

CONSOLIDATED EDISON INC  
 Form 10-Q  
 November 06, 2014  
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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, 2014**

OR

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

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

Consolidated Edison, Inc. (Con Edison) Yes  No

Consolidated Edison of New York, Inc. (CECONY) Yes  No

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  No

CECONY Yes  No

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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  Accelerated filer  Non-accelerated filer  Smaller reporting company

CECONY

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

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

Con Edison

Yes  No

CECONY

Yes  No

As of October 31, 2014, Con Edison had outstanding 292,887,896 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**

Con Edison	Consolidated Edison, Inc.
CECONY	Consolidated Edison Company of New York, 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
The Companies	Con Edison and CECONY
The 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
NYISO	New York Independent System Operator
NYPA	New York Power Authority
NYSAG	New York State Attorney General
NYSDEC	New York State Department of Environmental Conservation
NYSERDA	New York State Energy Research and Development Authority
NYSPPSC	New York State Public Service Commission
NYSRC	New York State Reliability Council, LLC
PAPUC	Pennsylvania Public Utility Commission
PJM	PJM Interconnection LLC
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
VIE	Variable Interest Entity

**Environmental**

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

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**Units of Measure**

AC	Alternating current
dths	Dekatherms
kV	Kilovolt
kWh	Kilowatt-hour
mdths	Thousand dekatherms
MMlbs	Million pounds
MVA	Megavolt ampere
MW	Megawatt or thousand kilowatts
MWH	Megawatt hour
<b>Other</b>	
AFDC	Allowance for funds used during construction
COSO	Committee of Sponsoring Organizations of the Treadway Commission
DER	Distributed energy resources
DSPP	Distributed system platform provider
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 of the current year
Form 10-K	The Companies' combined Annual Report on Form 10-K for the year ended December 31, 2013
LTIP	Long Term Incentive Plan
Moody's	Moody's Investors Service
REV proceeding	NYSPSC proceeding in regard to reforming the energy vision
S&P	Standard & Poor's Financial Services LLC
Second Quarter Form 10-Q	The Companies' combined Quarterly Report on Form 10-Q for the quarterly period ended June 30 of the current year
Third Quarter Form 10-Q	The Companies' combined Quarterly Report on Form 10-Q for the quarterly period ended September 30 of the current year
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 risks, including:

the failure to operate energy facilities safely and reliably could adversely affect the Companies;

the failure to properly complete construction projects could adversely affect the Companies;

the failure of processes and systems and the performance of employees and contractors could adversely affect the Companies;

the Companies are extensively regulated and are subject to penalties;

the Utilities' rate plans may not provide a reasonable return;

the Companies may be adversely affected by changes to the Utilities' rate plans;

the Companies are exposed to risks from the environmental consequences of their operations;

a disruption in the wholesale energy markets or failure by an energy supplier could adversely affect the Companies;

the Companies have substantial unfunded pension and other postretirement benefit liabilities;

Con Edison's ability to pay dividends or interest depends on dividends from its subsidiaries;

the Companies require access to capital markets to satisfy funding requirements;

a cyber attack could adversely affect the Companies; and

the Companies also face other risks that are beyond their control.



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	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2014	2013	2014	2013
<i>(Millions of Dollars/Except Share Data)</i>				
<b>OPERATING REVENUES</b>				
Electric	\$2,786	\$2,822	\$7,158	\$6,799
Gas	237	225	1,514	1,333
Steam	46	72	485	522
Non-utility	321	365	934	833
<b>TOTAL OPERATING REVENUES</b>	<b>3,390</b>	<b>3,484</b>	<b>10,091</b>	<b>9,487</b>
<b>OPERATING EXPENSES</b>				
Purchased power	875	946	2,621	2,421
Fuel	41	56	231	261
Gas purchased for resale	76	74	627	443
Other operations and maintenance	857	795	2,483	2,400
Depreciation and amortization	270	258	796	764
Taxes, other than income taxes	452	500	1,419	1,431
<b>TOTAL OPERATING EXPENSES</b>	<b>2,571</b>	<b>2,629</b>	<b>8,177</b>	<b>7,720</b>
Gain on sale of solar energy projects			45	
<b>OPERATING INCOME</b>	<b>819</b>	<b>855</b>	<b>1,959</b>	<b>1,767</b>
<b>OTHER INCOME (DEDUCTIONS)</b>				
Investment and other income	28	8	53	19
Allowance for equity funds used during construction	1	1	4	2
Other deductions	(3)	(4)	(12)	(12)
<b>TOTAL OTHER INCOME</b>	<b>26</b>	<b>5</b>	<b>45</b>	<b>9</b>
<b>INCOME BEFORE INTEREST AND INCOME TAX EXPENSE</b>	<b>845</b>	<b>860</b>	<b>2,004</b>	<b>1,776</b>
<b>INTEREST EXPENSE</b>				
Interest on long-term debt	145	145	438	433
Other interest	5	2	(1)	143
Allowance for borrowed funds used during construction		(1)	(2)	(1)
<b>NET INTEREST EXPENSE</b>	<b>150</b>	<b>146</b>	<b>435</b>	<b>575</b>
<b>INCOME BEFORE INCOME TAX EXPENSE</b>	<b>695</b>	<b>714</b>	<b>1,569</b>	<b>1,201</b>
<b>INCOME TAX EXPENSE</b>	<b>259</b>	<b>250</b>	<b>559</b>	<b>373</b>
<b>NET INCOME FOR COMMON STOCK</b>	<b>\$ 436</b>	<b>\$ 464</b>	<b>\$1,010</b>	<b>\$ 828</b>
Net income for common stock per common share basic	\$ 1.49	\$ 1.58	\$ 3.45	\$ 2.83
Net income for common stock per common share diluted	\$ 1.48	\$ 1.58	\$ 3.44	\$ 2.81
<b>DIVIDENDS DECLARED PER SHARE OF COMMON STOCK AVERAGE</b>	<b>\$0.630</b>	<b>\$0.615</b>	<b>\$1.890</b>	<b>\$1.845</b>