX EXPENSE	531	444	1,121	962
INCOME TAX EXPENSE	196	159	404	339
NET INCOME	335	285	717	623
Preferred stock dividend requirements	(3)	(3)	(8)	(8)
NET INCOME FOR COMMON STOCK	\$ 332	\$ 282	\$ 709	\$ 615

The accompanying notes are an integral part of these financial statements.

Table of Contents**Consolidated Edison Company of New York, Inc.****Consolidated Statement of Cash Flows (Unaudited)**

	For the Nine Months Ended September 30,	
	2010	2009
	<i>(Millions of Dollars)</i>	
OPERATING ACTIVITIES		
Net income	\$ 717	\$ 623
PRINCIPAL NON-CASH CHARGES/(CREDITS) TO INCOME		
Depreciation and amortization	586	554
Deferred income taxes	562	222
Rate case amortization and accruals	8	(38)
Common equity component of allowance for funds used during construction	(10)	(8)
Other non-cash items (net)	(96)	(46)
CHANGES IN ASSETS AND LIABILITIES		
Accounts receivable - customers, less allowance for uncollectibles	(84)	39
Materials and supplies, including fuel oil and gas in storage	(9)	99
Other receivables and other current assets	(208)	(49)
Prepayments	(309)	177
Recoverable energy costs		127
Accounts payable	(96)	(245)
Pensions and retiree benefits	(30)	(22)
Accrued taxes	20	(3)
Accrued interest	37	31
Deferred charges, deferred derivative losses, noncurrent assets and other regulatory assets	(374)	2
Deferred credits and other regulatory liabilities	131	(90)
Other liabilities	93	(47)
NET CASH FLOWS FROM OPERATING ACTIVITIES	938	1,326
INVESTING ACTIVITIES		
Utility construction expenditures	(1,371)	(1,454)
Cost of removal less salvage	(100)	(123)
Common equity component of allowance for funds used during construction	10	8
Loan to affiliate		113
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(1,461)	(1,456)
FINANCING ACTIVITIES		
Net proceeds from short-term debt	832	174
Issuance of long-term debt	700	750
Retirement of long-term debt	(625)	(275)
Debt issuance costs	(6)	(5)
Capital contribution by parent	36	
Dividend to parent	(502)	(489)
Preferred stock dividends	(8)	(8)
NET CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES	427	147
CASH AND TEMPORARY CASH INVESTMENTS:		
NET CHANGE FOR THE PERIOD	(96)	17
BALANCE AT BEGINNING OF PERIOD	131	37
BALANCE AT END OF PERIOD	\$ 35	\$ 54
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period for:		
Interest	\$ 357	\$ 356
Income taxes	\$ 263	\$ 17

The accompanying notes are an integral part of these financial statements.

Table of Contents**Consolidated Edison Company of New York, Inc.****Consolidated Balance Sheet (Unaudited)**

	September 30, 2010	December 31, 2009
	<i>(Millions of Dollars)</i>	
ASSETS		
CURRENT ASSETS		
Cash and temporary cash investments	\$ 35	\$ 131
Accounts receivable – customers, less allowance for uncollectible accounts of \$65 in 2010 and \$63 in 2009, respectively	988	904
Other receivables, less allowance for uncollectible accounts of \$7 and \$4 in 2010 and 2009, respectively	77	134
Accrued unbilled revenue	384	413
Accounts receivable from affiliated companies	482	124
Fuel oil, gas in storage, materials and supplies, at average cost	319	310
Prepayments	391	82
Regulatory assets	218	104
Revenue decoupling mechanism receivable	4	107
Other current assets	94	89
TOTAL CURRENT ASSETS	2,992	2,398
INVESTMENTS		
	156	126
UTILITY PLANT AT ORIGINAL COST		
Electric	18,685	17,570
Gas	3,708	3,537
Steam	2,027	1,935
General	1,741	1,708
TOTAL	26,161	24,750
Less: Accumulated depreciation	5,220	4,947
Net	20,941	19,803
Construction work in progress	1,118	1,334
NET UTILITY PLANT	22,059	21,137
NON-UTILITY PLANT		
Non-utility property, less accumulated depreciation of \$21 and \$20 in 2010 and 2009, respectively	8	9
NET PLANT	22,067	21,146
OTHER NONCURRENT ASSETS		
Regulatory assets	6,450	6,590
Other deferred charges and noncurrent assets	231	201
TOTAL OTHER NONCURRENT ASSETS	6,681	6,791
TOTAL ASSETS	\$ 31,896	\$ 30,461

The accompanying notes are an integral part of these financial statements.

Table of Contents**Consolidated Edison Company of New York, Inc.****Consolidated Balance Sheet (Unaudited)**

	September 30, 2010	December 31, 2009
	<i>(Millions of Dollars)</i>	
LIABILITIES AND SHAREHOLDER'S EQUITY		
CURRENT LIABILITIES		
Long-term debt due within one year	\$	\$ 625
Notes payable	832	
Accounts payable	846	937
Accounts payable to affiliated companies	12	17
Customer deposits	270	259
Accrued taxes	29	41
Accrued taxes to affiliated companies	41	9
Accrued interest	174	137
Accrued wages	86	89
Other current liabilities	427	333
TOTAL CURRENT LIABILITIES	2,717	2,447
NONCURRENT LIABILITIES		
Obligations under capital leases	8	14
Provision for injuries and damages	166	160
Pensions and retiree benefits	2,485	2,978
Superfund and other environmental costs	154	159
Asset Retirement Obligations	127	122
Fair value of derivative liabilities	40	44
Other noncurrent liabilities	103	68
TOTAL NONCURRENT LIABILITIES	3,083	3,545
DEFERRED CREDITS AND REGULATORY LIABILITIES		
Deferred income taxes and investment tax credits	5,724	5,139
Regulatory Liabilities	810	703
Other deferred credits	21	29
TOTAL DEFERRED CREDITS AND REGULATORY LIABILITIES	6,555	5,871
LONG-TERM DEBT	9,737	9,038
SHAREHOLDER'S EQUITY		
Common shareholder's equity (See Statement of Shareholder's Equity)	9,591	9,347
Preferred stock	213	213
TOTAL SHAREHOLDER'S EQUITY	9,804	9,560
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	\$ 31,896	\$ 30,461

The accompanying notes are an integral part of these financial statements.

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Consolidated Edison Company of New York, Inc.

Consolidated Statement of Comprehensive Income (Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2010	2009	2010	2009
	<i>(Millions of Dollars)</i>			
NET INCOME	\$ 335	\$ 285	\$ 717	\$ 623
OTHER COMPREHENSIVE INCOME, NET OF TAXES				
Pension plan liability adjustments, net of taxes of \$1 in 2009				1
TOTAL OTHER COMPREHENSIVE INCOME, NET OF TAXES				1
COMPREHENSIVE INCOME	\$ 335	\$ 285	\$ 717	\$ 624

The accompanying notes are an integral part of these financial statements.

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Consolidated Edison Company of New York, Inc.

Consolidated Statement of Common Shareholders' Equity (Unaudited)

<i>(Millions of Dollars/Except Share Data)</i>	Common Stock		Additional Paid-In Capital	Retained Earnings	Repurchased Con Edison Stock	Capital Stock Expense	Accumulated Other Comprehensive Income/(Loss)	Total
	Shares	Amount						
BALANCE AS OF DECEMBER 31, 2008								