

ACCOUNTING PANEL - ELECTRIC

1 Q. Would the members of the Accounting Panel please state
2 your names and business address?

3 A. Edward J. Rasmussen, Richard G. Muzikar, Helen L. Lee
4 and Richard A. Kane. Our business address is
5 Consolidated Edison Company of New York, Inc. ("Con
6 Edison" or the "Company"), 4 Irving Place, New York, NY
7 10003.

8 Q. What are your current positions with Con Edison?

9 A. **(Rasmussen)** I will act as chairperson of the Panel. I
10 am Vice President and Controller.

11 **(Muzikar)** I am an Assistant Controller.

12 **(Lee)** I am the Department Manager of Regulatory
13 Accounting.

14 **(Kane)** I am the Department Manager of Regulatory
15 Filings.

16 Q. Please explain your educational background, work
17 experience, and current general responsibilities.

18 A. **(Rasmussen)** I graduated from St. Francis College in
19 June 1970, with a Bachelor's Degree in Business
20 Administration. In 1977, I received a Masters Degree
21 in Finance from Long Island University. From 1970 to
22 1987, I worked in the Rate Matters Section of Corporate
23 Accounting in increasing levels of responsibility up to
24 and including Director of the section. In 1987, I was

ACCOUNTING PANEL - ELECTRIC

1 promoted to Assistant Controller responsible for
2 Accounting Research, Payroll and Stores Accounting. In
3 1990, I was transferred to Manhattan Customer Service
4 as General Manager of Operations Service responsible
5 for transportation, stores, budgets and personnel. In
6 1993, I returned to Corporate Accounting as Assistant
7 Controller responsible for various sections within the
8 department. In December 2000, I was promoted to my
9 current position of Vice President and Controller.

10 (Muzikar) I received a Bachelor of Science Degree in
11 Economics from Saint Peter's College in 1972 and a
12 Master of Business Administration with a major in
13 Accounting from New York University in 1975. I am also
14 a Certified Management Accountant. I taught accounting
15 at Rutgers University from September 1975 through May
16 1980 and at Pace University Graduate School of Business
17 from September 1980 through June 1986. I started my
18 career at Con Edison in 1972 as a Staff Assistant in
19 the General Accounting Department and worked in areas
20 of increasing responsibility until 1983, when I was
21 promoted to Manager of Accounting Research and
22 Procedures. In 1985, I was appointed Division
23 Controller of Brooklyn and in 1991, promoted to General
24 Manager of Administration for Queens Division and

ACCOUNTING PANEL - ELECTRIC

1 reassigned as General Manager of Customer Operations in
2 1995. In 1998, I was assigned as Section Manager of
3 Field Operations for Customer Operations in Westchester
4 and in December 2001, reassigned as Section Manager of
5 Retail Choice. In December 2003, I was promoted to
6 Director of Internal Controls in charge of the
7 Company's Sarbanes-Oxley effort and in March 2007, I
8 was appointed as an Assistant Controller with the
9 additional responsibilities of Regulatory Accounting
10 and Filings.

11 (Lee) I graduated from Bernard M. Baruch College in
12 June 1970 with a degree in Bachelor of Business
13 Administration. From June 1970 to August 1984, I
14 worked in the General Accounts Section of the Corporate
15 Accounting Department in various capacities up to
16 Assistant Manager of the section. In August 1984, I
17 was transferred to the Rate Matters Section as
18 Administrator and held increasing levels of
19 responsibility up to Department Manager. In January
20 1998, I was assigned to Central Operations as
21 Department Manager, Finance and Budget, reporting to
22 the Senior Vice President on administrative, budgets
23 and financial matters. In July 1999, I returned to my
24 prior position in Corporate Accounting. The regulatory

ACCOUNTING PANEL - ELECTRIC

1 function section was subsequently separated into two
2 groups, Regulatory Filings and Regulatory Accounting.
3 I currently manage the Regulatory Accounting section
4 but my section also contributes toward the regulatory
5 filing function. The primary responsibility of the
6 Regulatory Accounting section is to ensure the accuracy
7 of the Company's books and records by verifying
8 consistency between internal accounting procedures and
9 regulatory policies and orders.

10 (Kane) In May 1976, I received a Bachelor of Science
11 degree in Accounting from Manhattan College. I worked
12 for Con Edison from August 1976 until January 1978 as a
13 staff accountant. I then joined Orange & Rockland
14 Utilities, Inc ("O&R") and became Supervisor - Facility
15 Accounting. In 1980, I became Manager - Budgets. In
16 1989, I became Manager - General Accounting and in
17 1996, the Accounts Payable Section was added to my
18 responsibilities. As a result of O&R's merger with Con
19 Edison, the two Accounting Departments were combined.
20 After the merger, I continued to be responsible for
21 overseeing O&R's General Accounting Section and
22 Financial Reporting area until March 2003. At that
23 time, I assumed my current position as Department
24 Manager of Regulatory Filings. The primary

ACCOUNTING PANEL - ELECTRIC

1 responsibility of the section is to coordinate as well
2 as participate in rate case applications before
3 regulatory agencies.

4 Q. Have any you been involved in industry-wide utility
5 issues?

6 A. **(Rasmussen)** Yes. For many years, I have been an active
7 member of both the EEI and AGA finance and accounting
8 committees and I am currently a member of the Executive
9 Accounting Committee of the EEI.

10 Q. Have any of you previously submitted testimony in a
11 proceeding before the New York State Public Service
12 Commission ("PSC" or the "Commission")?

13 A. We have all previously submitted testimony or testified
14 in numerous cases before the Commission.

15 Q. Please summarize your testimony.

16 A. The Accounting Panel primarily explains and details:

- 17 • The cost drivers prompting an unmitigated increase
18 in the Company's revenue requirement of some \$1.1
19 billion for the rate year, the twelve months ending
20 March 31, 2010 (Exhibit ____ (AP-8) and testimony
21 beginning at page 13);
- 22 • The mitigation efforts that have been reflected by
23 the Company to reduce the rate request to \$654.1
24 million, or 5.8% on a total bill basis (Exhibit ____

ACCOUNTING PANEL - ELECTRIC

1 (AP-9) and testimony beginning at page 19). We would
2 note that the Company is proposing, and prefers, a
3 three-year rate plan and would levelize the rate
4 increases for rate years 1, 2 and 3 if its multi-
5 year proposal is adopted. The rate increase on a
6 levelized basis is projected to be 4.9 percent on a
7 total bill basis, as compared to total bill
8 increases of 5.8 percent, 4.2 percent and 3.7
9 percent for rate years 1, 2 and 3, respectively;

- 10 • The impact of provisions and programs approved in
11 Case 07-E-0523 on the rate increase request
12 (testimony beginning at page 28);
- 13 • Historic financial statements and statistical data,
14 including balance sheets, income statements and
15 Unappropriated retained earnings (Exhibit __ (AP-1)
16 to Exhibit __ (AP-4), and testimony beginning at
17 page 29);
- 18 • The Revenues, Operation and Maintenance expenses and
19 Other Operating Deductions from the twelve months
20 ended December 31, 2007 to the rate year, the twelve
21 months ending March 31, 2010, are presented in
22 Exhibit__ (AP-5), testimony beginning at page 34; a
23 summary of normalizing adjustments to the historic
24 test year, as well as, various program changes is

ACCOUNTING PANEL - ELECTRIC

1 also presented in Exhibit ____ (AP-5), and testimony
2 beginning at page 58;

3 • The average rate base for the twelve months ended
4 December 31, 2007 to the rate year, the twelve
5 months ending March 31, 2010, including
6 normalization adjustment is presented in Exhibit
7 (AP-9), Schedule 5. The book cost of utility plant
8 and the accrued depreciation reserve for the twelve
9 months ended December 31, 2007 to the rate year, the
10 twelve months ending March 31, 2010, are presented
11 in Exhibit ____ (AP-6). The construction work in
12 progress for electric utility plant for the twelve
13 months ended December 31, 2007 to the rate year is
14 presented in Exhibit ____ (AP-7). The rate base
15 testimony begins at page 79);

16 • The effect of the proposed increase in rates
17 allocated between the MAC and Transmission and
18 Distribution delivery rates components (Exhibit ____
19 (AP-10) and testimony beginning at page 113);

20 • A five-year overall review of the Company's O&M and
21 capital expenditures with an emphasis on a proposal
22 for a three-year electric rate plan with increases
23 in the 2nd and 3rd years (Exhibit ____ (AP-11) and
24 testimony beginning at page 114); and

ACCOUNTING PANEL - ELECTRIC

- 1 • An outline of the Company's request for deferred
2 accounting for certain operating costs (testimony
3 beginning at page 130).

4 In addition, we speak to:

- 5 • The Company's Revenue Decoupling Mechanism ("RDM"),
6 which became effective on April 1, 2008 per Case 07-
7 E-0523 (testimony beginning at page 139);
- 8 • The overall rate of return of 7.86 percent and the
9 capital structure for the rate year ending March 31,
10 2010 presented in (Exhibit ____ (AP-12) and
11 testimony beginning at page 140);
- 12 • Fund requirements and sources of funds for the rate
13 year ending March 31, 2010 (Exhibit ____ (AP-13) and
14 testimony beginning at page 147); and
- 15 • Actual interest coverage on the SEC basis for the
16 calendar years 2004 through 2007, forecast for 2008
17 and the rate year ending March 31, 2010 (Exhibit ____
18 (AP-14) and testimony beginning at page 149).

19 Q. Has the Company reflected in its rate request these
20 mitigation or productivity efforts?

21 A. Yes. Throughout the filing, the Company witnesses
22 present examples of the gains that have been achieved

ACCOUNTING PANEL - ELECTRIC

1 in their respective organization. The Company's efforts
2 to mitigate costs are expansive.

3 NEED FOR RATE RELIEF

4 Q. Accounting Panel, please describe the electric rate
5 order that is currently in effect for Con Edison.

6 A. The Company is currently operating under the terms of
7 an Order Establishing Rate for Electric Service ("2008
8 Order") issued on March 25, 2008, in Case 07-E-0523.

9 The 2008 Order provided for a base rate increase of
10 \$425 million effective April 1, 2008. The Commission
11 also required that approximately \$237 million of this
12 increase is being collected through a surcharge
13 mechanism, pending a review of the approximately \$1.6
14 billion of infrastructure investments the Company made
15 during the prior rate plan approved in Case 04-E-0572.
16 The Commission determined that despite the fact that
17 the expenditures had already been reviewed by Staff, an
18 additional review by an outside auditor was required.
19 As a result, the Company is collecting this portion in
20 the manner required.

21 Q. Please explain why the Company is filing for a new rate
22 increase that would go into effect in April 2009?

23 A. The Company continues to face a number of significant
24 cost increases in its operations that makes a rate

ACCOUNTING PANEL - ELECTRIC

1 increase request inevitable. As is described
2 throughout this filing, while the Company attempts to
3 mitigate costs everywhere it can, unfortunately, these
4 cost increases cannot be absorbed without curtailing or
5 eliminating existing programs.

6 Q. What are the drivers of this rate increase?

7 A. There are several. They include: (1) the increase in
8 costs outside the Company's control; (2) the
9 implementation of a revenue decoupling mechanism
10 ("RDM"); (3) the cost of borrowing capital; (4) the
11 need to recover deferred costs; and (5) the continued
12 need for infrastructure investment.

13 Q. Please explain some of the uncontrollable costs.

14 A. Various costs, many of which cannot be controlled by
15 the Company, are increasing at a pace well above
16 inflation. For example, as discussed by Company
17 witness Hutcheson, a significant increase in property
18 taxes that are forecast for the rate year more than 20
19 percent higher than the levels allowed in the recently
20 concluded case (i.e., an increase of \$187 million over
21 the amount provided in rates in Case 07-E-0523).
22 Moreover, Mr. Hutcheson also explains that the
23 Company's special franchise property taxes in New York
24 City are rising sharply according to the tentative

ACCOUNTING PANEL - ELECTRIC

1 values and preliminary tax rates applicable to the
2 2008/2009 New York City fiscal year. As another
3 example, the cost of transformers and cable has
4 increased significantly in the last year, primarily
5 based on the rising costs of steel and copper.
6 Additionally, with oil prices reaching \$125 a barrel,
7 the Company is seeing the cost for items it purchases
8 such as vehicle fuel, spare parts and materials rising
9 at a rate that is much higher than federally published
10 inflation indices. Similarly, health care and pension
11 costs continue their spiraling increase, without any
12 relief in these trends in sight.

13 Q. Please comment about the new RDM and its contribution
14 to the rate request.

15 A. In an effort to encourage the Company to promote demand
16 reduction and energy efficiency programs, the
17 Commission directed the Company to implement a revenue
18 decoupling mechanism effective April 1, 2008. While
19 this mechanism will make the Company's earnings neutral
20 to decreases in customer usage due to the
21 implementation of new energy efficiency programs during
22 the year for which rates were designed, it has also
23 eliminated the opportunity for the Company to retain
24 growth in sales resulting from economic development

ACCOUNTING PANEL - ELECTRIC

1 (i.e., new businesses). In essence, the revenue
2 decoupling mechanism has placed a "hard cap" on the
3 level of revenue the Company can retain after March 31,
4 2009. Without the ability to retain sales growth, the
5 Company does not have the ability to offset cost
6 increases with higher revenues and therefore must file
7 a rate case to recover these costs.

8 Q. Please explain the effect of the lower return on equity
9 authorized in Case 07-E-0523 of 9.1 percent.

10 A. The lower return on equity has prompted the ratings
11 agencies to reconsider their ratings of CECONY. The
12 agencies have reacted negatively to the lowest ROE
13 granted in thirty years. They believe that it
14 indicates a lack of support for the Company on the part
15 of the Commission and that it will do nothing to help
16 credit ratios that were already weak for the existing
17 ratings. In reaction to the order, Standard and Poor's
18 and Fitch downgraded the Company's bonds, and Moody's
19 put them on Negative Outlook. In response, the
20 Company's debt is likely to be more expensive to issue.
21 These points are discussed in detail in the testimony
22 of Company witness Hoglund.

23 Q. What about the recovery of deferred costs?

24 A. In recent years, the Commission has provided for the

ACCOUNTING PANEL - ELECTRIC

1 Company to defer various costs on its books, in an
2 effort to mitigate then-necessary rate increases. By
3 deferring these costs, the Company is then required to
4 reflect the need to recover these costs in its next
5 filing. This deferral process continues today.

6 Q. Please discuss infrastructure investment.

7 A. One of the primary drivers is the continued need to
8 upgrade, reinforce, rebuild and invest in the Company's
9 infrastructure. The carrying cost of this new
10 investment is \$240 million per year. Peak loads are
11 still projected to increase in the near term, even when
12 offset by energy efficiency measures, and as explained
13 by the Infrastructure Investment Panel, continued
14 investment is necessary to maintain and expand the
15 system.

16 Q. Please continue.

17 A. The justification and need for increases in operating
18 expenses due to changes in the level of activities, new
19 and discontinued programs, as well as, projected cost
20 increases are discussed by various Company witnesses.

21 **REVENUE REQUIREMENT - COST DRIVERS (BEFORE MITIGATION)**

22 Q. You mention above that the Company's filing reflects
23 mitigation efforts. Please explain what the Panel
24 means by mitigation efforts.

ACCOUNTING PANEL - ELECTRIC

1 A. We recognize the impact that rate increases have on our
2 customers and the economy of New York. By mitigation
3 efforts, we mean efforts to keep the rate increase the
4 Company requested to the least practicable level
5 without adversely affecting utility service. As it
6 always does, the Company has taken a hard look at the
7 places where it can mitigate both its costs and future
8 requests for rate relief.

9 Q. Please continue.

10 A. Mitigation efforts are two-fold. In one sense,
11 mitigation includes reviewing operations and expenses
12 with an eye toward the prioritization of need,
13 introducing more energy efficiency efforts and a DSM
14 program that would lessen the immediate need for new
15 infrastructure, delaying recovery of deferred expenses
16 over longer periods, delaying recovery of depreciation
17 expenses, and recognizing unbilled revenues on the
18 Company's books. These efforts are reflected in the
19 "mitigated" rate request that the Company is seeking.

20 Q. What would the rate request have been absent the
21 mitigation efforts?

22 A. Approximately \$1.1 billion.

23 Q. Please outline the major costs that would result in the
24 unmitigated rate increase of approximately \$1.1

ACCOUNTING PANEL - ELECTRIC

1 billion.

2 A. The cost drivers for the rate increase without
3 mitigation efforts can be summarized as follows:

	(\$ millions)
4	
5 New Infrastructure (\$1.8 billion)	\$195
6 Depreciation Expense	<u>55</u>
7 Total Carrying Costs	250
8 Higher Return on Equity (at 11.3%)	270
9 Higher Property Taxes	200
10 Higher Operating Expenses	165
11 3-Year Recovery of Deferred Charges/Credits	165
12 Amortization of Depreciation Reserve Deficiency	55
13 Sales Growth	<u>(25)</u>
14 Increase before Mitigation	<u>\$1,080</u>
15 Increase in Total Bill	<u>9.6%</u>

16 Q. Have you prepared an exhibit that details and supports
17 your "pre-mitigation" rate increase of \$1.1 billion?

18 A. Yes, we have.

19 Q. I show you a document, the first page of which is
20 entitled, "OPERATING INCOME, RATE BASE AND RATE OF
21 RETURN FOR ELECTRIC OPERATIONS SHOWING THE EFFECT OF
22 THE PROPOSED INCREASE IN RATES - TWELVE MONTHS ENDING
23 MARCH 31, 2010" and ask if it was prepared under your
24 direction and supervision?

25 A. Yes, it was.

26 MARK FOR IDENTIFICATION AS EXHIBIT ____ (AP-8)

ACCOUNTING PANEL - ELECTRIC

1 Q. Will you please describe Exhibit ____ (AP-8)?

2 A. Exhibit ____ (AP-8) consists of six schedules and is the
3 basis for our "pre-mitigation" rate increase as we will
4 discuss below. We will also discuss the Company's
5 mitigated rate increase of \$654.1 million with Exhibit
6 ____ (AP-9) fully later in this testimony.

7 Q. Please continue.

8 A. As will be explained in detail by various Company
9 witnesses, the Company continues to upgrade, reinforce
10 and replace its electric infrastructure and plans to
11 spend approximately two billion dollars annually over
12 the next several years on this effort. The carrying
13 cost and depreciation, at the currently authorized ROE
14 of 9.1 percent, on this investment constitutes
15 approximately \$195 million and \$55 million of the rate
16 increase, respectively. In addition to the
17 infrastructure capital investment, the Company's
18 request includes \$165 million of increased operation
19 and maintenance expenses which will be addressed by the
20 appropriate witnesses.

21 Also as discussed in the testimony of Company witness
22 Morin, the Company should receive a return of 11.0
23 percent return on the equity invested in our business
24 as well as a 30 basis point stay out premium if a

ACCOUNTING PANEL - ELECTRIC

1 multi-year rate plan of three years were adopted. The
2 higher ROE would account for approximately \$270 million
3 of the increase.

4 Property taxes as indicated earlier are a major
5 component of the rate increase. Significant and
6 unanticipated property tax increases are not reflected
7 in current rates. The 2008 Order did not permit the
8 deferral of these increases, as has been the case for
9 previous Company rate plans. The Company intends to
10 file a deferral accounting petition for increases in
11 property tax assessments that only came to light at the
12 time the Commission was rendering its decision in Case
13 07-E-0523. The combination of recovering these
14 property tax increases and anticipated new increases
15 resulting from higher assessed valuations contributes
16 \$200 million to the "pre mitigation" increase.

17 Q. Please continue.

18 A. The Company has deferred charges and credits remaining
19 from the 2008 Order. The net balance is a regulatory
20 asset of some \$480 million made up of deferred T&D
21 carrying cost, SIR deferrals and offset in part by
22 proceeds from the First Avenue property sale.
23 Normally, the Company would seek recovery of this net
24 deferral over three years. A three year amortization

ACCOUNTING PANEL - ELECTRIC

1 would result in a \$165 million increase in the
2 amortization level of costs when compared to the level
3 currently reflected in rates. As part of the Company's
4 mitigation plan we have proposed to extend the recovery
5 period for environmental site investigation and
6 remediation cost as well as the recovery period for
7 deferred T&D carrying charges. In addition, our
8 mitigation plan proposes to recognize unbilled electric
9 revenues and accelerate the amortization of the
10 available credits. These items will be discussed in
11 greater detail later in the next section of our
12 testimony.

13 Q. What impact does a change in the Company's depreciation
14 rates and recovery of the depreciation deficiency have
15 on the rate increase the Company would normally seek?

16 A. As discussed in the testimony of Mr. Hutcheson, he has
17 calculated that the Company's reserve deficiency is
18 currently \$501.5 million as shown on Exhibit __ (CH-1).
19 Recovering this short fall over fifteen years would
20 increase the Company's revenue requirement by \$55
21 million after factoring related income tax costs.

22 Q. What impact does sales growth have on the Company's
23 request?

ACCOUNTING PANEL - ELECTRIC

1 A. The Company's sales forecast, discussed by the
 2 Company's Forecasting Panel, projects approximately \$25
 3 million in higher net revenues above the amount
 4 currently reflected in rates.

5 REVENUE REQUIREMENT (AFTER MITIGATION)

6 Q. What is the Company's need for an increase in revenue
 7 requirement after mitigation efforts?

8 A. The rate increase the Company is seeking after
 9 mitigation efforts is \$654.1 million. The computation
 10 is included in our Exhibit ___ (AP-9) and will be
 11 discussed later in our testimony.

12 Q. Can you briefly describe the mitigation efforts?

13 A. Yes, we have summarized it as follows:

	(\$ Millions)
14	
15	Revenue Requirement @ 11.3% ROE \$1,080
16	Lower Requested ROE to 10.0% (155)
17	Extend Recovery of Deferred Charges (89)
18	Forgo Recovery of Depreciation
19	Reserve Deficiency (55)
20	Phase-in Unbilled Revenues Accrual (45)
21	Recovery of SIR Costs Over 10 Years (42)
22	World Trade Center - Current Level (20)
23	Adjust EB/Cap to Eliminate Portion
24	of Prepaid Pensions (20)
25	Rate Increase after Mitigation <u>\$ 654</u>
26	Increase in Total Bill <u>5.8%</u>

ACCOUNTING PANEL - ELECTRIC

1 Q. Please describe your mitigation efforts.

2 A. The first line in the table above reflects the
3 reduction in our requested return on equity from 11.3
4 percent to 10 percent (10 basis points is approximately
5 \$12 million) equating to approximately \$155 million in
6 lower revenue requirement. Line 2 extends the recovery
7 periods for certain deferred charges which lowered the
8 revenue requirement by some \$89 million. Deferral
9 recovery over a longer period would include: 1) a
10 proposal to pass back the remaining credits from Case
11 07-E-0523 -- 50 percent in the first rate year and 25
12 percent of the credits over the following two rate
13 years. This approach would in essence continue the
14 amortization levels reflected in the 2008 Order; 2) new
15 credits resulting from new property tax refunds, SO2
16 credits and reimbursements from Verizon for pole
17 maintenance and surveying costs as compared to a three-
18 year amortization reduces revenue requirement by some
19 \$14 million; and 3) the recovery of T&D carrying
20 charges of some \$186 million over the remaining nine
21 years provided for in the 2008 Order, reducing the
22 revenue requirement by some \$41 million.

23 Q. Please continue with the third line regarding the
24 depreciation reserve deficiency.

ACCOUNTING PANEL - ELECTRIC

1 A. Mr. Hutcheson in his testimony discusses the
2 depreciation reserve deficiency of some \$501 million.
3 The proposal to recover this under the Company's
4 traditional filing would be a \$55 million increase to
5 the revenue requirement. However, under our mitigation
6 proposal the Company would not seek such recovery at
7 this time, reducing the requested increase by \$55
8 million. However, as noted in Mr. Hutcheson's
9 testimony, this mitigation will need to be revisited in
10 the next filing as this is an item that must be
11 recovered from customers eventually.
12 The next line item, Phase-In of Unbilled Revenue
13 Accrual, amortizes the estimated \$91 million of
14 unbilled revenues over a three-year period, with 50
15 percent, or \$45.3 million, reflected in the rate year
16 and the remainder over the subsequent two years.
17 Unbilled revenues represent customer's unmetered
18 consumption of electricity from the time during the
19 month that they are billed until the end of the month.
20 This proposal is a change in accounting that would
21 require the Commission's approval and has the effect of
22 accruing revenues on the Company's books which is not
23 the current practice of the Company. The Company will
24 file a petition with the Commission seeking

ACCOUNTING PANEL - ELECTRIC

1 authorization to make this accounting change for all of
2 Con Edison's services, i.e., electric, gas and steam.

3 Q. Please continue.

4 A. The recovery of site investigation and remediation
5 costs deferred for the period April 2008 through March
6 2010 of some \$181 million over ten years would equate
7 to a difference of \$42 million.

8 The next line item continues the WTC recovery at the
9 current \$14 million level as compared to the Company's
10 request of \$34 million. This mitigates revenue
11 requirement by \$20 million. This mitigation would also
12 include continuing to accrue interest on the
13 unrecovered balance in lieu of including the balance in
14 rate base.

15 The last line item, which addresses earnings
16 base/capitalization adjustment ("EB/Cap"), has the
17 effect of reducing the Company's rate base and
18 represents Staff's adjustment in recent rate
19 proceedings to the Company's earnings
20 base/capitalization adjustment for pre-paid pensions.

21 Q. Are these the only mitigation efforts undertaken by the
22 Company?

23 A. No. The Company's mitigation efforts go far beyond
24 forgoing current recovery of certain costs, as

ACCOUNTING PANEL - ELECTRIC

1 discussed by the various witnesses. For example, the
2 Shared Services Panel discusses its constant efforts to
3 reduce vehicle fuel consumption throughout the system.
4 The Infrastructure Panel discusses our efforts to defer
5 infrastructure investments, including through energy
6 efficiency initiatives. While other efficiency and
7 mitigation examples abound in this filing, these
8 efforts are already reflected in the costs to the
9 Company, including the 1 percent productivity
10 adjustment, and therefore, no additional savings can be
11 specifically ascribed to those efforts.

12 Q. Has the Company considered other avenues to reduce its
13 cost of doing business?

14 A. Yes. A comprehensive review of Commission regulatory
15 requirements could result in the Commission's
16 determining that some of its existing requirements are
17 no longer necessary and therefore should be reduced or
18 eliminated, or that utilities should be permitted to
19 satisfy such requirements in a less costly and more
20 efficient manner relying, for example, on new
21 technologies.

22 Q. Do you have any examples of areas in which such
23 efficiencies could be achieved?

ACCOUNTING PANEL - ELECTRIC

1 A. Yes. Some areas ripe for consideration are meter test
2 rules (i.e., whether to use a statistical test program
3 for polyphase meters); increasing the ability to meet
4 Commission filing requirements through electronic
5 means; and eliminating unduly burdensome and/or
6 duplicative reporting requirements. The Company is
7 very interested in working with DPS Staff to further
8 define such circumstances and present proposed changes
9 to the Commission for its consideration.

10 Q. As a result of these mitigation efforts the increase in
11 the revenue requirement is \$654 million. Can you
12 summarize the cost drivers for your \$654 million
13 increase in revenue requirement?

14 A. Yes. The carrying cost of new infrastructure
15 investments is \$230 million; property taxes are
16 increasing by \$200 million; there are increases in
17 necessary O&M expenses of \$165 million; and increasing
18 the allowed return on equity from 9.1% to 10.0% results
19 in an increase of \$115 million. Net accounting
20 credits, i.e., the phase-in of unbilled revenues and
21 other credits previously mentioned less the recoveries
22 for T&D carrying charges and SIR costs, or \$31 million
23 would partially offset these increases as would the
24 forecast sales growth of \$25 million.

ACCOUNTING PANEL - ELECTRIC

1 Q. Is the use of mitigation techniques that extend the
2 recovery of current costs beneficial to customers?

3 A. Perhaps in the short term, but, in the long term,
4 customers will pay more for costs that are recovered
5 over extended periods of time. Extending the recovery
6 of a cost from three years to ten years, for example,
7 could triple the carrying cost customers will
8 ultimately pay.

9 Q. Why, then, does the Company propose to extend
10 amortizations in this filing?

11 A. The Company utilized this technique solely as a short
12 term rate mitigation effort to help minimize the impact
13 of the rate increase it is seeking.

14 Q. Is an increase in the Company's embedded generation
15 costs reflected in the overall proposed rate increase
16 request of approximately \$654 million?

17 A. Yes. As shown on our Exhibit __ (AP-10), Schedule 1,
18 the embedded cost of retained generation represents
19 approximately \$20 million of the total increase. This
20 amount would be recovered as part of the fixed portion
21 of the Company's Market Supply Charge ("MSC")/Monthly
22 Adjustment Clause ("MAC") mechanism.

23 Q. Does the Company intend to waive any rights by
24 employing these mitigation measures in this filing?

ACCOUNTING PANEL - ELECTRIC

1 A. No. The Company is seeking to address the Commission
2 statements to the effect that the Company should seek
3 to mitigate its rate request, and it is not seeking or
4 intending to waive its rights to cost recovery or to
5 the opportunity to earn a reasonable return. The
6 Company's revenue requirement needs are as reflected in
7 the "unmitigated" rate request, as supported by the
8 testimony and exhibits of the Company's witnesses. To
9 the extent the Commission rejects or modifies any, all
10 or any part of one or more of the Company's mitigation
11 proposals, the Company's rate request should be
12 adjusted upwards by the amount of mitigation that is
13 eliminated. For example, if the Commission were to
14 disagree with the requested accounting treatment for
15 unbilled revenues, the Commission should adjust the
16 revenue requirement upwards by \$45.3 million. A
17 similar upward adjustment would be required if the
18 Commission were to accelerate the recovery of a
19 particular cost that the filing has assumed would be
20 recovered over a period of years or at a later date.
21 For example, if the Commission were to determine that
22 recovery of the Company's full depreciation reserve
23 deficiency should commence in rate year 1, the revenue
24 requirement should be adjusted upwards to reflect

ACCOUNTING PANEL - ELECTRIC

1 recovery of the additional costs flowing from such an
2 acceleration of (departure from) the Company's
3 mitigated filing. Accordingly, the Company waives
4 neither its right to recover all depreciation expense
5 and deferred costs nor its right to an increase in
6 revenue requirement beyond the level filed by the
7 Company should the Commission determine to depart from
8 one or more (in whole or part) of the mitigation
9 approaches used by the Company and to prescribe a
10 quicker or greater recovery of mitigated costs. No
11 waiver is intended and none should be inferred.

12 Q. Is the Company waiving its rights to a reasonable rate
13 of return?

14 A. No, it is not. The cost of common equity capital
15 reflected in the "mitigated" request is lower than the
16 level the Company believes is a reasonable return on
17 common equity and lower than the Company would propose
18 in a "non-mitigated" rate filing. In fact, we believe
19 that the 10 percent cost of common equity reflected in
20 the mitigated revenue requirement is one of the lowest
21 requested in the last several years by any utility in
22 the nation. Should the Commission assign greater risks
23 to the Company, the Company does not waive its right to
24 a higher return corresponding to such greater risks.

1 Should the Commission exclude costs in the calculation
2 of the revenue requirement that lower the "mitigated"
3 revenue requirement, the Company does not waive its
4 rights to a reasonable return (i.e., greater than 10
5 percent common equity return reflected in the
6 "mitigated" revenue requirement and in the range
7 identified by Dr. Morin) consistent with the revenue
8 requirement that the Company filed or, if the revenue
9 requirement is adjusted upwards for any reason,
10 consistent with such increased revenue requirement.

11

12 IMPACT OF PROVISIONS AND PROGRAMS FROM CASE 07-E-0523

- 13 Q. The Company is filing this rate case just after
14 increasing rates under the 2008 Order. How do the O&M
15 programs being requested here compare to those just
16 recently allowed?
- 17 A. The historic year in our previous case was calendar
18 year 2006 and the current rate year is April 1, 2008
19 through March 31, 2009. One year later, in this filing
20 the historic year is calendar year 2007 and the rate
21 year is April 1, 2009 through March 31, 2010. It would
22 have been the second rate year if there had been a
23 multi-year rate plan. Some of the O&M programs
24 requested in this filing have been allowed as part of

ACCOUNTING PANEL - ELECTRIC

1 the 2008 Order, but as they may not have been included
2 in the historic year, they were again included in this
3 filing. In general, the witnesses attempt to explain
4 what was allowed in the 2008 Order versus the amounts
5 that are being requested in this proceeding.

6 Q. Is there additional information that the Company is
7 providing as a result of the 2008 Order?

8 A. The 2008 Order directed the Company to include in its
9 next rate filing data and financial forecasts for five
10 years. We have included such data in our Exhibit ____
11 (AP-11).

12 **HISTORIC FINANCIAL STATEMENTS AND STATISTICAL DATA**

13 Q. Was the document entitled "CONSOLIDATED EDISON COMPANY
14 OF NEW YORK, INC. - FINANCIAL AND STATISTICAL DATA -
15 INDEX TO SCHEDULES," set forth as Exhibit ____ (AP-1),
16 which lists therein ten schedules containing certain
17 accounting and statistical information covering the
18 operations of Con Edison for the years 2003, 2004,
19 2005, 2006 and 2007 with particular reference to the
20 Company's electric operations, prepared under your
21 direction and supervision?

22 A. Yes, it was.

23 MARK FOR IDENTIFICATION AS EXHIBIT ____ (AP-1)

24 Q. What information is contained in Exhibit ____ (AP-1)?

ACCOUNTING PANEL - ELECTRIC

1 A. The Exhibit consists of an index and ten separate
2 schedules containing financial data and the results of
3 operations. The balance sheets are shown as of
4 December 31 for the years 2003 through 2007, while
5 details of the income accounts are shown for the years
6 2004 through 2007. The arrangement of the schedules is
7 as follows:

- 8 • Balance Sheets are shown on Schedule 1;
- 9 • Income Statements are shown on Schedule 2;
- 10 • Unappropriated Retained Earnings are shown on
11 Schedule 3;
- 12 • Electric Utility Operating Income, before and after
13 income taxes, is presented on Schedule 4;
- 14 • Electric Operating Revenues by Amount and Equivalent
15 Cents per Kwhr Sold is presented on Schedule 5;
- 16 • Statement of Megawatthours Supplied and Revenue
17 Billed by Classification of Service are shown on
18 Schedule 6. This schedule also reflects revenue per
19 kwhr sold;
- 20 • Other Operating Revenues - Electric are shown on
21 Schedule 7;
- 22 • Electric Operation and Maintenance Expenses
23 consisting of eight pages are shown on Schedule 8.

ACCOUNTING PANEL - ELECTRIC

1 Page 1 is a summary statement, which shows the
2 operation and maintenance expenses on a functional
3 basis, both in dollar amounts and equivalent cents
4 per kwhr sold. Pages 2 through 8 show the details
5 of the various functional groups by account number,
6 in dollar amounts and in equivalent cents per kwhr
7 sold, except for pages 2 and 3, which show electric
8 production expenses in equivalent cents per kwhrs
9 generated and purchased;

10 • Power Production Expenses - Electric and equivalent
11 cents per kwhr generated and purchased for the year
12 2006 are shown on Schedule 9; and

13 • Taxes Other Than Income Taxes - Electric is shown on
14 Schedule 10. All of the information in Exhibit ____
15 (AP-1) comes from the books and records of the
16 Company; where revenues or expenses are stated in
17 cents per kwhr sold or produced, these figures have
18 been computed.

19 Q. Was the document entitled "CONSOLIDATED EDISON COMPANY
20 OF NEW YORK, INC. - CALCULATION OF FEDERAL AND STATE
21 INCOME TAXES - ELECTRIC - FOR THE TWELVE MONTHS ENDED
22 DECEMBER 31, 2007" consisting of 7 pages, set forth as
23 Exhibit ____ (AP-2), prepared under your direction and
24 supervision?

ACCOUNTING PANEL - ELECTRIC

1 A. Yes, it was.

2 MARK FOR IDENTIFICATION AS EXHIBIT ____ (AP-2)

3 Q. Please describe Exhibit ____ (AP-2).

4 A. Pages 1 through 5 set forth the calculation of Federal
5 income tax for electric operations, including accruals,
6 deferrals and amortizations of deferrals for the twelve
7 months ended December 31, 2007. Pages 6 and 7 show the
8 calculation of New York State income tax for electric
9 operations for the same twelve month period. These
10 amounts are also included on Exhibit ____ (AP-1),
11 Schedule 2, page 4.

12 Q. Was the document entitled "CONSOLIDATED EDISON COMPANY
13 OF NEW YORK, INC. - BOOK COST OF UTILITY PLANT -
14 ELECTRIC - AS OF DECEMBER 31, 2003, 2004, 2005, 2006
15 AND 2007," set forth as Exhibit ____ (AP-3), prepared
16 under your direction and supervision?

17 A. Yes, it was.

18 MARK FOR IDENTIFICATION AS EXHIBIT ____ (AP-3)

19 Q. What is shown on Exhibit ____ (AP-3)?

20 A. This exhibit shows the book cost of Utility Plant -
21 Electric - by utility plant account at December 31,
22 2003, 2004, 2005, 2006 and 2007. The amounts shown for
23 Electric Plant in Service and Construction Work in

ACCOUNTING PANEL - ELECTRIC

1 Progress are taken directly from the books and records
2 of the Company.

3 Q. Do the figures shown for electric plant in service on
4 Exhibit ____ (AP-3) represent the original cost of
5 existing property, which is used and useful as of the
6 dates indicated?

7 A. To the best of our knowledge and belief, they do. The
8 plant accounts are maintained in balance with the
9 continuing property records, which show the original
10 cost of the existing property classified in accordance
11 with established continuing property record units.

12 Q. Was the document entitled "CONSOLIDATED EDISON COMPANY
13 OF NEW YORK, INC. - ACCUMULATED PROVISION FOR
14 DEPRECIATION OF ELECTRIC PLANT AS OF DECEMBER 31, 2003,
15 2004, 2005, 2006 AND 2007," set forth as Exhibit ____
16 (AP-4), prepared under your direction and supervision?

17 A. Yes, it was.

18 MARK FOR IDENTIFICATION AS EXHIBIT ____ (AP-4)

19 Q. Please describe this exhibit.

20 A. This exhibit shows the accumulated provision for
21 depreciation of Electric Plant in Service as of
22 December 31, 2003, 2004, 2005, 2006 and 2007. The
23 amounts shown on this exhibit are taken from the books
24 and records of the Company. Company witness

ACCOUNTING PANEL - ELECTRIC

1 Hutcheson's testimony addresses the accumulated
2 provision for depreciation.

3 Q. I show you a document entitled "CONSOLIDATED EDISON
4 COMPANY OF NEW YORK, INC. - REVENUES AND OPERATING
5 EXPENSE DATA," set forth as Exhibit ____ (AP-5), and I
6 ask you if it was prepared under your direction and
7 supervision.

8 A. Yes, it was. The first page contains an index of the
9 10 schedules included in the exhibit.

10 MARK FOR IDENTIFICATION AS EXHIBIT ____ (AP-5)

11 Q. Will you describe Schedule 1 of this exhibit?

12 A. Schedule 1, page 1 is a statement of Electric Operating
13 Income before income taxes by component for the
14 historic year, the twelve months ended December 31,
15 2007, and for the rate year ending March 31, 2010.
16 Column 1 shows the data as recorded on the Company's
17 books of account for the historic year. Column 2
18 reflects the changes made to normalize the historic
19 year costs and to provide for increased or decreased
20 costs and activity levels or other linkage to arrive at
21 the rate year estimate shown in column 3. The historic
22 year revenues and costs were developed from various
23 schedules from Exhibit ____ (AP-1). Total electric
24 other operating revenues are shown on page 2 of

ACCOUNTING PANEL - ELECTRIC

1 Schedule 1 of Exhibit ____ (AP-5) whereas operation and
2 maintenance expenses by cost element as summarized on
3 page 1 of Schedule 1, are detailed in this exhibit on
4 Schedule 1, page 3 and were developed from various
5 other schedules in the exhibits we are presenting.
6 Page 4 details the costs classified as taxes other than
7 income taxes.

8 Q. How were sales revenues and associated fuel costs
9 developed for the rate year?

10 A. The Forecasting Panel provided the sales forecast. The
11 changes in that forecast from the historic year to the
12 rate year are explained in their testimony. Fuel costs
13 were developed by Company witness Holtman and fuel
14 costs were then adjusted by us to an accounting basis
15 to reflect deferred accounting for these costs
16 prescribed by the Commission.

17 Q. How were Other Operating Revenues, and Other Operating
18 Income Deductions, as shown on line 2 and lines 83 - 85
19 of Schedule 1, page 1, determined?

20 A. The historic year levels were developed from Exhibit
21 ____ (AP-1). We developed the rate year forecasts for
22 Other Operating Revenues and Taxes Other than Income
23 Taxes. These items are shown on Schedule 1, pages 2
24 and 4, respectively. Company witness Hutcheson

ACCOUNTING PANEL - ELECTRIC

1 developed the rate year level for Depreciation and
2 Amortization expense as shown on Schedule 1, pages 5
3 and 6.

4 Q. Please explain the derivation of the operation and
5 maintenance expenses for the rate year shown on pages 3
6 and 3A of Schedule 1.

7 A. These pages show the derivation of the projected costs
8 in the rate year from the historic year's costs. Page
9 3A provides the details for line 77, Other, of page 3.
10 Various Company witnesses, including the Accounting
11 Panel, will explain normalizing adjustments and program
12 changes. In addition, our testimony explains general
13 escalation and labor escalation as shown on Schedules 2
14 and 3 of Exhibit __ (AP-5). Schedule 4 summarizes the
15 historic and rate years' operation and maintenance
16 expenses by Major Account Group ("MAG") function and
17 the changes between the two periods. The totals
18 correspond to Schedule 1, page 3. Schedule 5 shows the
19 historic year elements of expense by MAG.

20 Q. Please continue with Schedule 6.

21 A. Schedule 6 shows a summary by function of the operating
22 and maintenance expenses for the historic year by MAG
23 and the changes in the forecast to the rate year ending
24 March 31, 2010. It also includes a summary (pages 2 -

ACCOUNTING PANEL - ELECTRIC

1 6) of the normalizations and program changes by
2 projects within categories, the responsible witnesses
3 and the allocation to the electric department, where
4 appropriate. These normalizations and program changes
5 are also reflected in Schedules 7 and 8, respectively,
6 by cost element. When a normalizing adjustment or
7 program change affects an individual element of
8 expense, this is shown as an addition or subtraction
9 from the historic year, at the historic year price
10 level. As explained in this testimony and by other
11 Company witnesses, we would note that many of these
12 program changes simply reflect the continuation of
13 programs approved by the Commission in its 2008 Order.

14 Q. Please describe Schedules 9 and 10 of Exhibit ____ (AP-
15 5).

16 A. Schedule 9 shows the Company's electric operating and
17 maintenance expenses subject to escalation. Schedule
18 10 lists cost elements that the Company expects to
19 update during this proceeding and the witnesses
20 sponsoring these cost elements. However, there may be
21 others, and if so, the Company will provide
22 notification at the appropriate time. The Company
23 updates will, as always, reflect the Commission's
24 Policy Statement on test periods.

OTHER OPERATING REVENUES

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

Q. Does Exhibit ____ (AP-5) show the details of Other Operating Revenues?

A. Yes. Schedule 1, page 2 of Exhibit ____ (AP-5) shows the details of Other Operating Revenues both in the historic and rate years. The historic year level of \$632.161 million is forecasted to decrease by \$381.769 million for a rate year level of \$250.392 million.

Q. Please explain the first item, Miscellaneous Service Revenues.

A. This item represents the Company's forecast of various charges to customers resulting from miscellaneous tariff charges for no access, meter recovery, meter reconnection and collection charges for field calls and other. The forecast is based on the historic three-year average.

Q. Please explain the next item, Rent from Electric Property.

A. Rent from electric property represents income from cable TV pole attachments, easements and various amounts billed by the Company for usage of its transmission and distribution facilities. The forecast of revenue included an analysis of the terms of some of the Company's rental agreements. The decrease of some

ACCOUNTING PANEL - ELECTRIC

1 \$2.9 million from the historic year reflects the
2 expiration of leases with Nextel, Omnipoint and Verizon
3 for attachment of antennas to the Company's
4 transmission towers at certain locations and the
5 expiration of leases with existing miscellaneous
6 tenants on properties the Company purchased for two
7 substations, i.e., the Gowanus Expansion and E. Queens
8 Transmission Station. We are aware that most of the
9 tenants have moved or will move by year-end. One
10 tenant, Verizon, has exercised its option to renew the
11 existing lease. If there are any significant changes
12 we will reflect them in the update stage of this
13 proceeding.

14 Q. How was the line 3, Interdepartmental Rents, revenue of
15 \$11.063 million for the rate year developed?

16 A. This revenue represents carrying charges that the
17 electric department charges the gas and steam
18 departments for electric facilities used jointly with
19 gas and steam. Carrying charges on shared facilities
20 include components for rate of return, depreciation and
21 taxes. The carrying charges are applied to the book
22 cost of the facility. The interdepartmental rents
23 revenue for the historic year and rate year were
24 derived from the joint usage of the head house at Hell

ACCOUNTING PANEL - ELECTRIC

1 Gate Station with the gas department, facilities at
2 East River station with the steam department and a
3 portion of common utility plant.

4 Q. Please continue.

5 A. Transmission of Energy represents revenues from the
6 transmission of energy under bundled firm transmission
7 agreements primarily with NYPA, LIPA, and three
8 municipalities in Long Island, NY. The Company's
9 forecast is the same as the historic year as these
10 revenues do not normally fluctuate. Transmission
11 Service Charges ("TSC"), line 5, represents daily
12 transmission wheeling transactions scheduled through
13 the NYISO. This type of revenue is not guaranteed and
14 cannot be estimated with any degree of certainty, and,
15 with respect to the wholesale Transmission Service
16 Credits, efforts are currently underway to eliminate
17 these charges at all seams. Effective April 1, 2008
18 per the 2008 Order, under the MAC, TSC revenues
19 received from non-firm transmission contracts are to be
20 deferred for the future benefit of customers.

21 Q. Please explain line 6, R&D Ventures.

22 A. This item represents the royalties the Company received
23 from the sale of CECIL robots, which are used to
24 inspect and clean nuclear steam generators. We

ACCOUNTING PANEL - ELECTRIC

1 forecast no further revenues for the rate year as CECIL
2 robot technology is aging and no additional sales are
3 anticipated.

4 Q. Please continue with Purchased Capacity from Customers.

5 A. Line 7 represents the accounting entries related to the
6 purchase of installed capacity from customers under the
7 tariff leaf, Rider P - Purchase of Installed Capacity.
8 Under this tariff, the Company pays the customer for
9 each kW of installed capacity and includes the amounts
10 as part of the monthly MSC and MAC calculations for
11 recovery from all customers. At the time of purchase,
12 purchased power expense is charged and a regulatory
13 liability account is credited. When the Company
14 recovers the cost from customers, the liability account
15 is charged and an Other Operating Revenue account is
16 credited to offset the recovery from customers. We do
17 not have a forecast for this item as it is impossible
18 to estimate the level of capacity the Company will
19 purchase for the year.

20 Maintenance of Interconnection Facilities, line 8, of
21 \$2.183 million reflects the net reimbursement of
22 certain expenses the Company incurs for the
23 interconnection of the East Coast Power plant to the

ACCOUNTING PANEL - ELECTRIC

1 Con Edison system. The forecast for the rate year is
2 similar to the historic year.

3 Excess Distribution Facilities, line 9, represent
4 tariff payments from customers for distribution
5 facilities provided by the Company in excess of those
6 normally provided; the rate year amount of \$2.559
7 million was based on the historic three-year average.
8 Late Payment Charges, line 10, include revenues from
9 residential and non-residential customers; the estimate
10 was based on the historic three-year average of late
11 payment charges to sales revenues. The factor of
12 0.003495 was then applied to the rate year sales
13 forecast to arrive at late payment charges of \$25.750
14 million.

15 Q. Please describe line 11, CBS Outdoor Settlement.

16 A. Columbia Broadcasting System ("CBS") Outdoor Settlement
17 refers to the reversal on the Company's books in
18 December 2007 of an accrual made in December 2006 of
19 \$600,000 for unmetered service to bus shelters that CBS
20 Outdoor maintained. The payment of \$575,000 was made
21 by CBS in December 2007.

22 Q. What services are provided on lines 12 through 14?

23 A. Revenues from Meter Reading Services, line 12, are
24 revenues the Company receives for reading water meters

ACCOUNTING PANEL - ELECTRIC

1 for the City of New York and Westchester. The forecast
2 for the rate year is based on the historic three-year
3 average for these revenues. Revenues from The Learning
4 Center, line 13, result from its providing training and
5 conference services to outside parties. The forecast
6 was also based on the historic three-year average.
7 Line 14, A&S Capitalized, represents a correction on
8 the Company's books. A&S Capitalized represents the
9 capitalization for administrative and supervisory
10 expenses applicable to construction and certain other
11 work in progress orders. In 2004 and 2005, the Company
12 overcapitalized such costs on its books. As a result,
13 the Company made a correction on its books in January
14 2007 by reducing the capitalization on net plant. In
15 addition, as the overcapitalization contributed an
16 increase in earnings for the rate years ended March 31,
17 2004 and 2006 that were shared with customers pursuant
18 to the rate plans in effect, the January 2007
19 correction entry also corrected the earnings set aside
20 for customers of \$5.8 million. Pursuant to the rate
21 plan adopted in Case 04-E-0572 ("2005 Rate Plan"), the
22 Company offset regulatory liabilities against an equal
23 amount of regulatory assets deferred as of the end of
24 the second rate year, i.e., the twelve months ended

ACCOUNTING PANEL - ELECTRIC

1 March 31, 2007. This offset was filed with the
2 Commission on April 16, 2007, and this item was
3 included in the offset.

4 Q. Please continue with line 15, Cablevision Settlement.

5 A. In December 2005, a reserve of \$1.2 million was
6 recorded on the Company's books for the settlement of a
7 dispute with Cablevision regarding unmetered services
8 in the Bronx, NY. In September 2006, an additional
9 reserve of \$1.1 million was recorded. In April 2007,
10 the Company reached an agreement for payment from
11 Cablevision of \$2 million for the outstanding amount.
12 As the Company had received a \$500,000 payment in
13 August 2005 pending resolution and the balance of \$1.5
14 million in May 2007, the \$2.3 million reserve was
15 reversed on the books.

16 Line 16, represents income earned by the Company from
17 the Fuel Management Program. The Company seeks to
18 optimize the value of its storage capacity through the
19 storage of fuel for third parties, fuel oil exchanges
20 and sublet barges. The revenues are derived by off-
21 system transactions and we estimated \$134,000 for the
22 rate year. This information was provided to us by
23 Company witness Holtman and will be updated later in
24 this proceeding if any major changes occur.

ACCOUNTING PANEL - ELECTRIC

1 Q. Please explain line 17, KeySpan Settlement.

2 A. Con Edison and Keyspan reached a settlement agreement
3 that obligated the Company to refund overpayments
4 relative to the transmission charges Keyspan owes under
5 the NYISO Netting Tariff. Under the tariff, Keyspan is
6 excused from transmission charges during any month in
7 which its generator output exceeds the power they used
8 in their auxiliary equipment. This refund is partially
9 offset in the historic period by payments the Company
10 received for the use of equipment at the Ravenswood
11 generating station through a facilities fee and a
12 delivery service fee.

13 Q. What is the line item entitled Proceeds from Sale of
14 TCCs?

15 A. In the interest of mitigating the base rate increase,
16 we have included on line 18, \$150 million of projected
17 auction proceeds from the sale of Transmission
18 Congestion Contracts ("TCC"), consistent with the
19 treatment of TCC revenues in Case 07-E-0523.
20 Differences between actual revenues and the \$150
21 million will be reconciled through an existing tariff
22 mechanism in the MAC.

23 Q. Please continue with line 19, NYPA Street Lighting
24 Settlement.

ACCOUNTING PANEL - ELECTRIC

1 A. This item represents a settlement between the Company
2 and the City of New York regarding street lighting
3 service overcharges. The Company had reserved \$5
4 million prior to the historic period. In July 2007,
5 the Company paid \$5,073,601 and the difference of
6 \$73,601 was reclassified.

7 Line 20, Time Warner Settlement, represents the
8 settlement with Time Warner regarding unmetered
9 services in Staten Island, NY. The agreement called
10 for Time Warner to pay \$1 million of the \$1.7 million
11 disputed back billings and a reserve of \$640,000 was
12 recorded on the Company's books in September 2006. In
13 April 2007, the Company received payment of \$640,000
14 and the reserve was reversed.

15 Line 21, Sithe Agreement, represents subordinated
16 payments we receive from Sithe Global Power. This item
17 is collected and reflected in the Company's rate year
18 MAC revenues and is offset here at \$2.263 million.

19 Q. Please continue with line 22, POR Discount.

20 A. POR Discount represents the discount on receivables
21 purchased by the Company from ESCOs. The Company
22 intends to continue with the purchase of receivables
23 program and projects the POR discount at the historic
24 level.

ACCOUNTING PANEL - ELECTRIC

1 Line 23, ESCO/Marketers - Bill Charges, relates to the
2 Company's consolidated billing to customers for our
3 electric delivery services and the ESCOs' supply of
4 energy. The forecast for the rate year is \$4.608
5 million, based on the current POR bills with single or
6 dual services.

7 Q. Line 24 is entitled ADR Tax Benefits due Customers.
8 Please explain this line item.

9 A. This item relates to a petition that the Company filed
10 in August 2006, in Case 06-E-0990, requesting
11 authorization to correct an accounting error recorded
12 on the books related to Asset Depreciation Range
13 ("ADR") tax balances that should have been amortized to
14 income and to set aside for customers' benefit the
15 impact on electric and steam rates of correcting the
16 amortization of deferred ADR taxes. The accounting
17 error occurred during the 2000-2004 period. Annual
18 deferred income tax expenses recorded for those years
19 were overstated. As a result, the Company proposed to
20 record an entry to correct the deferred ADR taxes that
21 should have been amortized during the 2000-2004 period
22 in 2007. The Company also proposed to defer an amount
23 due customers to reflect the rate impact of correcting
24 the deferred ADR taxes under the terms of prior rate

ACCOUNTING PANEL - ELECTRIC

1 plans. For electric customers a liability of \$47.4
2 million for ADR tax benefits collected for the period
3 2005-2008 was set aside. As a result of the
4 Commission's Order in Case 06-E-0990, the Company
5 reversed \$44.8 million of deferred taxes on ADR
6 property for the period 2000-2004.

7 Q. Line 25 is entitled ERRP Maintenance Accounting.
8 Please explain this item.

9 A. Line 25, ERRP Maintenance Accounting, relates to the
10 allowance of \$7.5 million for maintenance costs per
11 Case 04-E-0572. The actual maintenance expenses for
12 ERRP are not incurred ratably as they were reflected in
13 the Company's revenue requirement and the Joint
14 Proposal recognizes this by allowing the Company to
15 normalize the variation. To accomplish this, the
16 Company's books reflect the allowance ratably in an
17 expense account with a concomitant credit to a
18 liability account. As actual costs are incurred, they
19 are charged to the liability account. The debit of
20 \$2.6 million reflects the variation between the
21 expenses incurred for the maintenance of ERRP as
22 compared to the rate allowance. This item has been
23 normalized for the rate year.

24 Q. Please continue.

ACCOUNTING PANEL - ELECTRIC

- 1 A. Line 26, SO2 Allowance, represents the rate year
2 forecast of SO2 Allowances to be credited to customers.
3 In addition, as discussed later in our testimony, we
4 propose to credit customers \$5.7 million based upon
5 electric's share of anticipated proceeds from the sale
6 of SO2 credits. This amount is net of \$2 million to be
7 used for an environmental excellence fund. Company
8 witness Price discusses these credits and the fund in
9 his testimony.
- 10 Q. What is the next grouping, entitled Regulatory
11 Accounting?
- 12 A. These items reflect the accounting impacts of various
13 Commission decisions and they generally are not
14 applicable to the rate year.
- 15 Line 27, T&D Expense Deferrals, reflects the carrying
16 charges recorded on the books for its transmission and
17 distribution capital expenditures that were greater
18 than the capital target provided in the settlement
19 agreement approved by the Commission in Case 04-E-0572.
20 This item is not applicable to the rate year.
- 21 Line 28, NYS Tax Law Changes, represents the
22 reconciliation for the collections from customers for
23 the New York State Income tax law change of 2000 per
24 Case 00-M-1556. While the state income tax is

ACCOUNTING PANEL - ELECTRIC

1 currently in base rates and no longer reconciled, the
2 MTA portion is not and the accounting related to this
3 portion continues. However, for the rate year, the
4 assumption is that there is no difference between the
5 collection and the expense.

6 Line 29, Rate Increase Accrual, represents the
7 accounting related to the rate relief the Company
8 received for Rate Year 3 of the 2005 Rate Plan in Case
9 04-E-0572 of \$220.4 million of which \$58.6 million was
10 attributable to the second rate year of that plan. The
11 Company's accounting was to accrue the revenues in the
12 second rate year and then reverse the accrual in the
13 third rate year.

14 Line 30, Retention of Property Tax Incentive, relates
15 to the Company's retention of the 14 percent incentive
16 on the various property tax refunds.

17 Line 31, Demand Response Program, reflects the
18 Company's incentive earned under Case 04-E-0572. The
19 Company earned through December 2006 an incentive of
20 \$10.5 million based upon a reduction of 468.722 MW and
21 an incentive allowance of \$22,500/MW. This incentive
22 was recorded in 2007. Offsetting this incentive was
23 \$2.9 million of net demand response program costs
24 recovered through the MAC, for a net of \$7.6 million.

ACCOUNTING PANEL - ELECTRIC

1 Line 32, Retail Choice Program, represents the
2 incentive the Company earned regarding the Retail
3 Choice Demand billed customers participating in the
4 Retail Choice program.

5 Line 33, Rate Case Deferrals, represents the accounting
6 for the one-time \$100 million settlement charge to
7 settle prior period pension accounting issues per Case
8 04-E-0572.

9 Line 34, Amortization of the Sale of Chelsea Property,
10 represents the amortization of the proceeds from the
11 Company's Chelsea property. Lines 35 and 36 represent
12 the amortizations of various deferrals resulting from
13 Case 04-E-0572.

14 Q. Please continue with line 37.

15 A. Amortization of W24th Street Rental Income represents
16 rent income that was provided for by the Company's sale
17 of its 405-427 W. 24th St. Chelsea property per Case
18 06-M-0504. The Company's rent income of \$2.412 million
19 from that property was included in base rates and as a
20 result of the sale the Company was permitted to deduct
21 from the gross sale price the foregone rent income.
22 The Company amortized the rent to income over the term
23 of the 2005 Rate Plan per Case 04-E-0572. The entries
24 will not be necessary in the rate year.

ACCOUNTING PANEL - ELECTRIC

1 Line 38 represents the reconciliation of interference
2 expenses to the amount allowed in rates. In March
3 2007, the Company booked a final reconciliation amount
4 of \$5.0 million for the rate year ended March 31, 2007.
5 The Company had underspent the target set in the 2005
6 Rate Plan for the second rate year. In September and
7 December 2007, an estimated \$7.4 million representing
8 an underspending for the third rate year ended March
9 2008 was also booked.

10 Line 39, Interest on Purchase of Receivables Program,
11 represents related interest accrued on the revenues
12 generated from the discount of the purchases of ESCO
13 receivables. Line 40, System Benefits Charge -
14 Deferral, reflects the reconciliation of SBC revenue
15 collections with the level of expense. Line 41, DC
16 Service Incentive, represents the offsetting of the
17 costs of the DC Service Incentive program. This
18 program is no longer available.

19 Line 42 reflects the recovery of the non-fuel operating
20 costs of the 74th/59th Street Stations from electric
21 customers. As the operating costs of the stations are
22 carried on steam books, the Company offsets the
23 increased operating costs to steam via a credit entry

ACCOUNTING PANEL - ELECTRIC

1 to steam Other Operating Revenues with a concomitant
2 debit to electric Other Operating Revenues.

3 Q. Please continue with Line 43, Low Income Program.

4 A. The Company recorded discounts under the Low Income
5 Program provided to customers in excess of amounts
6 provided in base rates per Case 04-E-0572 as a
7 Regulatory Asset.

8 TCC Auction Proceeds, line 44, represents the offset to
9 sales revenues for the reduction to wholesale
10 customers' bills for their portion of TCC auction
11 proceeds refunded on a monthly basis.

12 Line 45, Electric Service Reliability Penalty, relates
13 to the Company's incurrence of penalties under the
14 electric service reliability performance mechanism
15 (CAIDI and SAIFI) pursuant to Case 04-E-0572. This is
16 not forecasted to recur during the rate year and was
17 therefore normalized out for the rate year.

18 Line 46, Migration Incentive, represents \$3.9 million
19 recorded in March 2007 for incentives earned for the
20 rate year ended March 31, 2007. \$218,000 was recorded
21 for the migration incentive for which the Company by
22 March 2007 reached the \$4 million maximum incentive
23 available and \$3.7 million for the retention incentive.
24 Also included in this line is \$5.5 million of

ACCOUNTING PANEL - ELECTRIC

1 amortization of the previous incentives earned, for a
2 net debit to Other Operating Revenues of \$1.7 million.
3 This was normalized out for the rate year.
4 Line 47 reflects miscellaneous activity and for the
5 rate year we did not project any such activity.
6
7

8 **DEPRECIATION AND AMORTIZATION**

- 9 Q. Please explain Depreciation and Amortization shown on
10 Exhibit ____ (AP-5), Schedule 1, page 1.
- 11 A. Depreciation and amortization expense using existing
12 rates in effect is projected for the rate year to be
13 \$595,837,000. This was provided to us by Company
14 witness Hutcheson and is discussed in his testimony.
15 Details are further shown in Exhibit ____ (AP-5),
16 Schedule 1, pages 4 and 5.

17 **TAXES OTHER THAN INCOME TAXES**

- 18 Q. Please explain the line items on your Schedule 1, page
19 6, Taxes Other than Income Taxes.
- 20 A. The first item is Property Taxes consisting of New York
21 City real estate and special franchise taxes and
22 upstate and Westchester County property taxes for the
23 historic year applicable to electric operations of
24 \$629,175,000 and \$92,441,000, respectively. The rate

ACCOUNTING PANEL - ELECTRIC

1 year forecast totaling \$936,205,000 was provided to us
2 by Company witness Hutcheson and is described in his
3 testimony. Line 3 represents the reconciliation of
4 actual property taxes to the levels established per the
5 current rate plan per Case 04-E-0572. The line item is
6 not applicable to the rate year.

7 Q. How did you calculate Revenue Taxes for the rate year
8 on line 4?

9 A. Revenue taxes derived from MAC and MSC revenues
10 embedded in the Forecasting Panel's electric sales
11 revenues are \$192,258,000. To this, we added revenue
12 taxes applicable to Other Operating Revenues, such as
13 late payment charge revenues and other, for a total of
14 \$193,284,000.

15 Q. Please describe the increase in Payroll Taxes, line 5.

16 A. The increase in payroll taxes is due principally to the
17 increase in base wages subject to FICA. Payroll taxes
18 of \$7.980 million relating to additional human
19 resources requested in this filing is also included.
20 The Company will revise payroll taxes for known
21 changes, if any, in the FICA rate and base in the
22 update stage of this proceeding. Any change in payroll
23 taxes resulting from tax legislation in any
24 jurisdiction as well as any revisions for additional

ACCOUNTING PANEL - ELECTRIC

1 human resources will also be reflected later in the
2 update stage of this proceeding.

3 Q. Please explain the increase in Sales and Compensating
4 Use Tax, line 6.

5 A. The Company accrues the New York State and local use
6 tax by summarizing charges from the accounts payable
7 invoice system and materials and supplies requisitioned
8 from inventory from the Materials Management System to
9 determine the tax basis. Based on the coding assigned
10 to the items, the tax is calculated and charged on
11 these transactions to work orders and accounts on an
12 automated basis. A liability account and work order
13 accumulates the total taxes charged to other Company
14 accounts. Using summarized data, the Tax Department
15 prepares a worksheet that calculates the total tax. To
16 properly record the capitalized and expensed portion,
17 we compare this calculation with the total sales tax
18 accrued in the liability account and work order. The
19 difference between the calculated tax liability and the
20 total of the balance in the accrued liability account
21 and work order is expensed or credited to the electric,
22 gas and steam services. Credits may arise due to the
23 non-taxability of items that were originally taxes,
24 prior period tax audit adjustments, and corrections.

ACCOUNTING PANEL - ELECTRIC

1 The Company does not project any difference between the
2 tax liability and the contra accounts for the rate
3 year.

4 Q. Please continue with line 7, Subsidiary Capital Tax.

5 A. Subsidiary capital tax is the tax that New York City
6 imposes on Consolidated Edison, Inc.'s ("CEI")
7 ownership of Consolidated Edison Company of New York,
8 Inc. (the "Company"), because the Company is not
9 included in CEI's New York City corporate franchise tax
10 return. The forecast of the subsidiary capital tax was
11 based on the average historic growth in capital from
12 2004 through 2007, and the allocation to electric
13 operations is \$5,229,000.

14 Q. Please explain the Receipts Tax on line 8.

15 A. This tax is imposed by NYC on gross receipts derived
16 from electricity sold in certain parts of the Boroughs
17 of Richmond and Brooklyn as authorized by former
18 Villages now comprising Richmond and as a requirement
19 of the franchises of predecessor companies in Brooklyn.
20 Payments of this tax to a municipality under franchise
21 agreements are deductible from the Special Franchise
22 property tax, as provided in Section 626 of the Real
23 Property Tax Law. Company witness Hutcheson's forecast
24 of property taxes reflects this deduction.

ACCOUNTING PANEL - ELECTRIC

1 Q. Please describe All Other Taxes, line 9.

2 A. All other taxes represent minor taxes such as
3 commercial rent and occupancy tax, motor vehicle taxes,
4 state gasoline tax, state highway use tax, Federal
5 diesel and gasoline taxes, the New York State tax on
6 insurance premiums and hazardous waste. The rate year
7 was forecasted using the escalation factor of 5.19%,
8 the calculation of which we discuss later in our
9 testimony.

10 NORMALIZING ADJUSTMENTS

11 Q. Please discuss each normalization adjustment, as
12 reflected in Exhibit ___ (AP-5), Schedule 7, for which
13 you are responsible.

14 A. Our first normalizing adjustment, line 15, RMS Units
15 Capitalized, refers to an adjustment for the
16 refurbishment of Transformer Remote Monitoring
17 Replacements and installations on networks for years
18 2005 and 2006 that were capitalized in error. In June
19 2007, the Company determined that these units were
20 refurbished and not new. As a result these costs were
21 expensed and capital accounts credited for \$2,353,900.

22 Q. Please continue.

23 A. Our second adjustment relates to the Company's DC
24 Service Incentive program, line 16, as discussed

ACCOUNTING PANEL - ELECTRIC

1 previously in our testimony in Other Operating
2 Revenues. The third adjustment on line 18, Steam
3 Incident, normalizes out the electric-related expenses
4 incurred during the historic year as a result of the
5 steam incident in July 2007. The cost reflects
6 primarily Company labor, man-hour labor, materials and
7 supplies and trenching work. The fourth adjustment,
8 line 24, A&G Expense Capitalized, is the same
9 adjustment we discussed previously in Other Operating
10 Revenues earlier. Line 25, Reserve for Contingencies,
11 reflects the normalization of a reserve set up in
12 December 2007 for the Long Island City outage that
13 occurred in 2006.

14 Q. Line 26 is entitled SRIP/DIP. Please explain this
15 adjustment.

16 A. We are normalizing out of historic expenses, the
17 administrative fee related to the Supplemental
18 Retirement Income Plan, line 8, and the administrative
19 costs and gains on participants' accounts under the
20 Deferred Income Plan, line 7. Both are shown on
21 Company witness Reyes' Exhibit ___ (HJR-1). Assets of
22 these plans are held in trust funds and are being
23 invested. The rate year costs to administer these

ACCOUNTING PANEL - ELECTRIC

1 programs are projected to be offset by the investment
2 gains generated by the trust funds.

3 Q. Please continue with line 27.

4 A. Line 27, Write-Off of Consulting Services, represents
5 the electric allocation of the deferred cost for tax
6 consulting services associated with the SSCM tax issue
7 (IRS Code Section 263(a)). The Company deemed this
8 cost was not likely to be recovered from customers and
9 they were written off of the Company's books in March
10 2007. This expense will not reoccur in the rate year.
11 Line 28, Write-Off Miscellaneous Accounts Receivable -
12 Peekskill, represents the write-off of a miscellaneous
13 customer accounts receivable dating back to 2002. The
14 balance reflects energy credits that were applied to
15 the Company's Town of Peekskill customer accounts for
16 allowing an energy refuse facility to operate within
17 the town. The credits had been established as a
18 miscellaneous customer accounts receivable and the
19 Company received reimbursement of these credits from a
20 fund established by Westchester County. Credits were
21 applied beyond the amount available and these amounts
22 were written off in December 2007. This will not
23 reoccur in the rate year.

ACCOUNTING PANEL - ELECTRIC

1 The adjustment on line 29 eliminates the allocation to
2 electric of the cost of the executive incentive plan
3 because the Company is not seeking to recover the cost
4 of this plan through rates in this proceeding. Company
5 witness Tai addresses the Company's compensation
6 program for executives and management employees.

7 Q. Please continue.

8 A. Line 30 reflects the normalization from the historic
9 year of MGP/Superfund costs from our O&M expenses as we
10 have a proposal that we will discuss later in our
11 testimony in our section regarding the revenue
12 requirement. Line 31, Employee Pensions, represents the
13 reconciliation adjustment on the Company's books
14 pursuant to the 2005 Rate Plan. This is not applicable
15 to the rate year. Last, our three normalizing
16 adjustments on lines 32 - 34 represent allocations to
17 electric operations of \$426,000, \$1,051,000 and
18 \$1,010,000, respectively, reflecting various positions
19 in the Finance (Tax and Strategic Planning), Public
20 Affairs and Law Departments that were vacant or
21 partially vacant during the historic year.
22 For the Finance - Tax Department, we are normalizing
23 the cost of two Senior Tax Accountant positions which
24 were filled in January 2008. For the Finance -

ACCOUNTING PANEL - ELECTRIC

1 Strategic Planning Department, we are normalizing for
2 the cost of the Vice President, a Director and an
3 Analyst which were hired after the end of the historic
4 year.

5 Q. On lines 33 and 34, you show normalizations for the
6 Public Affairs and Law Departments. Please explain
7 them.

8 A. The normalizations are primarily to annualize the cost
9 of labor in the organizations. The allocation to
10 electric for Public Affairs is \$1.051 million and for
11 Law it is \$1.010 million. The Public Affairs
12 Department seeks to normalize their staffing by 14
13 vacant positions in various areas that interact with
14 the public, media, elected officials, government
15 bodies, civic and community groups and local
16 communities. The Law Department is requesting to
17 normalize approximately 25 positions within the
18 department.

19 PROGRAM CHANGES

20 Q. In the Company's recently concluded Case 07-E-0523, the
21 Company received funding for program changes. Why is
22 the Company requesting funding for some of the same
23 program changes again in this proceeding?

ACCOUNTING PANEL - ELECTRIC

1 A. In this filing the historic year is 2007 and the rate
2 year is the twelve months ending March 31, 2010. A
3 number of what are considered program changes in this
4 filing simply reflect continuation of programs recently
5 funded by the 2008 Order or did not start in the
6 historic year. As compared to the historic year, they
7 are incremental and thus, program changes in this
8 filing.

9 Q. What is the first program change you will discuss?

10 A. Line 3, Rents - ERRP, represents a decrease of \$2.284
11 million in the electric department's share of annual
12 carrying charges on the investment in the East River
13 Repowering Project primarily due to both a declining
14 rate base and a change in carrying costs. The \$458,000
15 increase shown for Interdepartmental Rents on line 13
16 is due primarily to an increase in the carrying cost
17 rate due to increases in property taxes and increased
18 investments in the Hudson Avenue, Ravenswood and
19 Astoria tunnels.

20 Q. The Company shows a negative program change of \$3.191
21 million for Storm Reserve on line 23 under MAG 44.
22 Please explain the line item.

23 A. The 2008 Order established a \$5.6 million reserve for
24 storms in base rates. The cost of storms in 2007 was

ACCOUNTING PANEL - ELECTRIC

1 \$8.791 million for three major storms. As compared to
2 the \$5.6 million storm reserve, actual costs were
3 \$3.191 million higher. The cost of storms in 2007
4 included incremental Company labor, materials and
5 supplies, overhead work, tree trimming, etc.

6 Q. In Case 07-E-0523, the Company had requested a storm
7 reserve level of \$8 million. What level of annual
8 funding are you proposing here?

9 A. The Company proposes to continue the storm reserve
10 level at \$5.6 million. Although the Company believes
11 that history (including 2007 costs) indicates that the
12 level should be higher, closer to our original proposal
13 of \$8 million in Case 07-E-0523, as a mitigation
14 measure, the Company is opting to maintain the request
15 at the level set by the Commission in the 2008 Order.

16 Q. How does the Company account for this reserve?

17 A. The Company would defer the revenues collected from
18 customers with a journal entry debiting Other Operating
19 Revenues and crediting a new Regulatory Liability
20 account. The liability account will accumulate the
21 deferred revenues until such storms do occur at which
22 point the Company will then charge the regulatory
23 liability account for the incremental cost of the
24 storms. There will be periods when the Company will

ACCOUNTING PANEL - ELECTRIC

1 defer the revenues without any storms occurring and
2 other times when the cost of the storms may exceed the
3 accumulated revenues deferred. If at the end of the
4 rate plan, there is a balance left due customers, the
5 Company will propose to roll over the amount into the
6 next rate case filing and continue this storm reserve
7 accounting. If there is a balance due from customers,
8 i.e., costs over the rate plan exceeded revenues
9 collected thus creating a regulatory asset, the Company
10 will seek recovery of the deferred cost in the next
11 electric base rate filing. In addition, the Company
12 would seek to continue the storm reserve accounting in
13 the next rate filing but possibly at a higher or lower
14 level based on our actual experience over the next few
15 years.

16 Q. Please continue with Uncollectibles under MAG 47, line
17 37.

18 A. The rate year level of uncollectibles is based on the
19 projection that write-offs as a percent of revenues
20 will equate to \$0.62/\$100. A two-year average of
21 uncollectible write-offs produced an increase of \$2.1
22 million. The write-off rate for 2007 and 2006 was
23 \$.61/\$100 and \$.64/\$100, respectively. For the first
24 three months of 2008, the average factor was \$.62/\$100.

ACCOUNTING PANEL - ELECTRIC

1 These factors reflect the recent trend showing
2 increasing uncollectibles primarily resulting from
3 escalating energy costs and the worsening economy.
4 Line 41, Postage, captures the proposed increase for
5 postage costs to be levied in May 2008, which is above
6 the increase experienced in May 2007. The impact from
7 the May 2007 increase was annualized and the applicable
8 increase was applied to the various types of bills,
9 letters and correspondence that the Customer Operations
10 organization issues.

11 Q. Please continue with your program changes under MAG 49-
12 Administrative and General beginning with line 47.

13 A. On line 47, we have a program change for Injuries and
14 Damages. In accordance with prior practice in rate
15 case filings, the rate year level of injuries and
16 damages is equivalent to the annual average of all net
17 claim disbursements for a recent three-year period.
18 The three-year average, which has long been accepted in
19 Con Edison's rate filings, for the period 2005 through
20 2007, produces \$48.032 million, of which the allocation
21 to electric is \$37.806 million. With escalation, the
22 rate year amount for injuries and damages is \$39.614
23 million. The three-year average will be updated during
24 the update stage of this proceeding.

ACCOUNTING PANEL - ELECTRIC

1 Q. Please continue with line 48.

2 A. The increase of \$8,975,000 as shown on line 48,
3 Insurance, represents primarily increases in premiums
4 for property and liability insurance and a Workers
5 Compensation Board assessment charge. The information
6 was primarily provided to us by the Company's insurance
7 department. For the excess liability insurance policy,
8 the Company recently concluded negotiations with
9 various excess liability insurers. As a result of
10 those negotiations and to try to reduce costs, the
11 Company's insurance retention deductible increased from
12 \$5 million to \$7.5 million for each occurrence for
13 general liability and pollution liability
14 claims/litigation. The Company will revise the
15 forecast of insurance premiums later in the update
16 stage of this proceeding for any major changes,
17 including savings resulting from increasing the
18 deductible from \$5 million to \$7.5 million.

19 The forecast of insurance premium cost reflects in the
20 rate year a level of \$4.0 million of insurance refunds
21 from NEIL. As is the current practice, the Company
22 proposes to continue to reflect this refund of \$4
23 million in base rates, subject to reconciliation. In
24 2007, the total refund was \$5,407,905 of which the

ACCOUNTING PANEL - ELECTRIC

1 excess over \$4 million of \$1,407,905 was returned to
2 customers through the MAC.

3 Q. Please continue.

4 A. Line 50, Fringe Benefits - New Employees, represents
5 the increase in employee welfare expenses and pensions
6 related to the increase in human resources as sponsored
7 by various Company witnesses, including the Accounting
8 Panel. In total the Company plans to hire some 400 new
9 employees. The Shared Service Panel's Exhibit ___ (AP-
10 9) shows the hiring plan by organization. The
11 projected cost of their health benefits is \$4.460
12 million and pension benefits are \$2.093 million for a
13 total of \$6.553 million. We will update this item
14 along with payroll taxes for changes in human resources
15 or benefit costs later in the update stage of this
16 proceeding.

17 Q. What is line 51, Financial Services?

18 A. The rate year amount of \$7.024 million represents the
19 electric portion of an increase in miscellaneous
20 financing costs, fees and services for the Company's
21 expected increase in financing needs to support its
22 increased capital and operating costs as testified to
23 by various witnesses in this proceeding, as well as
24 various fees paid to the rating agencies. We will

ACCOUNTING PANEL - ELECTRIC

1 update this later in the update stage of this
2 proceeding for any significant changes to the capital
3 structure that will affect such costs.

4 Q. Please discuss Pensions & OPEBs on line 52.

5 A. Line 52 reflects the actuarially determined level of
6 expenses for employee pensions and other post
7 employment benefits ("OPEBs"), which was based on a
8 study performed by the Company's actuary, Buck
9 Consultants dated April 3, 2008. The study was based
10 on the Company's actual 2007 experience. Assumptions
11 used in the forecast of pensions were a discount rate
12 of 6.0 percent and an expected return on plan assets of
13 8.5 percent. Assumptions for OPEBs were the same, plus
14 a health care cost trend rate of 8.0 percent, for 2008
15 with the rate decreasing gradually to 4.5 percent for
16 2012.

17 Q. Please sum up the estimate of the rate year employee
18 pensions/OPEBs expense that is allocated to electric.

19 A. The net amount of the actuarially determined level of
20 expense for employee pensions/OPEBs and other payments,
21 net of capitalization, allocable to electric for the
22 historic year is \$94.496 million. The rate year
23 estimated cost allocated to electric is \$110.086
24 million. This excludes \$2.093 million of

ACCOUNTING PANEL - ELECTRIC

1 pensions/OPEBs expense for additional human resources
2 that we previously discussed.

3 Q. What is the next program change the Panel will discuss
4 as reflected on Schedule 8?

5 A. Electricity and gas used (line 53) represents the
6 forecast of electricity and gas used at various Company
7 locations. The cost for electric and gas usage is
8 based upon cost studies performed which reviews
9 electricity and gas usage by the Company, other than
10 for the production of electric or steam boiler fuel,
11 and their costs. The rate charged to electric for
12 electric usage during the rate year is 13.717
13 cents/kwhr and the rate for gas usage is \$7.62/dth both
14 based upon current studies.

15 Q. What is your next program change?

16 A. Our next program change on line 54 relates to
17 Regulatory Commission expenses. The rate year was
18 forecasted based on a three-year historic average of
19 rate case expenses and the PSC assessment net of
20 refunds. The forecast for the rate year is a decrease
21 of \$1,832,000 from the historic year. The effect on
22 rate base for working capital is discussed later in our
23 testimony.

24 Q. Please continue.

ACCOUNTING PANEL - ELECTRIC

1 A. Line 55 represents an allocation to electric for a
2 decrease in fees that the Company will pay to
3 PricewaterhouseCoopers for services, such as auditing,
4 research, accounting advice and consultations. The
5 amounts on lines 56 and 58, Demand Side Management
6 ("DSM") and System Benefits Charge/Renewable Portfolio
7 Standard ("SBC/RPS") represent increases in expenses
8 that are collected through a separate surcharge or the
9 MAC and are offsets to the revenues.

10 Q. What is the next program change that you will discuss?

11 A. Our next program change (line 67) represents an
12 allocation to electric of \$1.021 million for the Tax
13 and Strategic Planning Departments:

14 1) Five incremental employee positions in Finance for
15 the Tax Department. These five positions were filled
16 after 2007 at a cost of \$406,000. This addition of
17 human resources was approved in Case 07-E-0523.

18 2) The Strategic Planning group is studying two
19 critical issues going forward for which we need expert
20 consulting opinions/analysis to help the Company define
21 the benefits, savings or enhanced revenues to
22 customers. At this point, we feel that there will be
23 negative implications for our customers if the Company
24 ignores these issues.

ACCOUNTING PANEL - ELECTRIC

1 Q. What is the function of the Strategic Planning group?

2 A. This group provides corporate planning services to the
3 Company that result in the setting of corporate goals
4 and objectives. The group continually assesses the
5 influences on our business stemming from the industry,
6 the economy, and other competitive forces, as well as
7 conducts peer analysis. In order to render strategic
8 advice for our business, with a goal of providing
9 reliable, affordable and clean power, Strategic
10 Planning anticipates long term trends in the industry
11 and in the economy; identifies potential responses to
12 trends; performs economic analyses on the implications
13 of these trends and forms potential responses; and
14 develops ways to maintain access to competitive
15 capital.

16 Q. What are some of the issues Strategic Planning is
17 working on?

18 A. Strategic Planning is currently focusing on emerging
19 issues from the customer perspective, such as concern
20 for reliability of supply, need for economic energy,
21 desire for empowerment and access to solutions,
22 assistance with navigation of the industry pressures
23 and a call for responsiveness to environmental drivers.

24 Q. Please continue.

ACCOUNTING PANEL - ELECTRIC

1 A. Specifically, we are seeking an allocation of \$615,000
2 for electric operations for the cost of consultants
3 hired by this group to perform two studies, each
4 estimated at \$400,000. The first study is to identify
5 and value strategies to address the impact of carbon
6 uncertainties to New York customers. This study is
7 estimated to cost \$290,000 and will be performed during
8 the rate year. The purpose of the study is to analyze
9 the costs, methods and timing of carbon reduction
10 initiatives; to fully understand the implications of
11 various pending legislation on our business and on our
12 customers and to develop a portfolio of carbon
13 reduction solutions.

14 The second study is to identify transmission projects
15 that deliver economic, clean and renewable power to our
16 customers. This study is estimated to cost \$325,000.
17 The purpose of the study is (1) to identify and rank
18 order specific transmission investment opportunities
19 that will i) enable renewable technologies to come to
20 market; ii) relieve transmission congestion; and iii)
21 reduce supply costs while bolstering reliability of the
22 Company's system; (2) to analyze the costs and benefits
23 of such investment(s); and (3) to establish the
24 timeline for investment opportunities.

ACCOUNTING PANEL - ELECTRIC

1 Q. Please continue with the Law Department, line 68.
2 A. The program change of \$654,000 on line 68 reflects
3 funding for ten new staff members in the Law
4 Department. Six of these positions were funded in the
5 recently concluded Case 07-E-0523. They are the three
6 positions for records retention, an attorney, a
7 regulatory attorney and a regulatory paralegal. The
8 remaining four positions are for a regulatory attorney,
9 two administrative clerks and a Litigation Support
10 Manager. The regulatory attorney is required to assist
11 the Company in responding to the increasing number and
12 complexity of state and federal regulatory issues
13 arising in the Company-specific and generic proceedings
14 involving, among others, FERC compliance matters, long-
15 term planning, jurisdictional issues,
16 efficiency/conservation, and ratemaking. The Law
17 Department's general litigation work requires two
18 additional clerical positions to handle litigation,
19 claims and collection work that is frequently subject
20 to backlog as they do not have staff to effectively
21 handle the routine claims and litigation matters,
22 especially during times when we redirect our existing
23 staff to focus on high-volume claim and litigation
24 processing and incident response. The Litigation

ACCOUNTING PANEL - ELECTRIC

1 Support Manager is required to design and implement a
2 litigation support system for the group. Since the
3 Company does not currently have a system in place, we
4 do not have the in-house expertise to handle this
5 responsibility.

6 Q. Please continue with line 69.

7 A. The next and last program change, A&S Transfer Credit,
8 relates to increased capitalization of the
9 administrative function in the Company as it relates to
10 increased capital spending described throughout this
11 filing. This filing reflects the Company's plans to
12 spend some \$400.7 million more in the rate year than is
13 reflected in the historic year and, as a result, more
14 of the administrative function, primarily salary
15 related, will be capitalized. This is estimated at a
16 credit of approximately \$3.767 million.

17 GENERAL ESCALATION

18 Q. Please describe how you escalated certain costs and the
19 general escalation rate you used.

20 A. The general escalation rate is applied to costs
21 anticipated to increase as the result of inflation.
22 The labor content was extracted from each element of
23 expense and the residual amounts were then escalated
24 using a general escalation rate that reflects the

ACCOUNTING PANEL - ELECTRIC

1 overall anticipated rate of inflation (except for
2 certain costs, like health care costs, as addressed by
3 Company witness Reyes).

4 Q. Please describe the general escalation rate you used.

5 A. The general escalation factor is based on the projected
6 increase in the Gross Domestic Product ("GDP") price
7 deflator.

8 The actual GDP deflator used was published as of March
9 31, 2008 by the U.S. Department of Commerce and the
10 forecasts were from the Blue Chip Economic Indicators
11 dated March 10, 2008. The quarter ending March 31,
12 2010 was derived from the Blue Chip quarterly rate
13 forecast which was projected at 2.39 percent annually
14 from the fourth quarter of 2007 to the first quarter of
15 2009. Utilizing these forecasts, we calculated the
16 increase from the average of the historic year through
17 the average of the rate year to be 5.19 percent. As
18 with past practice in the Company's rate cases, we will
19 update the inflation factors to reflect the latest
20 available inflation forecasts later in this proceeding.

21 LABOR ESCALATION

22 Q. Please explain the derivation of the 7.78 percent labor
23 factor used to escalate the historic year labor expense
24 level to the rate year.

ACCOUNTING PANEL - ELECTRIC

1 A. As shown on Exhibit ___ (AP-5), Schedule 2, page 1,
2 column 1, total Company salaries and wages for the
3 twelve months ended December 31, 2007 amounted to
4 \$1,206,333,000. Straight-time union labor includes
5 temporary summer employees. For the rate year, total
6 Company salaries and wages, as shown in column 3,
7 amount to \$1,300,145,000. The increase of \$93,812,000
8 in total Company labor dollars from the historic year
9 level to the rate year level represents a 7.78 percent
10 increase. Thus, we assumed the same factor to escalate
11 the historic Company labor amount for electric
12 operations to arrive at the rate year amount.

13 Q. Please describe the development of the total Company
14 rate year labor forecast.

15 A. As shown on Exhibit ___ (AP-5), Schedule 3, starting
16 with the total number of employees on roll with pay for
17 the week ended December 31, 2007 of 13,797, we assumed
18 a 1 percent annual productivity reduction from January
19 2008 to March 2010 to arrive at the average number of
20 employees during the rate year of 13,556, a reduction
21 of over 200 employees from the historic year. The
22 productivity savings assumption has lowered the labor
23 escalation factor by 2 percent (9.78 percent to 7.78
24 percent per Schedule 2). The Company's labor and

ACCOUNTING PANEL - ELECTRIC

1 labor-related forecasts for the rate year were
2 developed based on the 7.78 percent factor.

3 Q. Please continue.

4 A. Schedule 2, page 4, shows the computation of the
5 average wages and salaries in the rate year for Weekly
6 and Management employees. For Weekly employees, we
7 assumed a general wage increase of 3.5 percent in June
8 2008 and June 2009 and the effect of the semi-annual
9 progression increases of 0.7 percent in October 2009
10 and 0.6 percent in February 2010. These rates are all
11 pursuant to the labor agreements with the unions
12 representing the weekly employees. For Management
13 employees, we assumed a 3.5 percent merit increase in
14 April 2008 and April 2009. As the Company's contract
15 with its Local 1-2 union employees expire in June 2008,
16 the Company will update for any significant changes
17 related to the new contract later in this proceeding.

18 Q. Please continue.

19 A. Having developed the rate year average staffing levels
20 and average rates of pay, we then used these amounts to
21 develop the total Company rate year straight-time wages
22 and salaries as shown on Schedule 2, page 2.

23 Q. Please explain Schedule 2, page 3.

ACCOUNTING PANEL - ELECTRIC

1 A. Page 3 shows the calculation of salaries and wages
2 other than straight-time payrolls. In the historic
3 year, actual weekly premium time and overtime payrolls
4 were \$26,703,000 and \$129,804,000, respectively. We
5 then increased these historic year payrolls by the
6 estimated contractual wage awards. Management
7 compensatory time is determined by starting with the
8 historic year level of \$34,017,000 and then applying
9 the average rate of increase, as previously determined,
10 to arrive at the rate year amount.

11 AVERAGE RATE BASE - PLANT

12 Q. Has the Accounting Panel prepared projections of plant
13 balances for the twelve months ending March 31, 2009
14 and March 31, 2010 appraising the impact of the current
15 construction and retirement programs on the electric
16 department's average rate base?

17 A. Yes, we have.

18 Q. Was the two page tabulation, the first entitled
19 "ESTIMATED NET PLANT - ELECTRIC - TWELVE MONTH AVERAGE
20 ENDING MARCH 31, 2010," and the second "ESTIMATED NET
21 PLANT - ELECTRIC - DECEMBER 31, 2007 - MARCH 31, 2009,"
22 prepared under your supervision and direction?

23 A. Yes, it was.

24 MARK FOR IDENTIFICATION AS EXHIBIT ___ (AP-6)

ACCOUNTING PANEL - ELECTRIC

1 Q. What does this exhibit show?

2 A. Page 1 of this exhibit shows the projected average net
3 plant for the twelve months ending March 31, 2010.

4 Page 2 of the exhibit shows the estimated monthly
5 balances from December 31, 2007 through March 31, 2009
6 that served as a basis for our rate year projections.
7 The first column shows the book cost of plant; the
8 second column shows the accumulated provision for
9 depreciation; and the third column shows the resulting
10 net plant.

11 Q. Was the two page tabulation, the first entitled
12 "ESTIMATED CONSTRUCTION WORK IN PROGRESS - ELECTRIC -
13 TWELVE MONTH AVERAGE ENDING MARCH 31, 2010," and the
14 second "ESTIMATED CONSRUCTION WORK IN PROGRESS -
15 ELECTRIC - DECEMBER 31, 2007 - MARCH 31, 2009,"
16 prepared under your supervision and direction?

17 A. Yes, it was.

18 MARK FOR IDENTIFICATION AS EXHIBIT ___ (AP-7)

19 Q. What does this exhibit show?

20 A. Page 1 of this exhibit shows the projected construction
21 work in progress balances for the twelve months ending
22 March 31, 2009. Page 2 of the exhibit shows the
23 estimated monthly balances from December 31, 2007
24 through March 31, 2009 that served as a basis for our

ACCOUNTING PANEL - ELECTRIC

1 rate year projections. The first column shows the
2 total construction work in progress balances for
3 electric plant; the second column shows the interest
4 bearing construction work in progress; and the third
5 column shows the resulting non-interest bearing
6 construction work in progress ("NIB-CWIP").

7 Q. Please describe the development of the projections
8 contained in these exhibits.

9 A. Using estimated capital expenditures provided to us by
10 the various witnesses in this proceeding and the
11 Company's books and records for construction work in
12 progress balances through December 31, 2007, we
13 developed estimated transfers to plant in service, and
14 construction work in progress balances. We then added
15 the estimated transfer to plant in service to the
16 actual plant in service account balances at December
17 31, 2007 and deducted the book cost of plant for
18 retirement. In addition, we calculated the accumulated
19 provision for depreciation in order to develop net
20 plant balances. Included in this calculation is the
21 forecasted depreciation accruals based on current
22 depreciation rates, and net removal costs provided by
23 Company witness Hutcheson. The details of the average
24 net plant balances are included in the first four lines

ACCOUNTING PANEL - ELECTRIC

1 of the average rate base which is included in Exhibit
2 ___ (AP-9) as Schedule 5, columns 1 through 3, for the
3 rate year. The forecast used for the projections were
4 based on the Company's forecasted capital expenditures
5 addressed by various other Company witnesses. We will
6 update for any significant changes later in this
7 proceeding.

8 REVENUE REQUIREMENT (AFTER MITIGATION) AND ACCOUNTING

9 ADJUSTMENTS

10 Q. Please describe the basis for the revenue requirement
11 in this filing.

12 A. The revenue requirement is based upon our forecast of
13 electric operations for the twelve-months ending March
14 31, 2010, and an overall rate of return requirement of
15 7.86 percent. The increase in the Company's revenue
16 requirement is \$654,082,000, inclusive of gross
17 receipts taxes. Later, in our testimony, we discuss a
18 proposal for a three-year rate plan for the period
19 ending March 31, 2012 later.

20 Q. Have you prepared an exhibit?

21 A. Yes, we have.

22 Q. I show you a document, the first page of which is
23 entitled, "OPERATING INCOME, RATE BASE AND RATE OF
24 RETURN FOR ELECTRIC OPERATIONS SHOWING THE EFFECT OF

ACCOUNTING PANEL - ELECTRIC

1 THE PROPOSED INCREASE IN RATES - TWELVE MONTHS ENDING
2 MARCH 31, 2010" and ask if it was prepared under your
3 direction and supervision?

4 A. Yes, it was.

5 MARK FOR IDENTIFICATION AS EXHIBIT ____ (AP-9)

6 Q. Will you please describe Exhibit ____ (AP-9)?

7 A. Exhibit ____ (AP-9) consists of six schedules. Schedule
8 1 summarizes the development of operating income,
9 average rate base and rate of return for the rate year
10 as adjusted for the rate increase. Column 1 shows
11 operating income and rate of return unadjusted, or as
12 it would be reflected in the books of account, for the
13 rate year. The operating income before income taxes is
14 as shown on Exhibit ____ (AP-5), Schedule 1, page 1,
15 column 3. The New York State and Federal income tax
16 computations in this column are detailed on Schedule 2,
17 pages 1 and 2, respectively, and the average rate base
18 in this column is reflected on Schedules 5 and 6.
19 Column 2 summarizes certain adjustments to operating
20 income that are detailed on Schedule 3. The
21 adjustments to average rate base in this column are
22 reflected on Schedules 5 and 6. Column 3 is the
23 summation of columns 1 and 2. Column 4 shows the
24 effect of the \$654,082,000 rate increase. Column 5,

ACCOUNTING PANEL - ELECTRIC

1 which is a summation of columns 3 and 4, shows
2 operating income, average rate base and rate of return
3 for the rate year after factoring in the rate increase.
4 Schedule 4 summarizes the Regulatory Liabilities due
5 customers and the Regulatory Assets to be recovered
6 from customers that are reflected on Schedule 3 and
7 included in the calculation of the revenue requirement.

8 Q. What rate of return does Schedule 1 show?

9 A. The unadjusted rate of return in column 1 is 4.99
10 percent. After factoring in the adjustments to
11 operating income, rate base and the proposed rate
12 increase, the rate of return on average rate base is
13 7.86 percent.

14 Q. What was the electric department's rate of return for
15 the actual twelve-month period ended December 31, 2007?

16 A. As shown on Exhibit ___ (AP-1), Schedule 2, page 4,
17 electric operating income for the twelve-month period
18 ended December 31, 2007 was \$967,117,000. The electric
19 department's average rate base for the actual twelve-
20 month period ended December 31, 2007, as shown on
21 Schedule 5 of this exhibit was \$11,665,720,000.
22 Accordingly, the actual rate of return for the twelve-
23 month period ended December 31, 2007 was 8.29 percent.
24 For the reasons explained in this filing, absent rate

ACCOUNTING PANEL - ELECTRIC

1 relief, the Company is projecting a much lower return
2 for the rate year.

3 Q. Will you please explain Schedule 2, page 1?

4 A. Schedule 2, page 1 details the New York State income
5 tax computation for each of the 5 columns shown on
6 Schedule 1. Column 1 of Schedule 2, page 1 is the
7 calculation of New York State income tax expense for
8 electric operations. Starting with book operating
9 income before income taxes as shown on line 1, we then
10 set forth on lines 2-28 the various required tax
11 adjustments to book operating income to determine
12 taxable income as shown on line 29. We then compute
13 the amount of New York State income tax payable on line
14 30 using the statutory rate applicable to such taxable
15 income. From the New York State income tax payable so
16 calculated, we reflect on lines 31 through 33
17 normalizations for certain items reflected as
18 adjustments to taxable income and other tax credits to
19 arrive at New York State income tax expense as shown on
20 line 34. The items detailed on column 2 of this
21 schedule, which reflect rate case adjustments, are more
22 fully detailed on Schedule 3 of this exhibit and are
23 discussed later. Column 3 is the sum of columns 1 and
24 2. Column 4 is the additional New York State income

ACCOUNTING PANEL - ELECTRIC

1 tax to be paid as a result of the additional revenue
2 requirement and column 5 is the sum of columns 3 and 4.
3 Q. Please explain Schedule 2, page 2.
4 A. Schedule 2, page 2 details the Federal income tax
5 computation for each of the 5 columns shown on Schedule
6 1. Column 1 of Schedule 2, page 2 is the calculation
7 of Federal income tax expense for electric operations.
8 Starting with book operating income before income taxes
9 as shown on line 1, we deducted on line 2 the amount of
10 New York State income tax previously determined on
11 Schedule 2, page 1 to arrive at book operating income
12 before Federal income tax on line 3. We then set forth
13 on lines 4-40 the various required tax adjustments to
14 book operating income to determine taxable income as
15 shown on line 41. We then compute the amount of
16 Federal income tax payable on line 42 using the
17 statutory rate applicable to such taxable income. From
18 the Federal income tax payable so calculated, we
19 reflect on lines 43-51 normalizations for certain items
20 reflected as adjustments to taxable income as well as
21 amortizations for items normalized in the rate year or
22 in prior periods to arrive at Federal income tax
23 expense as shown on line 52. The items detailed on
24 column 2 of this schedule, which reflect rate case

ACCOUNTING PANEL - ELECTRIC

1 adjustments, are more fully detailed on Schedule 3 of
2 this exhibit and will be discussed later. Column 3 is
3 the sum of columns 1 and 2. Column 4 is the additional
4 Federal income tax to be paid as a result of the
5 additional revenue requirement and column 5 is the sum
6 of columns 3 and 4.

7 Q. Please explain the adjustments to operating income as
8 shown on Schedule 3.

9 A. Schedule 3 details the adjustments to operating income
10 as shown on Schedule 1, column 2 by functional income
11 statement category.

12 Q. Please describe the adjustments you made to sales
13 revenues.

14 A. Our first adjustment to sales revenues is a billing day
15 adjustment. In the instant proceeding, the rate year
16 sales forecast assumes 365.38 billing days of sales
17 revenues. Because there is a leap year every four
18 years, we assume for rate-making purposes that there
19 are 365.25 billing days, on average, in any given year.
20 Therefore, we have decreased the Forecasting Panel's
21 forecast of transmission and distribution revenues,
22 inclusive of gross receipts taxes, by (\$1,496,000) to
23 account for a decrease of 0.13 billing days. As
24 previously discussed, our second adjustment of

ACCOUNTING PANEL - ELECTRIC

1 \$45,270,000 reflects the proposal by the Company to
2 book unbilled revenues for electric operations as a
3 mitigation measure. We propose to phase-in the
4 estimated balance of electric unbilled revenues at
5 March 31, 2010 of \$92,967,000 over a two-year period.

6 Q. Please describe the adjustments you made to other
7 operating revenues.

8 A. Our adjustments 1(a) through 1(d), inclusive, reflect
9 items for which there are deferred balances on the
10 books of account that the Company is proposing to
11 refund to customers on an accelerated basis as compared
12 to our unmitigated position of over a three-year
13 period. Our adjustments 2(a) through 2(h) reflect
14 items for which there are deferred balances on the
15 books of account that the Company is proposing to
16 collect from customers in the instant proceeding.
17 Adjustment 3 relates to the proposed level of discounts
18 to be provided to low income customers when tariff
19 rates established in this proceeding become effective.

20 Q. Please discuss the items included in other operating
21 revenues that the Company is now proposing to refund to
22 customers.

23 A. Our first adjustment 1(a) reflects the amortization
24 over a three-year period, i.e., 50 percent in the first

1 rate year and 25 percent over the following two rate
2 years of certain credits that the Company had proposed
3 to be amortized over a three-year period in the prior
4 electric proceeding, Case 07-E-0523. Because that
5 proceeding did not result in a three-year rate plan,
6 only one-third of the credits were included as a
7 revenue requirement offset, and two-thirds remains as
8 regulatory liabilities pending future rate disposition.
9 This adjustment proposes to return these credits to
10 customers in the instant proceeding as we just
11 described.

12 Our second adjustment 1(b) reflects the refund to
13 customers of a property tax refund from the Town of
14 Stony Point. The 2008 Order reflected an expected
15 refund for electric customers of \$1.208 million, net of
16 the Company's retention and which has since been passed
17 back to customers. The property tax settlement with
18 the Town of Stony Point also lowered property tax
19 assessments resulting in savings of \$2.4 million in
20 each of years 2007 through 2010. These savings were
21 also reflected in the 2008 Order.

22 However, in an April 16, 2008 letter to the Commission,
23 the Company explained that approximately \$1.9 million
24 of the expected \$2.4 million rate year savings had

ACCOUNTING PANEL - ELECTRIC

1 already been paid to the North Rockland School District
2 by the Company for tax year 2007 and will be refunded
3 by Stony Point as a result of the settlement. The
4 Company proposed that the portion of this additional
5 refund be allocated to the third year of the 2005 Rate
6 Plan which ended March 2008, or \$1.4 million, be
7 deferred for the benefit of electric customers with the
8 balance (April 2008 through June 2008) retained by the
9 Company, as the 2008 Order reduced the rate year
10 revenue requirement effective April 1, 2008 by the
11 expected tax savings.

12 In this filing, we are reflecting the customers' share,
13 or \$1.4 million, be refunded during the rate year.

14 Q. Please continue with your next adjustment 1(c).

15 A. Our next adjustment 1(c) refunds to customers the
16 expected level of proceeds from the sale of SO2 credits
17 to be received in the period April 1, 2008 through
18 March 31, 2009. Based upon the anticipated level of
19 SO2 credits to be sold and an estimate of the market
20 price for such credits, the Company estimates \$7.7
21 million of sales proceeds to be received during that
22 period. Company witness Price discusses these credits
23 and funding for the Environmental Excellence Fund. Our
24 last adjustment, 1(d), Verizon Pole Maintenance

ACCOUNTING PANEL - ELECTRIC

1 Contract, relates to a March 2008 settlement with
2 Verizon for outstanding issues regarding the
3 maintenance costs of joint use poles and payment for
4 sharing the resultant data from the survey the Company
5 conducted.

6 Q. Please discuss adjustments 2(a) through 2(h) which you
7 are proposing to collect from customers.

8 A. Our first adjustment 2(a) reflects the continued
9 recovery of previously deferred WTC-related
10 expenditures including interest thereon. In Case 07-E-
11 0523, the Company requested recovery of such costs that
12 are O&M and related interest over a three-year period
13 with capital costs over a 30-year period. Assuming the
14 same methodology should apply as nothing has changed
15 for these costs since the last filing, the Company
16 should be requesting an annual recovery of \$34.1
17 million for WTC-related costs in this proceeding. As
18 previously discussed, in order to mitigate the effect
19 on the revenue requirement in this instant proceeding,
20 the Company is requesting recovery of such costs at the
21 current level included in base rates of \$14 million.
22 Adjustment 2(b) reflects the recovery over a three-year
23 period of deferred regulatory assets as of March 31,
24 2008. In Case 04-E-0572, the Company was permitted to

ACCOUNTING PANEL - ELECTRIC

1 net regulatory assets and regulatory liabilities at the
2 end of each rate year. At the end of the third rate
3 year in that proceeding, \$16,775,000 of regulatory
4 assets remained. Our adjustment represents the
5 recovery of that amount ratably over the proposed
6 three-year rate plan in this proceeding, or \$5,592,000.
7 The netting process was documented in a letter to the
8 Commission dated April 9, 2008.

9 Our third adjustment represents the recovery over a
10 three-year period of \$557,000 of interest to be accrued
11 at the unadjusted customer deposit rate on the net-of-
12 tax balance of items discussed in adjustment 2(b). The
13 interest is for the period April 1, 2008 through March
14 31, 2009, inclusive. One-third of this accrued amount
15 is our adjustment of \$186,000.

16 Q. Please continue.

17 A. Adjustment 2(d) reflects the recovery over a three-year
18 period of the estimated costs of the Management Audit
19 recently mandated by the Commission in Case 08-M-0152.
20 The estimated cost of the audit is \$2.5 million, one-
21 third of which is our adjustment of \$833,000.

22 Adjustment 2(e) reflects the recovery over a nine-year
23 period of previously deferred T&D carrying charges.
24 The Company proposes the nine-year period as a

ACCOUNTING PANEL - ELECTRIC

1 mitigating effort. The accrual of this carrying charge
2 was authorized in Case 04-E-0572. In the third rate
3 year in that proceeding, the Company accrued
4 \$193,833,000 of such carrying charges. Of this amount
5 \$9.5 million is being recovered over the period April
6 1, 2008 through March 31, 2009, leaving a balance of
7 \$184,334,000 for future recovery. The estimated
8 accrued carrying charge for the rate year ending March
9 31, 2009 is estimated at \$7,461,000. We also deducted
10 \$6 million for carrying charges on capital expenditures
11 related to the Long Island City outage pursuant to the
12 Joint Proposal in Cases 06-E-0894 and 06-M-1108
13 resolving issues raised in the prudence investigation
14 relating to the July 2006 outage. In the event the
15 Joint Proposal is not approved or is modified by the
16 Commission, the Company will update this forecast
17 during the proceeding. The estimated balance of T&D
18 carrying charges is then \$185,795,000. Recovery of
19 this amount over a nine-year period equates to our
20 adjustment of \$20,644,000.

21 Q. Please continue with your adjustment 2(f).

22 A. This adjustment proposes to recover over a three-year
23 period pension and OPEB costs deferred in the rate year
24 April 2008 through March 2009. The deferred amount is

ACCOUNTING PANEL - ELECTRIC

1 estimated to be \$19,285,000, one-third of which is our
2 adjustment of \$6,428,000. Deferral of pension and OPEB
3 costs is provided for by the Commission's Policy
4 Statement.

5 Adjustment 2(g) reflects the recovery of the estimated
6 level of deferred SIR costs at March 31, 2010. At
7 December 31, 2007 the actual balance of such costs
8 applicable to electric operations totaled \$28,682,000
9 and was expected to increase by an additional
10 \$166,632,000 by March 2010. Offsetting these amounts
11 are recoveries in rates of \$14,352,000 leaving a
12 balance of \$180,962,000 at March 31, 2010. In the
13 interest of mitigating the Company's rate increase, we
14 are assuming a ten-year recovery of this amount instead
15 of our unmitigated case of three years. This results
16 in our adjustment of \$18,096,000. As with most of the
17 mitigation measures in the filing, we do not consider
18 the proposed recovery to be ideal as it postpones the
19 recovery of costs incurred further into the future.
20 Our final adjustment 2(h) reflects the recovery over a
21 three-year period of the estimated increase in NYS
22 Special Franchise Property taxes over the period July
23 1, 2008 through March 31, 2009 as compared to the rate
24 allowance in Case 07-E-0523. The estimated increase of

ACCOUNTING PANEL - ELECTRIC

1 \$46 million is based upon a tentative assessment
2 received from the Office of Real Property Service
3 ("ORPS") on March 6, 2008. One-third of this amount is
4 our adjustment of \$15,333,000. While deferral of
5 property tax increases is not provided for in Case 07-
6 E-0523, the Company believes that such an unprecedented
7 increase was not envisioned by the parties to that
8 proceeding and in fairness, should be recoverable. The
9 Company plans to petition the Commission for deferral
10 treatment.

11 Q. Please describe your final adjustment to other
12 operating revenues.

13 A. Our third and final adjustment to other operating
14 revenues relates to the proposed continuation of
15 discounts to low income customers at the aggregate
16 level provided for under the terms of the existing rate
17 plan. The existing rate plan provides for discounts to
18 low income customers of \$17.4 million over the period
19 April 1, 2008 through March 31, 2009. The revenue
20 forecast provided by the Forecasting Panel in the
21 instant proceeding does not reflect the lower level of
22 revenues that would result were these discounts to
23 continue. Any difference between the actual discounts
24 provided during the rate year as compared to the level

ACCOUNTING PANEL - ELECTRIC

1 allowed in rates will automatically be recognized in
2 the computation of the RDM.

3 Q. Please describe the adjustment you made to taxes, other
4 than income taxes.

5 A. Our adjustments to taxes, other than income taxes is
6 directly related to our adjustments to sales revenues,
7 and reflects the lower level of revenue taxes
8 associated with the billing day adjustment we
9 previously mentioned.

10 Q. Does the Accounting Panel plan to update the
11 adjustments to operating income during the course of
12 this proceeding?

13 A. Yes. We will update the adjustments later in the update
14 stage of this proceeding.

15 Q: Will you please describe Schedule 4?

16 A. Schedule 4 summarizes by rate year and in total, those
17 items reflected on Schedule 3, and in the calculation
18 of the revenue requirement, that are reflective of
19 customer credits and debits. In summary, over the
20 period of the proposed three-year rate plan, recovery
21 of some \$73.4 million of debits in excess of credits as
22 shown on Exhibit ___ (AP-9), Schedule 4, is required.

23 Q. The average rate base is shown on Schedules 5 and 6.
24 Please describe those schedules.

ACCOUNTING PANEL - ELECTRIC

1 A. Schedule 5 shows the average rate base for the actual
2 twelve months ended December 31, 2007 in column 1; the
3 adjustment to the historic year to reflect conditions
4 in the rate year absent a rate filing in column 2; the
5 average rate base for the rate year absent a rate
6 filing in column 3; the adjustments to the average rate
7 base in the rate year as a result of this filing in
8 column 4; and the fully adjusted average rate base for
9 the rate year upon which the proposed rate increase is
10 based in column 5. Schedule 6 details the items in
11 working capital as shown on Schedule 5, line 12.

12 Q. Turning to Schedule 5 of Exhibit ___ (AP-9), please
13 describe the various items that are listed in the first
14 three columns.

15 A. Lines 1 through 3 show the average book cost,
16 accumulated provision for depreciation and net plant
17 balance and line 4 shows the average balance for NIB-
18 CWIP. Historic year levels on lines 1 through 4 were
19 developed from the books and records of the Company.
20 The rate year levels were previously discussed. Lines
21 5 and 6 reflect the electric portion of preferred stock
22 expense and the unamortized balance of debt discount,
23 premium and expense, respectively, as additions to rate
24 base. This rate base treatment was directed by the

ACCOUNTING PANEL - ELECTRIC

1 Commission's Order on Rehearing in Electric Case 27353.
2 Line 7 represents the average balance of deferred fuel,
3 net of federal income tax. This amount represents 30
4 days of recoverable fuel costs. Deferred fuel is
5 comprised of deferred MSC/MAC costs. Line 8 primarily
6 represents interest related to a Federal Income tax
7 audit adjustment for tax years 1995-1997. There will
8 be no balance for this item in the rate year since one-
9 third of this amount is being recovered from the
10 customers per Case 07-E-0523. The remaining two-thirds
11 are included in this case for recovery per line 39
12 under the Rate Case Reconciliations - Net of F.I.T.
13 section. Line 9 represents the average unamortized
14 balance of the carrying costs associated with the
15 Hudson Farragut Interconnection, which continues to be
16 amortized over the 30-year lease period.

17 Q. Please continue with your explanation of line 10.

18 A. Line 10 shows the balance of customer advances for
19 construction. These are funds provided by customers
20 for the construction of utility services on their
21 premises. Line 11 represents the average balance of
22 the Metropolitan Transportation Authority ("MTA")
23 surcharge paid but not yet collected from customers,
24 net of income taxes.

ACCOUNTING PANEL - ELECTRIC

- 1 Q. Please continue with Line 12.
- 2 A. Line 12 shows the level of the working capital included
3 in rate base. We will explain the details of working
4 capital later in our testimony. Line 13 reflects the
5 required adjustment to bring rate base equal to
6 capitalization. The Company's adjustment is currently
7 a positive adjustment. This is potentially due to
8 several factors, such as the Company's high accounts
9 receivables due to high energy costs, the use of the
10 FERC one-eighth formula as a proxy for working capital
11 in lieu of performing a "lead lag study", and the
12 Company's net prepaid pension/OPEBs balance.
- 13 Q. You previously indicated that line 13 of the Rate Base
14 Exhibit reflects a requirement to make rate base equal
15 to capitalization. Would this represent the Earnings
16 Base Capitalization or "EB/Cap" Adjustment the
17 Commission has adopted in numerous prior rate
18 proceedings?
- 19 A. Yes. This adjustment has been required by the
20 Commission to synchronize the total capitalization of a
21 utility with rate base and produce what is often
22 referred to as the "Earnings Base."

ACCOUNTING PANEL - ELECTRIC

1 Q. Did the Company adjust its EB/Cap calculation in this
2 case to include an adjustment for prepaid pension
3 expenses?

4 A. Yes, without prejudicing our position in future rate
5 proceedings or in future legal proceedings, the Company
6 reflected Staff adjustment for prepaid pensions of
7 approximately \$142 million as shown on Exhibit __ (AP-
8 9), Schedule 5. This adjustment was reflected solely
9 for the purpose of mitigating the overall size of the
10 rate increase the Company is requesting in this case.

11 Q. Please explain lines 14 and 15.

12 A. Line 14 reflects the amortization of Early Retirement
13 Termination Benefit offered to Company employees in
14 1993, which concluded its amortization in February
15 2008. Line 15 represents the Early Retirement
16 Termination Benefit offered to employees in 1999, which
17 continues to be amortized until September 2015.

18 Q. Please continue with your explanation of rate base.

19 A. Lines 16 and 17 represent the average balance of the
20 Low Income Fund and the Arrears Avoidance Program, net
21 of Federal income tax, respectively. The balances for
22 these two items projected to be zero in the rate year.
23 Line 18 is the average balance for the Direct Current
24 ("DC") Service Incentive Program, net of Federal income

ACCOUNTING PANEL - ELECTRIC

1 tax. The item shown on Line 19 represents multiple
2 items associated with the System Benefit Charge and
3 Retail Portfolio Standard programs, net of Federal
4 income tax. Line 20 represents the balance of amounts
5 billed in advance of construction, net of income tax.
6 Line 21 shows the BIR revenues, net of Federal income
7 tax which is expected to remain the same for the rate
8 year. Lines 22 through 28 are programs such as
9 Emergency Demand Response, Direct Load Control, NOx
10 Emission Allowances, Sales of the NOx Emission
11 allowances, Cogen Technologies-O&M reimbursement,
12 Sales/Appropriation of property and CATV Pole
13 Attachment revenues, net of Federal income tax. It is
14 anticipated that no balance will remain for these
15 programs during the rate year.

16 Q. Please continue and explain the items found on lines 29
17 through 35.

18 A. Line 29 shows the balance related to Washington Heights
19 and WTC Security Initiatives, net of Federal tax. Per
20 Case 01-M-1958, CECONY had contributed \$1.9 million for
21 electric distribution security, reliability and
22 communication initiatives. To date, the majority of
23 the amount has been spent and we estimate the balance
24 for this item will be zero for the rate year. Lines 30

ACCOUNTING PANEL - ELECTRIC

1 and 31 are the balances of customer refunds associated
2 with the Divested plants and condemnation of easements,
3 net of Federal income tax. Lines 32 through 34 reflect
4 various items that are being amortized pursuant to the
5 2004 Rate Plan. Line 35 is the amortization of forgone
6 rental income related to West 24th Street. As a result
7 of the sale of the Company's West 24th Street property,
8 the Company lost rent income of \$2.412 million from the
9 tenant that was included in electric base rates. This
10 foregone rent income was permitted to be deducted from
11 the proceeds of the sale of West 24th Street and the
12 Company had amortized it to income over the 2004 rate
13 plan which ended on March 31, 2008.

14 Q. Please explain the next grouping on lines 36 through
15 47, Rate Case Reconciliations - Net of Income Taxes.

16 A. In general, these items represent the estimated average
17 rate base impacts of the various reconciliation
18 provisions of the 2004 and 2007 Rate Plans and any
19 remaining balances from prior rate plans that were not
20 reflected in the 2007 Rate Plan. We discuss the
21 derivations and disposition of these items in the
22 previous section of testimony discussing the rate
23 treatment for these items.

24 Q. Please continue.

ACCOUNTING PANEL - ELECTRIC

- 1 A. Lines 48 through 62 reflect the accumulated deferred
2 Federal and State income taxes for various items. Line
3 48 represents the taxes resulting from the
4 normalization of Federal tax depreciation. The average
5 balance of accumulated deferred taxes for the rate year
6 was developed by starting with the February 28, 2008
7 actual balance and was increased each month, through
8 the rate year, to the extent of tax depreciation
9 normalized for book purposes offset in part by the
10 flow-back of tax depreciation previously deferred.
- 11 Q. Please continue with line 49.
- 12 A. Line 49 relates to capitalized overheads (Section 263A
13 of the IRS Code). Lines 50 and 51 reflect the amount
14 of accumulated deferred Federal income taxes on Vested
15 Vacation and Prepaid Insurance Expenses.
- 16 Q. Regarding line 52, please explain why taxes paid on
17 unbilled revenues are included in rate base.
- 18 A. The Commission, in its Statement of Policy on
19 Accounting and Ratemaking Procedures to Implement
20 Requirements of the Tax Reform Act of 1986 ("TRA-86"),
21 issued July 8, 1989 in Case 29465, directed utilities
22 to normalize the effect of unbilled revenues in taxable
23 income.
- 24 Q. Please continue.

ACCOUNTING PANEL - ELECTRIC

1 A. Line 53 reflects the accumulated deferred Federal
2 income taxes associated with Contributions in Aid of
3 Construction, which are reflected in taxable income and
4 for which the Commission also mandated tax
5 normalization since TRA-86. Line 54 reports the
6 deferred Federal income taxes on Capitalized Interest.
7 The Commission, also in Case 29456, concluded that
8 utilities should normalize the income tax expense for
9 additional interest required to be capitalized for tax
10 purposes under TRA-86. Line 55 reflects the
11 accumulated deferred taxes associated with the Advanced
12 Refunding of Mortgage Bonds with the amortization
13 schedule ended in January 2008.

14 Q. Please continue.

15 A. Line 56 reflects accumulated deferred Federal income
16 tax associated with the Repair and Maintenance
17 Allowance per the 2002-2006 IRS Audit. As more
18 information becomes available, we will update this
19 balance accordingly. Line 57 is the accumulated
20 deferred Federal income tax related to the accelerated
21 deduction of plant service costs computed under the
22 Simplified Service Cost Method for the years 2002
23 through 2005. It is expected that approximately 40
24 percent of the deduction may be disallowed by the IRS.

ACCOUNTING PANEL - ELECTRIC

1 Both lines 56 and 57 are on-going. Line 58 is the
2 deferred Federal income tax for the MTA taxes per the
3 IRS audit adjustment on other operating revenue related
4 to the deferred MTA tax for tax years 2002 to 2005.

5 Q. Please describes lines 59 through 62.

6 A. Line 59 is the accumulated Federal income tax related
7 to the capitalization of computer software costs. This
8 is based on new plant accounts established in 2006 to
9 record certain software development costs common to
10 electric, gas and steam. Line 60 shows the deferred
11 Federal income tax related to customer deposits. Line
12 61 is the deferred Federal income tax effect resulting
13 from the payment of Call Premiums when redeeming long-
14 term debt issues prior to their maturity dates. The
15 Call Premiums paid are a current deduction for Federal
16 income tax purposes, but amortized over the remaining
17 lives of the redeemed issues, in accordance with prior
18 Commission policy. Line 62, Excess Deferred SIT
19 (2000/2001), represents the excess accumulated deferred
20 State income tax balance from years 2000 and 2001,
21 which were established at the statutory rate of 10.3
22 percent and 9.53 percent, respectively, as compared to
23 the current rate of 9.03 percent. It is projected that

ACCOUNTING PANEL - ELECTRIC

1 there will be a zero balance for this item in the rate
2 year.

3 Q. Please continue with the last item, Deferred S.I.T.

4 A. Line 63 reflects the deferred balance of New York State
5 income taxes on various items.

6 Q. Please turn to Schedule 6 of Exhibit ____ (AP-9) and
7 explain the items of Working Capital.

8 A. Working Capital is comprised of three categories:
9 Materials and Supplies, including liquid fuel
10 inventory, Prepayments, and Cash Working Capital.

11 Q. How did you determine the average balance of liquid
12 fuel inventory and other materials and supplies for the
13 rate year as reflected in column 5 of page 2?

14 A. The rate year forecast of the average balance of liquid
15 fuel inventory (Residual and Distillate) was provided
16 to us by the Company's Customer and Business Services
17 Department. The forecast for the Residual fuel oil
18 portion was allocated to Electric and Steam, based upon
19 the oil burn budget. The forecast for the Distillate
20 fuel oil portion was allocated entirely to Electric.
21 Based upon this information, the Company has computed
22 the average electric fuel oil inventory for the rate
23 year to be \$9,869,000. The average balance of liquid
24 fuel is then, reduced to the extent that the balance is

ACCOUNTING PANEL - ELECTRIC

1 financed by amounts owed by the Company to fuel
2 vendors. Based on the historic year, we determined
3 that 26.45 percent (or \$2,610,000) is financed by
4 accounts payable, leaving \$7,259,000 to be included in
5 rate base.

6 Q. Please continue with the materials and supplies
7 inventory.

8 A. To develop the rate year amount of materials and
9 supplies, excluding fuel, we took the average balance
10 for the historic year of \$83,534,000 and increased it
11 for the Company's intention to purchase spare
12 transmission poles. The Company plans to purchase four
13 spare transmission poles per year at a cost of \$250,000
14 each. These transmission poles were approved by the
15 Commission in the 2008 Order but they are included here
16 as the level of rate base in the historic year did not
17 include them. We then escalated the inventory for
18 general escalation, which we discussed previously, to
19 arrive at the total increase of \$5,136,000 as shown in
20 column 2.

21 Q. Please continue with an explanation and description of
22 the components in Prepayments.

23 A. Electric prepayments, lines 4-10, consist of the
24 electric department's allocation of insurance premiums,

ACCOUNTING PANEL - ELECTRIC

1 rents, property taxes, the PSC assessment,
2 interference, EPRI fees and other miscellaneous items.

3 Q. How did you develop the level of prepaid insurance and
4 property taxes?

5 A. Prepaid insurance for the rate year was forecasted by
6 assuming that 45 percent of insurance premiums are
7 prepaid. We applied this factor to our estimate for
8 electric insurance premiums in the rate year of
9 \$30,901,000 to arrive at the rate year level for
10 insurance prepayments of \$13,905,000. This treatment
11 is consistent with the Commission's determination in
12 the Company's prior rate cases. Prepayments for New
13 York City and Westchester property taxes were
14 forecasted based on the Company's actual level of
15 electric property taxes for fiscal year 2008/2009 and
16 the estimated levels for fiscal year 2009/2010.
17 Payments for property taxes are currently made to New
18 York City in July and January of each year. Payments
19 to Westchester are made at various points in time
20 during the calendar year. Based on the forecast level
21 of expense, prepayments for New York City and
22 Westchester property taxes in the rate year are
23 estimated to be \$200,206,000.

24 Q. Please explain the basis for prepaid rents.

ACCOUNTING PANEL - ELECTRIC

1 A. This prepayment principally represents Transformer
2 Vault rents paid to the City of New York. Payments are
3 made in the fourth quarter of each year and are
4 amortized to expense over the following twelve-month
5 period. The rate year payments were developed by
6 starting with the November 2007 payment of \$31,985,000,
7 then escalating at annual increase of 2.8 percent as
8 per the rent agreement to arrive at \$32,881,000 for
9 November 2008. This \$32,881,000 amount is then
10 escalated at 2.8 percent to arrive at the 2009 level of
11 \$33,802,000. Additional amounts for other rents,
12 including NYC Transit Authority, were also added to
13 arrive at a prepaid average balance for twelve-months
14 ending March 31, 2010 of \$15,519,000.

15 Q. Please continue with the prepayment for the PSC
16 Assessment.

17 A. We developed the amount for the PSC assessment, line 7,
18 by taking the latest known electric assessment of
19 \$22,199,000 for the fiscal year ending March 31, 2009
20 and reduced it by the estimated refund of \$1,366,000
21 based on the actual refund received in November 2007.
22 The net amount of \$20,833,000 is then escalated to the
23 rate year and reflected payments on a semi-annual basis
24 in March and September. As indicated above, if a

ACCOUNTING PANEL - ELECTRIC

1 revised assessment is received during the course of
2 this proceeding, we will update the PSC Assessment, as
3 appropriate.

4 Q. Please explain the prepayment for Interference.

5 A. The prepayment amount for interference was developed by
6 utilizing the average balance at December 31, 2007 of
7 \$7,630,000 and escalating at 5.19 percent inflation
8 factor to arrive at a rate year level of \$8,027,000.
9 The development of the 5.19 percent factor was
10 discussed by us previously.

11 Q. Please explain the prepayment amount for EPRI Funding.

12 A. The prepayment amount for EPRI was developed by
13 utilizing the latest assessment, effective January
14 2008, of \$3,088,000, assuming quarterly payments of
15 \$772,000 offset by monthly amortization amounts of
16 \$257,000. The quarterly payment of \$772,000 is then
17 escalated by the general escalation factor of 2.1
18 percent annually to derive the quarterly payment of
19 \$788,000 and \$805,000 for 2009 and 2010, respectively.
20 The twelve-month average balance for the rate year
21 ending March 31, 2010 is projected to be \$264,000.

22 Q. Please continue

23 A. To develop prepayments applicable to "other"
24 miscellaneous items on line 10, we took the average

ACCOUNTING PANEL - ELECTRIC

1 prepayment balance for the historic year of \$10,667,000
2 and escalated this amount by the general escalation
3 factor of 5.20 percent to arrive at the rate year level
4 of \$11,222,000.

5 Q. Please explain the next item of working capital.

6 A. The next item of working capital, line 19, is the
7 allowance for cash working capital. The historic year
8 calculation was described earlier in our testimony.
9 For the rate year, we started with operation and
10 maintenance expenses of \$4,989,662,000. Based on the
11 methodology we previously described, the total cash
12 working capital allowance is \$197,492,000 as shown in
13 column 3, line 22.

14 Q. Please explain the last item of working capital.

15 A. The last item, line 24, represents the working capital
16 allowance related to fuel and purchased power. It is
17 calculated based on a time lag between fuel billed and
18 payment collected from the customers.

19 Q. Please describe the adjustments to the average rate
20 base for the rate year as reflected on Exhibit ____ (AP-
21 9), Schedule 5, column 4.

22 A. The first adjustment on line 1 represents the capital
23 costs invested in the Long Island City network related
24 to the July 2006 outage for which the Company has

1 agreed to not seek recovery pursuant to a Joint
2 Proposal filed with the Commission in April 2008 in
3 Case 06-E-0894, as previously discussed. Regarding
4 line 2, depreciation, since the Company's rate request
5 includes mitigation efforts, we are not proposing to
6 continue Mr. Hutcheson's amortization of the reserve
7 deficiency per the 2008 Order on line 2. Line 13,
8 represents the adjustment for excess rate base over
9 capitalization related to prepaid pension and OPEB
10 balance, discussed earlier in our testimony, which
11 reduces the rate base balance by \$141,980,000. Lines
12 36 to 47 are reconciliation items, net of income taxes.
13 In general, we would propose to recover these items
14 over a three year period. Instead, we are proposing
15 they be amortized over a period between 1 to 10 years.
16 This results in an additional reduction to the rate
17 base of \$14,512,000. The changes in the reconciliation
18 items above and book depreciation increase the deferred
19 SIT taxes and lower the rate base by \$16,122,000 on
20 line 63.

21 **PROPOSED INCREASE IN RATES ALLOCATED BETWEEN TRANSMISSION**
22 **AND DISTRIBUTION AND THE MAC**

23 Q. Did the Accounting Panel determine how much of the
24 total increase in the revenue requirement of

ACCOUNTING PANEL - ELECTRIC

1 \$654,082,000 was allocable to delivery service and how
2 much was allocable to the MAC?

3 A. Yes and we have prepared an exhibit that reflects this
4 allocation.

5 Q. I show you a document entitled "SUMMARY OF RATE
6 INCREASE FOR ELECTRIC OPERATIONS SHOWING THE EFFECT OF
7 THE PROPOSED INCREASE IN RATES - TWELVE MONTHS ENDING
8 MARCH 31, 2010" and ask if it was prepared under your
9 direction and supervision?

10 A. Yes, it was.

11 MARK FOR IDENTIFICATION AS EXHIBIT ____ (AP-10)

12 Q. Will the Accounting Panel please describe this exhibit?

13 A. This exhibit includes five schedules. Schedule 1
14 summarizes the proposed \$654,082,000 increase between
15 delivery service rates and the MAC. Schedules 2 and 3
16 relate to the production function and Schedule 4 shows
17 the average rate base allocated between the delivery
18 and the MAC components. Schedule 5 shows the proposed
19 changes to book depreciation allocated between the two
20 components. As shown on Exhibit ____ (AP-10), Schedule
21 1, the required increase in Delivery Service revenues
22 is \$633,906,000, while the required MAC revenues are
23 forecast to increase by \$20,176,000.

24 Q. Do you plan to update your adjustments to operating

1 income during the course of this proceeding as
2 additional actual information becomes known?

3 A. Yes. The Company will provide updates as close to the
4 Commission's opinion in this proceeding as possible.

5 FIVE YEAR FORECAST

6 Q. I show you a 35-page document entitled, "CONSOLIDATED
7 EDISON COMPANY OF NEW YORK, INC. - FIVE-YEAR ELECTRIC
8 REVENUE REQUIREMENT" and ask whether it was prepared
9 under your supervision and direction?

10 A. Yes, it was.

11 MARK FOR IDENTIFICATION AS EXHIBIT __ (AP-11)

12 Q. Please explain your Exhibit __ (AP-11, Summary).

13 A. Exhibit __ (AP-11, Summary) highlights the items for
14 which the Company seeks recovery in the second year,
15 April 1, 2010 through March 31, 2011 ("RY2") and the
16 third rate year, April 1, 2011 through March 31, 2012
17 ("RY3") and also indicates an additional two years, the
18 fourth rate year, April 2, 2012 through March 31, 2013
19 ("RY4") and the fifth rate year, April 1, 2013 through
20 March 31, 2014 ("RY5") for forecasting purposes. The
21 first column represents the calculated increase in
22 revenue requirement of \$654,082,000 for RY1 as shown on
23 Exhibit __ (AP-9), Schedule 1. The second through
24 fifth columns show the annual changes in revenues and

ACCOUNTING PANEL - ELECTRIC

1 costs that the Company believes are appropriate to
2 include in the calculation of the revenue requirement
3 for RY2 through RY5. The projected increases in
4 revenue requirement for RY2 and RY3 are estimated at
5 \$474.7 million and \$420.5 million, respectively.

6 Q. Is there a reason that Exhibit ____ (AP-11) includes
7 calculations out to March 2014?

8 A. Yes. In the 2008 Order, the Commission specifically
9 requested that the Company's next rate filing include
10 additional information, including five years worth of
11 revenue requirements. In fact, Ordering Clause 9
12 directs that the Company "provide as part of its next
13 rate case filing, for each year of a five-year planning
14 horizon, a statement of expected capital needs,
15 (including changes to net plant), all its delivery and
16 supply costs, its sales and associated revenue
17 requirements, and the future level of both
18 Transmission/Distribution and supply Prices for each
19 major service classification over the time period.

20 Q. Does the Company's filing meet this requirement?

21 A. Yes.

22 Q. Please explain how the calculations for RY2-RY5 were
23 developed.

24 A. Starting with the Company's revenue requirement

ACCOUNTING PANEL - ELECTRIC

1 calculations for RY1, we utilized forecast information
2 from each witness that had provided us data for the
3 first rate year to project each subsequent year. The
4 forecast of sales revenues is shown on Exhibit ___ (AP-
5 11), Schedule 2. The first column details the RY1
6 forecast, columns 2-3 shows the forecast for RY2
7 through RY5. This schedule details T&D delivery
8 revenues provided by the Forecasting Panel, fuel
9 revenues, purchased power and fuel costs are in detail.
10 We adjusted the revenues to reflect 365.25 billing days
11 consistent with the adjustment we made for RY1.
12 Schedule 3, pages 1 and 2 of Exhibit ___ (AP-11),
13 contains the Company's forecast of other operating
14 revenues. Column 1 details the RY1 level of other
15 operating revenues by item. Other Operating Revenues,
16 other than those included in the MSC/MAC and revenues
17 billed to retail access customers, were escalated using
18 a GDP factor of approximately 2.1 percent per year.
19 Columns 3 and 6 indicate which revenues were escalated
20 using general inflation rates and which items were held
21 constant. The amortization of accounting credits and
22 deferrals are shown on the bottom of this schedule.
23 Pages 3 and 4 of Exhibit ___ (AP-11), Schedule 3 shows
24 the estimated annual spending for environmental site

ACCOUNTING PANEL - ELECTRIC

1 investigation and remediation projects. The projected
2 annual spending for site investigation and remediation
3 projects is supported by Company witness Price. The
4 annual spending is being amortized over a ten-year
5 period.

6 Q. Please continue.

7 A. Schedule 4, pages 1 and 2 of Exhibit ___ (AP-11) shows
8 the forecast of O&M expenses. The forecast of
9 operating and maintenance expenses excluding fuel was
10 developed by taking the RY1 level of O&M expenses shown
11 in Exhibit ___ (AP-5), Schedule 1 and escalating net
12 wages by 3.46 percent and other items by the GDP rate
13 of approximately 2.1 percent per year. The 3.46
14 percent escalation rate for wages assumes the weighted
15 average annual increase for RY1 of 4.46 percent less a
16 productivity adjustment of 1.0 percent. Amortized
17 expenses were not escalated using these factors. In
18 developing the O&M forecast we reviewed program changes
19 submitted by the various organizations for later rate
20 years and determined it is anticipated that while some
21 programs will be added and expanded in the future, some
22 other programs may be eliminated or decreased as
23 priorities change and technology evolves. We therefore
24 assumed that the overall level of spending would

ACCOUNTING PANEL - ELECTRIC

1 continue at the RY1 level escalated for general
2 inflation.
3 Exhibit ____ (AP-11), Schedule 4, pages 3 and 4 shows
4 the projected annual pension and OPEBs cost based on a
5 forecast prepared by the Company's actuary Buck
6 Consultants.
7 Q. Please continue with Depreciation.
8 A. Depreciation expense is based on current rates applied
9 to the Company's Capital Budget and is shown on Exhibit
10 ____ (AP-11), Schedule 5.
11 Property taxes were projected by Mr. Hutcheson and are
12 shown on Exhibit ____ (AP-11), Schedule 6. Subsidiary
13 capital taxes, corporate franchise, and other
14 miscellaneous taxes also shown on Schedule 6 were held
15 constant. Payroll taxes on this exhibit were escalated
16 using the net wage increase factor of 3.46 percent.
17 The New York State and Federal income tax computations
18 utilize the forecast data from the aforementioned
19 schedules and are shown on Exhibit ____ (AP-11),
20 Schedules 7 and 8, respectively.
21 Average rate base is shown on Exhibit ____ (AP-11),
22 Schedule 9 and reflects the Company's forecast of plant
23 additions, depreciation accruals and changes in
24 deferred income tax balances. The projected plant

ACCOUNTING PANEL - ELECTRIC

1 additions through calendar year 2012 were based on the
2 Company's current five-year capital budget. The plant
3 additions for January 2013 through March 2014 are based
4 on projections developed solely for this case and have
5 not undergone the same level of review as the projected
6 spending reflected in the Company's five-year capital
7 plan. Unamortized deferred balances have been adjusted
8 to reflect the impact of amounts amortized each year.
9 Schedule 10 of Exhibit ___ (AP-11), shows the annual
10 electric construction expenditures for 2008 through
11 2014 discussed previously.

12 Q. The summary schedule included in Exhibit ___ (AP-11)
13 shows that the Company seeks base rate increases of
14 approximately \$654.1 million, \$474.7 million, and
15 \$420.5 million for Rate Years 1, 2 and 3, respectively.
16 Additionally, it shows that delivery rates are
17 anticipated to increase by \$299.4 million and \$282.6
18 million in Rate Years 4 and 5, respectively.

19 Q. How does the expected increases in rates by RY5 compare
20 to the total average annual rate charged to Con Edison
21 customers over 25 years ago, assuming those rates were
22 adjusted for inflation using the Consumer Price Index?

23 A. The total average annual rate projected to be in effect
24 at the start of RY5 would be approximately 6 percent

ACCOUNTING PANEL - ELECTRIC

1 less than that charged to customers in 1987 when
2 adjusted for inflation.

3 PROPOSAL FOR A THREE-YEAR RATE PLAN

4 Q. Is the Accounting Panel sponsoring a three-year rate
5 plan proposal as an alternative to a one-year case?

6 A. Yes.

7 Q. Please explain how a rate plan of this length would
8 benefit the Company's customers.

9 A. Multi-year rate plans provide the Company with greater
10 flexibility to schedule and execute critical programs
11 in the most cost-effective manner. They also place a
12 greater responsibility on the Company to manage its
13 resources over several years when there may be larger
14 swings in economic conditions and permit greater focus
15 on operating efficiencies as opposed to the alternative
16 of a relatively constant focus on rate litigation.
17 When the Company manages its resources in a cost-
18 effective manner, both the Company and customers
19 benefit. That is, the Company could receive a benefit
20 during a portion of the current rate period, and its
21 customers during all successive rate periods, retaining
22 the more significant value of the improvements in the
23 business.

24 A three-year rate plan that includes the features we

ACCOUNTING PANEL - ELECTRIC

1 discuss later in our testimony balances the impact of
2 future uncertainties on customers and the Company.

3 Q. Can you explain how your multi-year proposal would
4 work?

5 A. Yes. The Company essentially proposes that the rates
6 set for the rate year become the base from which
7 projections are made for the 2nd and 3rd years of the
8 rate plan. The Company further proposes that the
9 Commission adopt a series of staged rate changes for
10 RY2 and RY3. We would like to emphasize that, by
11 proposing a three-year plan in the alternative, the
12 Company does not waive its rights to file for new rates
13 immediately following the conclusion of this case, if
14 the Company views (1) the rate change granted by the
15 Commission for RY1 to be inadequate, or (2) the terms
16 for an additional rate year(s) under a multi-year rate
17 plan to be unreasonable. We would note that this is no
18 different than the rights retained by the Company and
19 other parties to Joint Proposals in the event the
20 Commission was to modify the terms of a Joint Proposal.
21 We would also note that the various amortizations
22 proposed throughout the Company's filing are proposed
23 for both the one-year rate request and the three-year
24 rate proposal.

ACCOUNTING PANEL - ELECTRIC

1 Q. Please continue.

2 A. The bottom of Exhibit ___ (AP-11) indicates the "true-
3 up" mechanisms that we seek for the RDM, energy
4 efficiency programs, property tax expenses,
5 interference costs (including World Trade Center
6 related interference), pensions and OPEBs,
7 environmental remediation costs and World Trade Center
8 costs for RY2 and RY3 of our three-year rate plan.

9 Q. Please continue.

10 A. We propose to continue to use reserve accounting for
11 Category 2 and 3 storm costs which became effective
12 with Case 07-E-0523 and this item would also be subject
13 to a true-up mechanism. The Company also proposes to
14 continue to true-up and defer costs associated with new
15 legislative and regulatory requirements. We propose
16 these true-ups for a one-year rate determination as
17 well, since these costs, which are outside the
18 Company's direct control, could either increase or
19 decrease materially during the first rate year.
20 Moreover, establishing these true-ups in connection
21 with a one-year rate determination could enable the
22 Company to delay the need for rate relief after the
23 expiration of the first year such rates are in effect.
24 We would note that since the Company is subject to the

ACCOUNTING PANEL - ELECTRIC

1 Commission's Policy Statement on Pensions and Other
2 Post Employment Benefits, it is required to true-up its
3 annual pension and OPEB costs to the levels provided in
4 base rates.

5 Q. What annual rate increases is the Company requesting in
6 this three year rate proposal?

7 A. The annual rate increases the Company is seeking would
8 be \$654.1 million for RY1 (equivalent to 5.8% overall),
9 \$474.7 million for RY2 (equivalent to 4.2% overall),
10 and \$420.5 million for RY3 (equivalent to 3.7%
11 overall). As an alternative, in order to further
12 mitigate the impact of the rate increase for RY1, the
13 Company would be willing to accept a levelized annual
14 increase of \$556.7 million per year (equivalent to 4.9%
15 overall). The \$556.7 million would include interest at
16 the unadjusted customer deposit rate on the
17 undercollected balance. We would note that if a
18 levelized rate increase approach is adopted by the
19 Commission, accounting requirements would require the
20 Company to defer expenses and not revenues to achieve
21 the desired phase in of rate increases. We would
22 further note that the Commission could make a portion
23 of the third year rate increase temporary (i.e., \$120.8
24 million) so that rates at the end of the rate plan

ACCOUNTING PANEL - ELECTRIC

1 would not be higher than they otherwise would have been
2 absent the phase-in.

3 Q. Does the Panel have a proposal regarding the accounting
4 for maintenance costs at East River Units 1 and 2?

5 A. Yes. The Company proposes to continue the accounting
6 treatment of the previously collected East River
7 Maintenance costs (as allowed in Case 04-E-0572) as
8 approved by the Commission in Case 07-E-0523.

9 Q. Please explain.

10 A. The Company's East River Units 1 and 2 began commercial
11 operation in April 2005. As part of Case 04-E-0572,
12 the Company requested and was granted funding for major
13 maintenance costs expected to be incurred for each of
14 the units. These costs were reflected in rates on a
15 levelized basis based on the Joint Proposal in that
16 case.

17 Q. How has the Company been accounting for maintenance
18 expenses for the East River Units 1 and 2?

19 A. During the 2005 rate plan, the Company deferred
20 revenues collected from customers of \$7.5 million per
21 year with a journal entry debiting Other Operating
22 Revenues and crediting a regulatory liability account.
23 The liability account accumulated the deferred
24 revenues. Actual maintenance costs incurred were

ACCOUNTING PANEL - ELECTRIC

1 charged against the regulatory liability account.

2 Under Case 07-E-0523, base rates continued to include
3 \$7.5 million for maintenance and we were allowed to use
4 any remaining funds from the 2005 rate plan for such
5 maintenance expenditures.

6 Q. Will the Company have unexpended funds remaining in the
7 liability account at the end of the current 2008 Order?

8 A. Yes. As explained by the Electric Production Panel,
9 due to the timing of major overhauls, the Company
10 anticipates that it will have \$2.3 million accrued for
11 major maintenance that will not be expended. As of
12 March 31, 2008, this balance was \$8.7 million. The
13 Company proposes to continue the current accounting
14 treatment. Actual overhaul costs would be charged
15 against the regulatory liability account as incurred.
16 Our Exhibit ___ (AP-15) shows the spending for these
17 units over the next several years.

18 Q. Is the Company performing ERRP maintenance activities?

19 A. As noted by the Electric Production Panel, the Company
20 is undertaking maintenance activities and when these
21 activities cost in excess of what has been allowed in
22 rates, is offsetting the credits that have been put
23 aside.

24 Q. Does the Company have a proposal regarding how

ACCOUNTING PANEL - ELECTRIC

1 infrastructure investments can be included in rates?

2 A. Yes. The Commission in the last rate case expressed
3 concern of how the infrastructure investments were
4 monitored and controlled. Considering the size of the
5 investments forecasted over the three-year rate plan
6 the Company, as an alternative, to the Commission
7 accepting the forecast of plant additions related to
8 the infrastructure investment program for rate years 2
9 and 3, we propose the use of a surcharge mechanism.

10 Q. How would the mechanism be implemented?

11 A. Three months before the rate year, the Company would
12 make a filing that detailed the projected capital
13 spending during the rate year, the benefits, need for
14 the projects and the in-service dates the projects.
15 These project costs would then be the basis for
16 calculating the revenue requirement (which includes
17 carrying charges for return, property taxes,
18 depreciation and deferred taxes). The revenue
19 requirement would be collected via the surcharge
20 mechanism. At the end of the twelve month period, a
21 reconciliation would be completed to compare actual
22 expenditures to projected expenditures to determine if
23 carrying costs were over or under collected through the
24 surcharge mechanism. The amount over or under

ACCOUNTING PANEL - ELECTRIC

1 collected would be included in the next surcharge
2 period.

3 Q. Why is the Company proposing the surcharge mechanism?

4 A. The mechanism provides for contemporary review of the
5 investments, the ability to inform the Commission of
6 changes that can impact the infrastructure investment,
7 i.e., DSM efforts that are greater than or less than
8 forecast, and actual costs being reflected in rates on
9 a regular interval.

10 Q. Do the amounts shown on Exhibit ___ (AP-11, Summary)
11 for RY2 and RY3 represent the increases the Company
12 seeks for those years under a rate plan, or is it a
13 placeholder for data that is to be updated at a later
14 point in time?

15 A. With the exception of pension/OPEBs costs, the amounts
16 shown for RY2 and RY3 represent the amounts the Company
17 requests, subject to the true-ups discussed previously.
18 We propose to update pension and OPEBs costs, which may
19 vary significantly due to fluctuations in the financial
20 markets and underlying assumptions, using the latest
21 available information from our actuary, currently Buck
22 Consultants, when available. The current projected
23 increase in pension and OPEB expense is based on an
24 April 2008 actuarial study. In addition, the Company's

ACCOUNTING PANEL - ELECTRIC

1 contract with its Local 1-2 union employees expires on
2 June 28, 2008. Major changes to their benefits and
3 other costs will also be incorporated in the update
4 stage of this proceeding.

5 Q. Please explain how the forecast of revenues and
6 expenses that you will not be updating was prepared.

7 A. The forecast of sales revenues was provided to us by
8 the Forecasting Panel. We adjusted the revenues to
9 reflect 365.25 billing days consistent with the
10 adjustment we made for RY1. Other Operating Revenues,
11 other than those included in the MSC/MAC, were
12 escalated using a GDP factor of 2.17 percent per year.
13 The projection of operating and maintenance expenses
14 excluding fuel was developed by taking the RY1 level of
15 Operations and Maintenance Expense shown in Exhibit ____
16 (AP-5), Schedule 1 and escalating net wages by 3.46
17 percent and other items by the GDP rate of 2.17 percent
18 per year. The 3.46 percent escalation rate for wages
19 assumes the weighted average annual increase for RY1 of
20 4.46 percent less a productivity adjustment of 1.0
21 percent. Exhibit ____ (AP-11, Schedule 4, pages 1 and 2)
22 show this computation. Amortized expenses were not
23 escalated using these factors.
24 Exhibit ____ (AP-11, Schedule 4, pages 3 and 4) shows

ACCOUNTING PANEL - ELECTRIC

1 the projected annual pension and OPEB costs based on a
2 forecast prepared by the Company's actuary Buck
3 Consultants as discussed previously.

4 Exhibit ___ (AP-11, Schedule 3, pages 3 and 4) shows the
5 projected annual spending for MGP remediation. The
6 revenue requirement seeks to recover the annual
7 increase in spending over ten years.

8 Q. Please continue.

9 A. Depreciation expense is based on the rates proposed by
10 Company witness Hutcheson applied to the Company's
11 Capital Budget and is shown on Exhibit ___ (AP-11,
12 Schedule 5). Property taxes were also projected by Mr.
13 Hutcheson and are shown on Exhibit ___ (AP-11, Schedule
14 6). Subsidiary capital taxes, Corporate Franchise, and
15 other miscellaneous taxes also shown on Schedule 6 were
16 escalated using the GDP factor of 2.17 percent.
17 Payroll taxes on this exhibit were escalated using the
18 net wage increase factor of 3.46 percent.
19 The New York State and Federal Income tax computations
20 utilize the forecast data from the aforementioned
21 schedules and are shown on Exhibit ___ (AP-11,
22 Schedule 7 and 8, respectively).
23 Average rate base is shown on Exhibit ___ (AP-11,
24 Schedule 9) and reflects the Company's forecast of

ACCOUNTING PANEL - ELECTRIC

1 plant additions, depreciation accruals and changes in
2 deferred income tax balances. In addition, deferred
3 balances have been adjusted to reflect the impact of
4 amounts amortized each year.

5 DEFERRAL ACCOUNTING

6 Q. Does the Company currently employ the use of deferred
7 accounting as permitted under SFAS No. 71, Accounting
8 for Regulated Businesses?

9 A. Yes. The Commission has authorized the Company to
10 utilize deferred accounting to match the recognition of
11 expenditures with the recovery of certain costs when
12 they are either beyond our direct control or the timing
13 of the actual expenditure is not certain.

14 Q. Are you proposing to continue the use of deferral
15 accounting for the costs that the Commission has
16 previously authorized?

17 A. Yes. We propose true-up mechanisms for certain
18 expenses whether for a one-year rate determination or
19 the proposed three-year rate plan. In addition, for
20 all true-ups, the target levels should be updated to
21 reflect the Company's current projected levels of
22 expense for these items (i.e., property taxes,
23 interference (including WTC interference) costs,
24 pensions and OPEBs, and environmental remediation)

ACCOUNTING PANEL - ELECTRIC

1 included in this filing. True-up mechanisms are needed
2 because these costs are primarily out of the Company's
3 control. For example, Company witness Hutcheson
4 explained the expected significant increase in property
5 taxes due to a recalculation by ORPS. Absent this is
6 reconciliation, the Company is subject to an
7 asymmetrical risk of tax increases that cannot be
8 reasonably forecasted, even for a one-year case. We
9 also support the use of reserve accounting for Category
10 2 and 3 storms and East River Units 1 and 2 maintenance
11 accounting as discussed previously.

12 Q. Does the Company have a proposal regarding the
13 treatment of property tax refunds and assessment
14 reductions it is able to achieve?

15 A. Yes, the Commission should use an 86/14
16 customer/Company sharing mechanism for property tax
17 refunds and assessment reductions achieved by the
18 Company. As demonstrated by Company witness Hutcheson,
19 the Company's efforts in this regard have produced
20 material benefits for customers.

21 Q. Please explain the basis for increasing the target for
22 environmental remediation costs from approximately
23 \$12.1 million to approximately \$18.1 million.

24 A. The target for environmental remediation costs of \$12.1

ACCOUNTING PANEL - ELECTRIC

1 million was set in the 2008 Order. The annual
2 allowance was increased by some \$3 million at that time
3 to recognize the higher level of spending expected to
4 be incurred by the Company. At the time the allowance
5 was reset, it was projected that any environmental
6 costs above the target would be offset by utilizing the
7 remaining funds that had been set aside from a number
8 of sources, including insurance recoveries, divestiture
9 of Con Edison's generating assets, and prior
10 collections from customers. Currently, the Company has
11 exhausted all of these funds and is expending funds far
12 in excess of the \$12.1 million annual rate allowance.
13 Exhibit ___ (AP-11), Schedule 3, Pages 3 and 4 shows
14 that the projected spending from March 31, 2008 through
15 the end of the first rate year, will be approximately
16 \$212 million, of which Electric Operations will be
17 responsible for approximately \$167 million. When
18 combined with the current deferred balance of
19 approximately \$29 million, less amounts to be amortized
20 of approximately \$14 million, a total amount of \$181
21 million is required. As discussed earlier, to mitigate
22 the rate increase in this case, the Company proposes to
23 increase the level of environmental expenditures
24 reflected in rates to recover this balance over ten

ACCOUNTING PANEL - ELECTRIC

1 years, or \$18.1 million per year, instead of over three
2 rate years in our pre-mitigated revenue requirement.
3 In addition, the Company is requesting an additional
4 increase of \$3.3 million in each of RY2 and RY3 to
5 start recovering a portion of the projected
6 expenditures to be incurred in each of those periods.
7 Again, this assumes each vintage year is recovered over
8 a ten-year period and assumes a spending level of some
9 \$34 million allocable to electric operations. As such,
10 over a five-year period, RY4 and RY5 would also
11 indicate cost recoveries of an estimated incremental
12 \$3.4 million each so that by RY5, we would be seeking a
13 total in rates of \$31.7 million.

14 Q. Please continue.

15 A. As part of our mitigation efforts, we previously
16 discussed the inclusion of \$5.7 million per rate year
17 of SO2 credits to reduce the revenue requirement.
18 These credits are discussed in Company witness Price's
19 testimony. We proposed that this amount be true-up in
20 the event the Company can not obtain these credits
21 during the rate plan. The true-up would apply whether
22 the Company is able to achieve more or less than the
23 \$5.7 million.

24 Q. Please explain how the Company accounts for costs

ACCOUNTING PANEL - ELECTRIC

1 related to the restoration of facilities in lower
2 Manhattan that were damaged as a result of the attack
3 on the World Trade Center, and how it proposes to
4 incorporate these costs in RY2 and RY3 if a three-year
5 rate plan is adopted.

6 A. The Company has deferred and categorized actual
7 spending related to the WTC incident as follows:

- 8 • Category 1 - Restoration and emergency response;
- 9 • Category 2 - Rebuilding of facilities; and
- 10 • Category 3 - Interference (relocation of Company
11 facilities).

12 The Company has applied for recovery of these costs
13 through the Lower Manhattan Development Corporation
14 ("LMDC"), which, in partnership with the Empire State
15 Development Corporation ("ESDC") and New York City
16 Economic Development Corporation, has prepared a
17 partial action plan with regard to the \$750 million
18 federal appropriation for reimbursing utilities. The
19 Company has received payments totaling \$132.8 million
20 as of March 31, 2008 (excluding interest of \$2.0
21 million) from LMDC for losses incurred by the Electric
22 Department and applied these payments against the
23 deferred expenditures (capital, removal and O&M). The
24 Company has also applied reimbursements received from

ACCOUNTING PANEL - ELECTRIC

1 insurance carriers of \$76.6 million against the
2 deferred balance. In addition to what ESDC may
3 determine as ineligible for federal reimbursement
4 during audit review, all reimbursements of the varying
5 categories of costs under the HUD Action Plan are
6 subject to the limitation of funds that remain
7 available based on submissions by all applicants and
8 not just Con Edison. For Category 2, except for a
9 limited amount under appeal, the Company has agreed
10 with ESDC on its reimbursement for that category. For
11 Category 3 and the southern sites, on December 31,
12 2007, the Company filed with ESDC a request for
13 approximately \$200 million in reimbursement, which is
14 still, at this point, pending. We would note that the
15 HUD Action Plan only allocates \$60 million for all
16 applicants of which Con Edison's expenditures to date
17 alone exceed this amount. Given that Con Edison's
18 expenditures alone exceed that amount, there is no
19 basis to expect that future federal payments will
20 provide for recovery of all of the Company's
21 expenditures. More important, many of the other
22 utilities have yet to settle their Category 1 and 2
23 reimbursements with ESDC so the available funding for
24 Category 3 could decrease or there could be no funding

ACCOUNTING PANEL - ELECTRIC

1 left at all.

2 As part of mitigation efforts, we had proposed recovery
3 at the current level in rates of \$14 million for the
4 rate year. For RY2 and RY3, we propose that the
5 Company be allowed to recover an incremental \$27
6 million for a level of \$41 million. At this level, by
7 the end of RY3, the Company would have recovered all of
8 its deferred costs.

9 Q. The Company under the 2005 Rate Plan was allowed to
10 "net" outstanding deferred balances at the end of each
11 rate year of the existing rate plan, the Joint Proposal
12 approved by the Commission states the following (p.
13 10):

14 D. Reconciliations

15 The Company will reconcile the following costs to
16 the levels reflected in rates, as set forth in
17 Appendices F and G. The reconciliations in each
18 of RY1, RY2, and RY3 will be deferred and
19 recovered from customers or credited to customers
20 after expiration of this Electric Rate Plan, in a
21 manner to be determined by the Commission.
22 However, at the end of each Rate Year and subject
23 to audit and prudence review, the Company may
24 apply any available credits, except credits
25 associated with TCC's, to offset the deferred
26 balance

27

28 Q. What is your position regarding this annual netting of
29 outstanding deferrals?

ACCOUNTING PANEL - ELECTRIC

1 A. The ability to net deferrals has helped simplify the
2 Company's external reporting requirements and made Con
3 Edison's financial statements more meaningful to
4 investors. When regulatory assets and liabilities are
5 reported on a gross basis, it has the effect of
6 inflating the reported assets and liabilities of the
7 Company. Netting gives an investor a clearer
8 understanding of the Company's true financial assets
9 and liabilities.

10 Q. Please explain how you propose to recover expenses
11 under the annual true-ups shown under the proposed
12 three-year rate plan.

13 A. As discussed previously, the Company would defer the
14 difference between the amount allowed in rates and the
15 actual level of expenditures in property taxes,
16 interference (including WTC related costs),
17 pensions/OPEBs, environmental remediation, World Trade
18 Center costs incurred through December 31, 2007, storm
19 costs and ERRP maintenance costs that are included in
20 this filing. Under a three-year rate plan, the Company
21 proposes to submit to the Commission's Accounting and
22 Finance Staff for its review an annual reconciliation
23 of the items for the purpose of effectuating a true-up
24 of the costs. The total net deferrals for any year

ACCOUNTING PANEL - ELECTRIC

1 during the term of the proposed three-year rate plan
2 would be recovered through the use of TCC revenues
3 above the rate level imputation of \$150 million along
4 with any other available transmission revenues. The
5 TCC and other transmission revenues could also be used
6 as a source of funds to mitigate any other deferrals
7 that arise such as from the Revenue Decoupling
8 Mechanism. This procedure would help minimize the
9 potential build up of large net deferrals that would be
10 collected from or passed back to customers at some time
11 in the future.

12 Q. Does the Company have a proposal regarding inflation
13 and how would it operate?

14 A. Yes. The Company proposes that if general inflation
15 rates exceed 4.0 percent ("Inflation Threshold) on
16 average over the course of the Electric Rate Plan and
17 the Company's average electric earnings are less than
18 the authorized return over the three-year term of the
19 rate plan, the Company would defer inflationary
20 increases above the Inflation Threshold applicable to
21 the expenses set forth in our Exhibit ___ (AP-5),
22 Schedule 9 ("Inflation Pool"). Although the above-
23 threshold calculation will be performed at the end of
24 each rate year, deferral will be triggered on a

ACCOUNTING PANEL - ELECTRIC

1 cumulative basis over the three-year term of the rate
2 plan. That is, actual inflation must exceed 12 percent
3 over the three-year period covered by the rate plan.

4 Q. Please continue.

5 A. The deferral will be based on the lower of the
6 following:

7 (a) Inflationary increases above the Inflation
8 Threshold, determined using Price Index numbers for
9 Gross Domestic Product ("GDP") published by the U.S.
10 Department of Commerce, Bureau of Economic Analysis
11 ("BEA"), applicable to the Inflation Pool; or

12 (b) Actual costs incurred by the Company for the
13 expenses, contained in the Inflation Pool, above the
14 Inflation Threshold.

15 For example, if during RY1, the inflation rate
16 according to the Blue Chip Economic indicators is 6%,
17 as compared to the actual 5% increase in the expenses
18 contained in the Inflation Pool, the deferral would be
19 equal to 1% (i.e., 5% less the 4% threshold) of the
20 Inflation Pool, provided that the Company's earned
21 common equity was less than 10.0%.

22 MODIFICATIONS TO THE REVENUE DECOUPLING MECHANISM ("RDM")

23 Q. Does the Panel have any modifications to the existing
24 RDM?

ACCOUNTING PANEL - ELECTRIC

1 A. The Company's RDM was instituted in the recent 2008
2 Order and became effective April 2008. Although the
3 Company has continuing concerns as to its relation to
4 economic development and hot weather related costs, the
5 Company will refrain at this time from proposing any
6 changes to the RDM pending some experience with this
7 mechanism that may better enable the Company to
8 evaluate its performance. It may be that after this
9 summer, we can develop data that can be evaluated and
10 provide a basis for modifications and enhancements to
11 the RDM. In that even, we will introduce proposed
12 modifications later in this proceeding. We will also
13 submit to the Commission within 30 days of new rates
14 going into effect the new RDM targets.

15 RATE OF RETURN

16 Q. Has the Accounting Panel prepared a rate of return
17 required exhibit?

18 A. Yes. We will present the rate of return required in
19 the rate year and, in addition, the Fund Requirements
20 and Sources and Interest Coverage in the rate year.

21 Q. Was the document entitled "CONSOLIDATED EDISON COMPANY
22 OF NEW YORK, INC. - RATE OF RETURN REQUIRED FOR THE
23 RATE YEAR - TWELVE MONTHS ENDING MARCH 31, 2010," set

ACCOUNTING PANEL - ELECTRIC

1 forth as Exhibit ____ (AP-12), prepared under your
2 direction and supervision?

3 A. Yes, it was.

4 MARK FOR IDENTIFICATION AS EXHIBIT ____ (AP-12)

5 Q. Please describe Exhibit ____ (AP-12), Schedule 1.

6 A. This exhibit shows the projected average capital
7 structure for the rate year, the twelve months ending
8 March 31, 2010, the average cost rate for each
9 component of the capital structure, and the related
10 cost of capital. The Company's overall weighted cost
11 of capital for the rate year is projected to be 7.86
12 percent.

13 Q. How did you derive the amount of average long-term debt
14 for the rate year?

15 A. To derive the average long-term debt for the rate year
16 ending March 31, 2010, we determined the amount of
17 long-term debt outstanding at the end of each month
18 from March 2009 through March 2010. We then utilized
19 these amounts to calculate the average of long-term
20 debt outstanding.

21 Q. How was the amount of long-term debt outstanding each
22 month determined?

23 A. We estimated changes in the outstanding amount of debt
24 from month to month during the linkage period from

ACCOUNTING PANEL - ELECTRIC

1 December 31, 2007 to the beginning of the rate year
2 based on the funding requirements forecasted. This
3 resulted in the Company's forecasted issuances and
4 scheduled maturities as follows:

- 5 ▪ The issuance of \$600 million 5.85 percent Series 2008A
6 debentures on April 1, 2008;
- 7 ▪ The issuance of \$600 million 6.75 percent Series 2008B
8 debentures on April 1, 2008;
- 9 ▪ The forecasted issuance of \$285 million 6.05 percent
10 Series 2008 C debentures on September 1, 2008;
- 11 ▪ The forecasted issuances of \$285 million 6.90 percent
12 Series 2008D debentures on September 1, 2008;
- 13 ▪ The forecasted issuance of \$740 million 7.10 percent
14 Series 2009A debentures on June 1, 2009;
- 15 ▪ The forecasted issuance of \$770 million 6.30 percent
16 Series 2009B debentures on December 1, 2009;
- 17 ▪ The maturity of the \$180 million 6.25 percent Series
18 1998A debentures on February 1, 2008;
- 19 ▪ The maturity of the \$100 million 6.15 percent Series
20 1998C debentures on July 1, 2008;
- 21 ▪ The maturity of the \$200 million 7.15 percent Series
22 1999B debentures on December 1, 2009; and

ACCOUNTING PANEL - ELECTRIC

1 ▪ The maturity of the \$275 million 4.70 percent Series
2 2004C debentures on June 15, 2009.

3 The amount of average long-term debt for the rate year
4 ending March 31, 2010, after the above adjustments are
5 made, is \$9,538 million, the details of which are shown
6 in Schedule 2 of Exhibit ___ (AP-12).

7 Q. Please explain the cost rate assumed with respect to
8 the additional debt.

9 A. The additional debt is issued based on a combination of
10 10-year and 30-year debentures at 6.05 percent and 6.90
11 percent, respectively for 2008 and 6.30 percent and
12 7.10 percent, respectively for 2009, which reflect the
13 current forecasted market conditions for taxable debt
14 issued for A-rated utilities. At the update stage of
15 this proceeding, we will reflect the most recent data
16 available as well as any new debt that may have been
17 issued by that time.

18 Q. What methodology was used for the interest rate
19 forecast?

20 A. For the 2008 issuance, we used current ten-year and
21 thirty-year Treasury rates plus the appropriate spreads
22 from our actual April 2008 issuance. For the 2009
23 issuances, we used the April 2008 edition of the Blue
24 Chip Financial Forecasts for the 10- and 30-year

ACCOUNTING PANEL - ELECTRIC

1 Treasury forecasts. We added the spreads on our April
2 issuance to the Treasuries.

3 Q. Please explain Exhibit ____ (AP-12), Schedule 3, the
4 average cost of preferred stock for the rate year.

5 A. To determine the average amount of preferred stock for
6 the rate year ending March 31, 2010, we first
7 determined the amount of preferred stock outstanding at
8 the end of each month from March 2009 through March
9 2010. We then utilized this amount to calculate an
10 average amount outstanding of \$213 million.

11 Q. Please explain how you derive the average customer
12 deposits, set forth on Exhibit 12, Schedule 1, for the
13 rate year ending March 31, 2010.

14 A. With respect to customer deposits, we started with the
15 projected balance outstanding at March 31, 2009 of \$242
16 million. The balance is expected to grow by
17 approximately 0.2% a month bringing the March 2010
18 balance to \$246 million. After determining the monthly
19 customer deposit balances during the rate year, an
20 average of \$244 million was calculated. During the
21 linkage period from January 1, 2008 to the beginning of
22 the rate year, Common Equity increased due to an equity
23 issuance of \$350 million, equity received from company
24 stock plans of \$107 million, net income for common

1 equity of \$982 million less common dividends paid
2 during the linkage period of \$736 million, contributing
3 to the equity increase.

4 Q. What is the average cost rate of CECONY's long-term
5 debt?

6 A. CECONY's long-term debt is comprised of tax-exempt debt
7 issued through NYSERDA and debenture bonds. The
8 average annual cost rate of this debt is calculated by
9 dividing the average annual interest requirements for
10 all long-term debt issues, including the average annual
11 amortization of the net amount of any premiums or
12 discounts realized when the securities were sold and
13 the cost and expense of issuance, by the amount of
14 long-term debt outstanding. As shown on Schedule 2 of
15 Exhibit ___ (AP-12), the average cost of long-term debt
16 for the rate year is 5.95 percent, which is determined
17 by dividing the sum of the average annual interest
18 requirements and the amortization of debt discount and
19 expense, of \$567 million by the average aggregate
20 amount of long-term debt outstanding of \$9,538 million.

21 Q. How did you determine the average cost rate of CECONY's
22 preferred stock?

23 A. On average, CECONY will have an estimated total of
24 approximately \$213 million in preferred stock

ACCOUNTING PANEL - ELECTRIC

1 outstanding during the rate year. The average annual
2 cost of the preferred stock is calculated by dividing
3 the average annual dividend requirement of \$11.3
4 million, including the expense associated with the
5 amortization of expenses associated with the refunded
6 series, by the average amount of preferred stock
7 outstanding of \$213 million. As set forth on Schedule
8 3 of Exhibit ___ (AP-12), the average cost of preferred
9 stock for the rate year ending March 31, 2010 thus
10 computed is 5.34 percent.

11 Q. What cost rate was assigned to customer deposits?

12 A. We reflected the current 3.75 percent cost rate, as
13 mandated by the Commission. The Commission reviews
14 this rate annually. We will update this rate for any
15 change the Commission may decide with respect to
16 customer deposits, at the appropriate time.

17 Q. What cost rate has the Company reflected as the rate of
18 return for common equity?

19 A. We have utilized a return on common equity of 10.0
20 percent to calculate an overall rate of return of 7.86
21 percent, which we used in determining the revenue
22 requirement for the rate year. As discussed earlier,
23 the 10.0 percent was used to "mitigate" the requested

ACCOUNTING PANEL - ELECTRIC

1 increase. Company witness Morin recommends a return on
2 common equity 11.3%.

3 Q. Was the document entitled "CONSOLIDATED EDISON COMPANY
4 OF NEW YORK, INC. - FUND REQUIREMENTS AND SOURCES -
5 TWELVE MONTHS ENDING MARCH 31, 2010," set forth as
6 Exhibit ___ (AP-12), prepared under your direction and
7 supervision?

8 A. Yes, it was.

9 MARK FOR IDENTIFICATION AS EXHIBIT ___ (AP-13)

10 Q. What does Exhibit ___ (AP-13) reflect?

11 A. This exhibit reflects the Company's forecast of capital
12 fund requirements and sources of capital funds, as well
13 as certain financial statistics, for the 12 months
14 ending March 31, 2010. Exhibit ___ (AP-13) shows that
15 capital funds required during the rate year will exceed
16 internal sources by \$1,433 million.

17 Q. Please describe the three items contained in this
18 exhibit under the heading "CAPITAL FUNDS REQUIRED".

19 A. The first item, requiring the largest amount of capital
20 funds, is construction expenditures of \$2,653 million.
21 This amount is consistent with the Company's five-year
22 forecast of construction expenditures.

23 Q. Please continue.

ACCOUNTING PANEL - ELECTRIC

1 A. The second item, Rate Case Amortization/Accruals, in
2 the amount of \$(128) million, represent the net
3 anticipated recovery of deferred items from this rate
4 proceeding. The third item, Working Capital, in the
5 amount of \$(160) million is the Company's estimate of
6 its decreased working capital requirements.

7 Q. Please describe the items contained in the exhibit
8 under the heading "INTERNAL SOURCES OF FUNDS".

9 A. The first item is retained earnings of \$332 million.
10 This estimate includes certain earnings and common
11 dividend assumptions. The second item is depreciation.
12 The third item, deferred tax accruals, are funds
13 provided principally by the use of tax depreciation
14 subject to normalization. The fourth item, other
15 expense that includes AFUDC Debt and Equity from other
16 operating activities and other Operating Cash flow.

17 Q. Is it your decision or do you participate in any
18 decision making as to what CECONY's dividend funding
19 requirements to CEI will be?

20 A. No. The Board of Directors makes the dividend decision
21 for CEI. We are not members of the Board of Directors
22 nor are we participants in its meetings or meetings of
23 the Finance Committee of the Board.

ACCOUNTING PANEL - ELECTRIC

1 Q. Does that mean that your assumption of an estimated per
2 annum dividend increase is not based upon any
3 projections that the Board of Trustees may have made?

4 A. That is correct.

5 Q. Please describe the final section of Exhibit ____ (AP-
6 13).

7 A. The final section shows that at March 31, 2010, the
8 Company will have temporary cash investments estimated
9 in the amount of \$10 million. Included in the
10 calculation of the balance of \$10 million is repayment
11 of \$(79) million of commercial paper issues projected
12 in the rate year ending March 31, 2010.

13 Q. Was the document entitled "CONSOLIDATED EDISON COMPANY
14 OF NEW YORK, INC. - INTEREST COVERAGE - S.E.C. BASIS -
15 PER BOOKS," set forth as Exhibit ____ (AP-14), prepared
16 under your direction and supervision?

17 A. Yes, it was.

18 MARK FOR IDENTIFICATION AS EXHIBIT ____ (AP-14)

19 Q. Does your calculation of interest coverage only include
20 the interest paid on long-term debt?

21 A. No. As shown in Exhibit ____ (AP-14), the interest
22 coverage calculation also includes "other" interest.

23 Q. Please explain what is included in "other" interest.

ACCOUNTING PANEL - ELECTRIC

1 A. "Other" interest is comprised of interest on the
2 following items: customer deposits, commercial paper,
3 customer overpayments and other miscellaneous items.

4 Q. Does the Company currently have lines of credit
5 available to it?

6 A. Yes. The Company, along with CEI and O&R, has
7 agreements with various banks for revolving credit
8 lines of \$2,250 million. However, assuming that CEI and
9 O&R have not used their assigned portions of this
10 credit, \$1,000 million and \$200 million, respectively,
11 the Company can utilize the entire \$2,250 million.

12 Q. Does this conclude your testimony?

13 A. Yes, it does.

14

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ELECTRIC RATE CASE EXHIBITS

<u>Tab No.</u>	<u>Exhibit No.</u>		<u>Number of Pages</u>
1	AP-1	Financial and Statistical Data	22
2	AP-2	Calculation of Federal Income Taxes	7
3	AP-3	Book Cost of Plant	4
4	AP-4	Accumulated Depreciation	1
5	AP-5	Revenues and Operating Expense Data	40
6	AP-6	Estimated Net Plant	2
7	AP-7	Estimated CWIP	2
8	AP-8	Rate increase without Mitigation	7
9	AP-9	Rate Increase with Mitigation	7
10	AP-10	Allocation of Rate Increases between MAC and T&D	5
11	AP-11	Multi-year Rate Plan	35
12	AP-12	Capital Structure and Cost of Capital	3
13	AP-13	Fund Requirements and Sources	1
14	AP-14	Interest Coverage	1
15	AP-15	East River Maintenance	2

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
FINANCIAL AND STATISTICAL DATA
INDEX TO SCHEDULES

Schedule No.		Number of Pages
1	Balance Sheet As of December 31, 2003, 2004, 2005, 2006 and 2007	2
2	Income Statement Years 2004 to 2007 Inclusive	4
3	Statement of Unappropriated Retained Earnings Years 2003, 2004, 2005, 2006 and 2007	1
4	Utility Operating Income - Electric (Before and After Income Taxes) Years 2004 to 2007 Inclusive	1
5	Operating Revenues - Electric Years 2004 to 2007 Inclusive	1
6	Statement Showing by Classification of Service Mwhrs of Electricity Supplied and Revenue Billed Years 2004 to 2007 Inclusive	1
7	Other Operating Revenues - Electric Years 2004 to 2007 Inclusive	1
8	Operation and Maintenance Expenses - Electric Years 2004 to 2007 Inclusive Years 2004 to 2007 Inclusive	8
9	Power Production Expenses - Electric Year 2007	2
10	Taxes Other Than Income Taxes - Electric Years 2004 to 2007 Inclusive	1

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
BALANCE SHEET
AS OF DECEMBER 31, 2003, 2004, 2005, 2006 AND 2007
(Thousands of Dollars)

EXHIBIT (AP - 1)
SCHEDULE 1
PAGE 1 OF 2

ACCOUNT NO.	ASSETS AND OTHER DEBITS	December 31,				
		2003	2004	2005	2006	2007
UTILITY PLANT						
101	Electric Plant In Service	\$ 11,318,062	\$ 12,095,387	\$ 12,728,747	\$ 13,817,368	\$ 14,955,170
101	Gas Plant In Service	2,379,911	2,529,939	2,678,427	2,843,732	2,992,462
101	Steam Plant In Service	798,667	823,078	1,610,888	1,678,569	1,740,329
118.1	Common Utility Plant In Service	1,363,230	1,379,053	1,414,252	1,507,215	1,595,605
105	Electric Plant Held For Future Use	5,574	3,914	3,914	42,976	51,284
107, 118.1	Construction Work In Progress	1,247,188	1,327,930	739,621	832,621	975,096
	Sub-Total	<u>17,112,632</u>	<u>18,159,301</u>	<u>19,175,849</u>	<u>20,722,481</u>	<u>22,309,946</u>
108	Accumulated Provision For Depreciation of Plant In Service	(4,018,216)	(4,144,430)	(4,084,150)	(4,207,833)	(4,307,396)
110	Accumulated Provision For Depreciation of Electric Plant Held For Future Use	-	30	-	-	(2,356)
111.1	Accumulated Prov. For Amortization and Depletion of Producing Natural Gas Land And Land Rights	-	-	-	-	-
119.1	Accumulated Provision For Depreciation and Amortization of Common Utility Plant	(399,531)	(427,693)	(441,647)	(464,110)	(479,129)
	Net	<u>12,694,885</u>	<u>13,587,208</u>	<u>14,650,052</u>	<u>16,050,538</u>	<u>17,521,065</u>
120, 120.5	Nuclear Fuel Assemblies - Net	-	-	-	-	-
117	Gas Stored Underground - Non-Current	1,239	1,239	1,239	1,239	1,239
	Total	<u>12,696,124</u>	<u>13,588,447</u>	<u>14,651,291</u>	<u>16,051,777</u>	<u>17,522,304</u>
OTHER PROPERTY AND INVESTMENTS						
121	Nonutility Property	28,969	31,686	31,738	30,778	29,268
122	Accumulated Provision for Depreciation - Non Utility	(3,500)	(12,559)	(14,118)	(15,685)	(17,258)
123.1	Investment In Subsidiary Companies	13,533	904	1,089	1,196	2,223
124	Other Investments	2,523	2,186	2,145	1,792	2,424
128	Other Special Funds	50,575	66,745	68,966	87,911	253,386
	Total	<u>92,100</u>	<u>88,962</u>	<u>89,820</u>	<u>105,992</u>	<u>270,043</u>
CURRENT AND ACCRUED ASSETS						
131	Cash	(25,692)	(62,705)	(36,095)	(56,610)	(80,053)
132	Interest Special Deposits	-	(69)	(344)	(216)	-
134	Other Special Deposits	2,019	2,022	2,022	3,028	3,022
135	Working Funds	2,917	9,994	11,477	12,458	11,993
136	Temporary Cash Investments	5,747	2,552	16,575	25,958	101,257
142	Customer Accounts Receivable	721,732	694,745	915,585	756,786	875,647
143	Other Accounts Receivable	107,094	115,814	222,789	346,345	260,350
144	Accumulated Provision For Uncollectible Accounts - Credit	(34,459)	(32,139)	(39,877)	(43,164)	(46,626)
146	Accounts Receivable from Associated Companies	30,585	115,123	213,776	137,729	96,160
150	Materials And Supplies	112,171	118,183	132,504	173,442	182,582
164.1	Gas Stored Underground - Current	105,526	115,077	168,865	183,023	158,947
164.2	Liquefied Natural Gas In Storage	9,847	10,410	14,173	9,737	10,942
165	Prepayments	1,330,837	1,514,898	1,890,236	83,804	80,753
171	Interest And Dividends Receivable	-	1	(33)	(145)	(225)
172	Rents Receivable	1,386	1,085	810	1,119	1,852
174	Miscellaneous Current and Accrued Assets	-	-	1,859	10,166	-
175, 176	Derivative Instruments	4,775	15,667	234,874	-	10,325
	Total	<u>2,374,485</u>	<u>2,620,658</u>	<u>3,749,196</u>	<u>1,643,458</u>	<u>1,666,926</u>
DEFERRED DEBITS						
181	Unamortized Debt Discount And Expense	148,877	164,171	162,289	150,410	140,741
182.2	Unrecovered Plant and Regulatory Study Costs	-	-	-	-	-
182.3	Other Regulatory Assets	1,663,554	2,123,756	2,004,233	4,285,302	4,462,226
183	Preliminary Survey and Investigation Charges	-	-	-	-	-
184	Clearing Accounts	-	-	-	-	-
186	Miscellaneous Deferred Debits	138,939	48,572	24,670	48,576	36,943
188	Investment In Research and Development	-	-	-	-	-
189	Unamortized Loss on Reacquired Debt	-	-	-	15,017	13,682
190	Accumulated Deferred Income Taxes	283,003	342,643	539,841	382,234	265,799
191	Unrecovered Purchased Gas Costs	-	-	-	-	-
	Total	<u>2,234,373</u>	<u>2,679,142</u>	<u>2,731,033</u>	<u>4,881,539</u>	<u>4,919,391</u>
	Grand Total	<u>\$ 17,397,082</u>	<u>\$ 18,977,209</u>	<u>\$ 21,221,340</u>	<u>\$ 22,682,766</u>	<u>\$ 24,378,664</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
BALANCE SHEET
AS OF DECEMBER 31, 2003, 2004, 2005, 2006 AND 2007
(Thousands of Dollars)

EXHIBIT (AP - 1)
SCHEDULE 1
PAGE 2 OF 2

ACCOUNT NO.	LIABILITIES AND OTHER CREDITS	December 31,				
		2003	2004	2005	2006	2007
PROPRIETARY CAPITAL						
201	Capital Stock					
	Common Stock Issued	\$ 588,720	\$ 588,720	\$ 588,720	\$ 588,720	\$ 588,720
204	Preferred Stock Issued	212,563	212,563	212,563	212,563	212,563
	Other Paid-In Capital					
207	Premium on Capital Stock	879,678	879,678	879,678	879,678	879,678
210	Gain on Resale/Cancel. of Reacquired Capital Stock	13,943	13,943	13,943	13,943	13,943
211	Misc. Paid-In Capital, Accumulated OCI	380,670	908,409	909,238	1,359,247	2,018,583
214	Capital Stock Expense	(38,776)	(54,532)	(54,437)	(58,118)	(60,033)
216	Unappropriated Retained Earnings	4,625,269	4,747,433	5,072,424	5,318,333	5,613,643
216.1	Unappropriated Undistributed Subsidiary Earnings	595	649	834	941	1,968
217	Reacquired Capital Stock	(962,092)	(962,092)	(962,092)	(962,092)	(962,092)
219	Accumulated Other Comprehensive Income	(5,704)	(5,860)	(11,102)	(8,704)	(8,657)
	Total	5,694,866	6,328,911	6,649,769	7,344,511	8,298,316
LONG-TERM DEBT						
221	Bonds	-	-	-	-	-
224	Other Long-Term Debt	5,608,224	5,703,188	6,072,783	7,273,224	7,471,867
225	Unamortized Premium on Debt	-	-	-	-	-
226	Unamortized Discount on Debt	(22,841)	(17,820)	(17,585)	(18,514)	(19,678)
	Total	5,585,383	5,685,368	6,055,198	7,254,710	7,452,189
OTHER NONCURRENT LIABILITIES						
227	Obligations Under Capital Leases - Noncurrent	35,754	32,857	29,757	26,237	21,655
228.2	Accumulated Prov. for Injuries and Damages Reserve	183,572	170,440	160,350	148,395	154,200
228.3	Accumulated Prov. for Pensions and Benefits Reserve	107,314	108,977	121,802	441,903	634,768
228.4	Accumulated Miscellaneous Operating Provisions	6,337	3,253	-	-	-
229	Accumulated Provision for Rate Refunds	49,153	49,769	-	-	-
	Total	382,130	365,296	311,909	616,535	810,623
CURRENT AND ACCRUED LIABILITIES						
231	Notes Payable	98,977	99,981	520,000	-	555,000
232	Accounts Payable	377,675	422,173	633,129	483,260	483,476
234	Accounts Payable to Associated Companies	12,483	64,685	245,380	100,674	28,200
235	Customer Deposits	214,312	217,921	214,905	213,668	234,107
236	Taxes Accrued	94,651	33,822	53,024	31,621	47,469
237	Interest Accrued	87,868	79,370	86,836	120,555	133,725
238	Dividends Declared	2,831	2,831	2,831	2,831	2,831
239	Matured Long-Term Debt	1	-	-	-	-
240	Matured Interest	2	2	2	2	-
241	Tax Collections Payable	(1,023)	5,382	15,492	13,579	17,696
242	Miscellaneous Current And Accrued Liabilities	690,693	655,199	900,333	927,128	956,659
243	Obligations Under Capital Leases - Current	2,733	2,897	3,100	3,520	4,582
245	Derivative Instruments	789	1,155	12,102	192,951	80,168
	Total	1,581,992	1,585,418	2,687,134	2,089,789	2,543,913
DEFERRED CREDITS						
252	Customer Advances For Construction	3,888	3,802	3,670	3,866	3,750
253	Other Deferred Credits	26,318	24,646	31,350	22,480	76,052
254	Other Regulatory Liabilities	984,396	1,294,943	1,606,834	1,199,101	718,166
255	Accumulated Deferred Investment Tax Credits	99,770	93,763	86,867	80,862	74,956
	Total	1,114,372	1,417,154	1,728,721	1,306,309	872,924
ACCUMULATED DEFERRED INCOME TAXES						
281	Accelerated Amortization	-	-	-	-	-
282	Liberalized Depreciation	2,328,056	2,731,659	2,894,607	3,008,239	3,198,974
283	Other	710,283	863,403	894,002	1,062,673	1,201,725
	Total	3,038,339	3,595,062	3,788,609	4,070,912	4,400,699
	Grand Total	\$ 17,397,082	\$ 18,977,209	\$ 21,221,340	\$ 22,682,766	\$ 24,378,664

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 INCOME STATEMENT
TWELVE MONTHS ENDED DECEMBER 31, 2004
 (Thousands of Dollars)

EXHIBIT __ (AP-1)
 SCHEDULE 2
 PAGE 1 OF 4

Account No.	<u>Utility Operating Income</u>	<u>Electric</u>	<u>Gas</u>	<u>Steam</u>	<u>Total</u>
400	Operating Revenues	\$ 6,164,406	\$ 1,305,703	\$ 552,152	\$ 8,022,261
	Operating Expenses				
401	Operation Expenses	3,834,543	832,049	422,285	5,088,877
402	Maintenance Expense	249,798	48,391	39,726	337,915
		4,084,341	880,440	462,011	5,426,792
403	Depreciation Expense	382,487	74,908	18,985	476,380
407	Amortization of Property Losses	-	-	-	-
408.1	Taxes Other Than Income Taxes	823,290	130,539	59,413	1,013,242
	Income Taxes				
409.1	Income Taxes	59,768	4,254	(101,025)	(37,003)
410.1, 2	Provision for Deferred Income Taxes	820,581	189,617	177,118	1,187,316
411.1, 2	Provision for Deferred Income Taxes - Credit	(653,454)	(124,995)	(85,493)	(863,942)
411.4, 5	Investment Tax Credit Adjustment - Net	(4,981)	(765)	(261)	(6,007)
411.6	Gains from Disposition of Utility Plant	-	-	-	-
411.7	Losses from Disposition of Utility Plant	451	-	-	451
	Total Operating Expenses	5,512,483	1,153,998	530,748	7,197,229
	Total Utility Operating Income	\$ 651,923	\$ 151,705	\$ 21,404	\$ 825,032
	<u>Other Income</u>				
415,416	Income from Merchandising , Jobbing & Contract Work				-
417	Revenues from Nonutility Operations				7,648
417.1	Expenses from Nonutility Operations				(1,705)
418	Non-Operating Rental Income				358
418.1	Equity in Earnings of Subsidiary Companies				54
419	Interest and Dividend Income				26,186
419.1	Allowance for Equity Funds Used During Construction				24,686
421	Miscellaneous Non-Operating Income				6,224
	Total Other Income				63,451
	Total Income				888,483
	<u>Other Income Deductions</u>				
425	Miscellaneous Amortizations				322
426	Miscellaneous Income Deductions				10,622
	Total Other Income Deductions				10,944
	<u>Taxes - Other Income & Deductions</u>				
408.2	Taxes Other Than Income Taxes				1,919
409,2,410,2) 411.2)	Income Taxes				(2,807)
	Total Taxes - Other Income & Deductions				(688)
	Income Before Interest Charges				878,227
	<u>Interest Charges</u>				
427	Interest on Long Term Debt				317,413
428	Amortization of Debt Discount & Expense				15,102
429	Amortization of Premium on Debt - Credit				-
431	Other Interest Expense				33,855
432	Allowance for Borrowed Funds Used During Construction				(17,491)
	Total Interest Charges				348,879
	Net Income				\$ 529,348

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
INCOME STATEMENT
TWELVE MONTHS ENDED DECEMBER 31, 2005
(Thousands of Dollars)

EXHIBIT __ (AP-1)
SCHEDULE 2
PAGE 2 OF 4

Account No.	<u>Utility Operating Income</u>	<u>Electric</u>	<u>Gas</u>	<u>Steam</u>	<u>Total</u>
400	Operating Revenues	\$ 7,002,484	\$ 1,632,623	\$ 704,520	\$ 9,339,627
	Operating Expenses				
401	Operation Expenses	4,413,001	1,106,865	447,879	5,967,745
402	Maintenance Expense	287,417	56,172	36,447	380,036
		4,700,418	1,163,037	484,326	6,347,781
403	Depreciation Expense	393,683	76,358	38,480	508,521
407	Amortization of Property Losses	-	-	-	-
408.1	Taxes Other Than Income Taxes	900,316	148,285	65,374	1,113,974
	Income Taxes				
409.1	Income Taxes	281,178	83,323	85,558	450,059
410.1, 2	Provision for Deferred Income Taxes	846,887	179,075	208,930	1,234,892
411.1, 2	Provision for Deferred Income Taxes - Credit	(897,943)	(186,211)	(265,332)	(1,349,487)
411.4, 5	Investment Tax Credit Adjustment - Net	(5,856)	(764)	(276)	(6,896)
411.6	Gains from Disposition of Utility Plant	-	-	-	-
411.7	Losses from Disposition of Utility Plant	113	-	-	113
	Total Operating Expenses	6,218,796	1,463,103	617,060	8,298,957
	Total Utility Operating Income	\$ 783,688	\$ 169,520	\$ 87,460	\$ 1,040,670
	<u>Other Income</u>				
415,416	Income from Merchandising, Jobbing & Contract Work				-
417	Revenues from Nonutility Operations				4,981
417.1	Expenses from Nonutility Operations				(1,575)
418	Non-Operating Rental Income				486
418.1	Equity in Earnings of Subsidiary Companies				185
419	Interest and Dividend Income				21,850
419.1	Allowance for Equity Funds Used During Construction				9,079
421	Miscellaneous Non-Operating Income				5,686
	Total Other Income				40,692
	Total Income				1,081,362
	<u>Other Income Deductions</u>				
425	Miscellaneous Amortizations				322
426	Miscellaneous Income Deductions				8,990
	Total Other Income Deductions				9,312
	<u>Taxes - Other Income & Deductions</u>				
408.2	Taxes Other Than Income Taxes				2,087
409.2, 410.2) 411.2)	Income Taxes				1,000
	Total Taxes - Other Income & Deductions				3,087
	Income Before Interest Charges				1,068,963
	<u>Interest Charges</u>				
427	Interest on Long Term Debt				333,202
428	Amortization of Debt Discount & Expense				16,207
429	Amortization of Premium on Debt - Credit				-
431	Other Interest Expense				21,237
432	Allowance for Borrowed Funds Used During Construction				(6,921)
	Total Interest Charges				363,725
	Net Income				\$ 705,238

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 INCOME STATEMENT
TWELVE MONTHS ENDED DECEMBER 31, 2006
 (Thousands of Dollars)

EXHIBIT __ (AP-1)
 SCHEDULE 2
 PAGE 3 OF 4

Account No.	Utility Operating Income	Electric	Gas	Steam	Total
400	Operating Revenues	\$ 7,113,685	\$ 1,616,945	\$ 697,410	\$ 9,428,040
401	Operating Expenses				
	Operation Expenses	4,313,298	1,057,586	420,438	5,791,322
402	Maintenance Expense	353,685	57,455	32,594	443,734
		4,666,983	1,115,041	453,032	6,235,056
403	Depreciation Expense	414,272	80,461	50,423	545,156
407	Amortization of Property Losses	-	-	-	-
408.1	Taxes Other Than Income Taxes	959,923	154,654	68,710	1,183,287
	Income Taxes				
409.1	Income Taxes	10,057	26,083	18,584	54,724
410.1, .2	Provision for Deferred Income Taxes	1,007,115	200,941	131,474	1,339,530
411.1, .2	Provision for Deferred Income Taxes - Credit	(776,881)	(145,468)	(111,210)	(1,033,559)
411.4, .5	Investment Tax Credit Adjustment - Net	(4,980)	(765)	(260)	(6,005)
411.6	Gains from Disposition of Utility Plant	-	-	-	-
411.7	Losses from Disposition of Utility Plant	-	-	-	-
	Total Operating Expenses	6,276,489	1,430,947	610,753	8,318,189
	Total Utility Operating Income	\$ 837,196	\$ 185,998	\$ 86,657	\$ 1,109,851
	<u>Other Income</u>				
415,416	Income from Merchandising, Jobbing & Contract Work				-
417	Revenues from Nonutility Operations				5,111
417.1	Expenses from Nonutility Operations				(1,576)
418	Non-Operating Rental Income				382
418.1	Equity in Earnings of Subsidiary Companies				179
419	Interest and Dividend Income				21,045
419.1	Allowance for Equity Funds Used During Construction				5,355
421	Miscellaneous Non-Operating Income				9,273
	Total Other Income				39,769
	Total Income				1,149,620
	<u>Other Income Deductions</u>				
425	Miscellaneous Amortizations				322
426	Miscellaneous Income Deductions				9,976
	Total Other Income Deductions				10,298
	<u>Taxes - Other Income & Deductions</u>				
408.2	Taxes Other Than Income Taxes				1,705
409.2, 410.2) 411.2)	Income Taxes				(5,548)
	Total Taxes - Other Income & Deductions				(3,843)
	Income Before Interest Charges				1,143,165
	<u>Interest Charges</u>				
427	Interest on Long Term Debt				370,001
428	Amortization of Debt Discount & Expense				16,399
429	Amortization of Premium on Debt - Credit				-
431	Other Interest Expense				64,400
432	Allowance for Borrowed Funds Used During Construction				(5,246)
	Total Interest Charges				445,554
	Net Income				\$ 697,611

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 INCOME STATEMENT
TWELVE MONTHS ENDED DECEMBER 31, 2007
 (Thousands of Dollars)

EXHIBIT __ (AP-1)
 SCHEDULE 2
 PAGE 4 OF 4

Account No.	<u>Utility Operating Income</u>	<u>Electric</u>	<u>Gas</u>	<u>Steam</u>	<u>Total</u>
400	Operating Revenues	\$ 7,503,891	\$ 1,763,978	763,311	\$ 10,031,180
	Operating Expenses				
401	Operation Expenses	4,478,906	1,146,119	474,225	6,099,250
402	Maintenance Expense	320,911	53,842	32,056	406,809
		4,799,817	1,199,961	506,281	6,506,059
403	Depreciation Expense	448,063	85,137	60,169	593,369
407	Amortization of Property Losses	-	-	-	-
408.1	Taxes Other Than Income Taxes	1,018,305	166,576	77,902	1,262,783
	Income Taxes				
409.1	Income Taxes	(14,215)	59,131	21,355	66,271
410.1, .2	Provision for Deferred Income Taxes	1,014,464	220,678	72,023	1,307,165
411.1, .2	Provision for Deferred Income Taxes - Credit	(724,782)	(185,008)	(68,069)	(975,859)
411.4, .5	Investment Tax Credit Adjustment - Net	(4,878)	(764)	(264)	(5,906)
411.6	Gains from Disposition of Utility Plant	-	-	-	-
411.7	Losses from Disposition of Utility Plant	-	-	-	-
	Total Operating Expenses	6,536,774	1,545,711	671,396	8,753,881
	Total Utility Operating Income	\$ 967,117	\$ 218,267	\$ 91,915	\$ 1,277,299
	<u>Other Income</u>				
415,416	Income from Merchandising , Jobbing & Contract Work				-
417	Revenues from Nonutility Operations				8,148
417.1	Expenses from Nonutility Operations				(6,449)
418	Non-Operating Rental Income				219
418.1	Equity in Earnings of Subsidiary Companies				1,099
419	Interest and Dividend Income				32,584
419.1	Allowance for Equity Funds Used During Construction				7,430
421	Miscellaneous Non-Operating Income				4,903
	Total Other Income				47,934
	Total Income				1,325,233
	<u>Other Income Deductions</u>				
425	Miscellaneous Amortizations				120
426	Miscellaneous Income Deductions				9,911
	Total Other Income Deductions				10,031
	<u>Taxes - Other Income & Deductions</u>				
408.2	Taxes Other Than Income Taxes				1,632
409.2,410.2) 411.2)	Income Taxes				192
	Total Taxes - Other Income & Deductions				1,823
	Income Before Interest Charges				1,313,378
	<u>Interest Charges</u>				
427	Interest on Long Term Debt				410,882
428	Amortization of Debt Discount & Expense				17,479
429	Amortization of Premium on Debt - Credit				-
431	Other Interest Expense				38,997
432	Allowance for Borrowed Funds Used During Construction				(8,840)
	Total Interest Charges				458,518
	Net Income				\$ 854,860

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
STATEMENT OF UNAPPROPRIATED RETAINED EARNINGS
YEARS 2003, 2004, 2005 AND 2006, 2007
(Thousands of Dollars)

Account No.	2003	2004	2005	2006	2007
216, 216.1 Unappropriated Retained Earnings Beginning of Period	\$ 4,411,102	\$ 4,625,864	\$ 4,748,082	\$ 5,073,258	\$ 5,319,274
433 Balance Transferred from Income	601,899	529,348	705,238	697,611	854,860
439 Adjustments to Retained Earnings	-	-	-	-	-
	5,013,001	5,155,212	5,453,320	5,770,869	6,174,134
437 Dividends Declared - Preferred Stock	11,323	11,323	11,323	11,323	11,323
438 Dividends Declared - Common Stock	375,814	395,807	368,739	440,272	547,200
Total	387,137	407,130	380,062	451,595	558,523
216, 216.1 Unappropriated Retained Earnings End of Period	\$ 4,625,864	\$ 4,748,082	\$ 5,073,258	\$ 5,319,274	\$ 5,615,611

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
UTILITY OPERATING INCOME - ELECTRIC
IN AMOUNT AND EQUIVALENT CENTS PER KWHR.
SOLD (BEFORE AND AFTER INCOME TAXES)
TWELVE MONTHS ENDED DECEMBER 31,
2004, 2005, 2006 AND 2007
(Thousands of Dollars)

	2004		2005		2006		2007	
	Amount	Equivalent Cents Per Kwhr Sold						
Operating Revenues	\$6,164,406	14.01	\$7,002,484	15.16	\$7,113,665	15.42	\$7,503,891	15.74
Operation and Maintenance								
Production Expenses	3,176,964	7.22	3,653,818	7.91	3,443,489	7.46	3,432,637	7.20
Transmission Expenses	122,798	0.28	140,865	0.31	161,550	0.35	162,058	0.34
Distribution Expenses	358,144	0.81	396,291	0.86	465,066	1.01	434,117	0.91
Customer Accounts Expenses	169,740	0.39	183,029	0.40	196,561	0.43	194,201	0.41
Customer Service Expenses	12,318	0.03	16,624	0.04	21,023	0.05	32,971	0.07
Administrative and General Expenses	244,377	0.56	309,771	0.67	379,294	0.82	543,833	1.14
Total Operation and Maintenance	4,084,341	9.29	4,700,418	10.19	4,666,983	10.12	4,799,817	10.07
Depreciation	382,487	0.87	393,683	0.85	414,272	0.90	448,063	0.94
Amortization of Property Losses	-	-	-	-	-	-	-	-
Taxes Other Than Income Taxes	823,290	1.87	900,316	1.95	959,923	2.08	1,018,305	2.14
Total Operating Expenses Before Income Taxes	5,290,118	12.03	5,994,417	12.99	6,041,178	13.10	6,266,185	13.15
Operating Income Before Income Taxes	874,288	1.98	1,008,067	2.17	1,072,507	2.32	1,237,706	2.59
Income Taxes	59,768	0.14	281,178	0.61	10,057	0.02	(14,215)	(0.03)
Provision for Deferred Income Taxes	820,581	1.86	846,887	1.83	1,007,115	2.18	1,014,464	2.13
Provision for Deferred Income Taxes - Credit	(653,454)	(1.48)	(697,943)	(1.94)	(776,881)	(1.68)	(724,782)	(1.52)
Investment Tax Credit Adjustments - Net	(4,981)	(0.01)	(5,856)	(0.01)	(4,980)	(0.01)	(4,878)	(0.01)
Losses from Disposition of Utility Plant	451	0.00	113	0.00	-	-	-	-
	222,365	0.51	224,379	0.49	235,311	0.51	270,589	0.57
Operating Income After Income Taxes	\$651,923	1.47	\$783,668	1.68	\$837,196	1.81	\$967,117	2.02
Sales of Electricity - Mwhrs.	44,013,466		46,191,696		46,133,126		47,671,300	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
OPERATING REVENUES - ELECTRIC
IN AMOUNT AND EQUIVALENT CENTS PER KWHR SOLD
TWELVE MONTHS ENDED
DECEMBER 31, 2004, 2005, 2006 AND 2007
(Thousands of Dollars)

Account No.	2004		2005		2006		2007	
	Amount	Equivalent Cents Per Kwhr Sold						
Sales of Electricity								
440	\$2,438,718	5.53	\$2,923,677	6.32	\$2,720,491	5.90	\$2,825,783	5.93
442	3,363,150	7.64	3,493,089	7.56	3,385,474	7.34	3,621,752	7.60
444	1,707	0.00	2,200	0.00	2,136	0.00	2,897	0.01
445	43,457	0.10	46,880	0.10	35,086	0.08	36,398	0.08
446	6,164	0.01	5,592	0.01	5,663	0.01	5,585	0.01
447	40,456	0.09	46,410	0.10	50,579	0.11	52,630	0.11
	<u>5,893,652</u>	<u>13.37</u>	<u>6,517,848</u>	<u>14.09</u>	<u>6,199,429</u>	<u>13.44</u>	<u>6,545,045</u>	<u>13.74</u>
Total Sales of Electricity								
Other Operating Revenues								
456	254,463	0.58	280,353	0.61	276,339	0.60	309,203	0.65
456	16,537	0.04	16,902	0.04	17,087	0.04	17,482	0.04
451	13,126	0.03	12,818	0.03	12,600	0.03	14,104	0.03
454	15,777	0.04	15,453	0.03	16,455	0.04	17,899	0.04
455	10,608	0.02	9,648	0.02	10,398	0.02	11,044	0.02
456	(39,757)	(0.09)	149,462	0.32	581,377	1.26	589,114	1.24
	<u>270,754</u>	<u>0.62</u>	<u>484,636</u>	<u>1.05</u>	<u>914,256</u>	<u>1.98</u>	<u>958,846</u>	<u>2.01</u>
Total Other Operating Revenues								
	<u>\$6,164,406</u>	<u>14.01</u>	<u>\$7,002,484</u>	<u>15.16</u>	<u>\$7,113,685</u>	<u>15.42</u>	<u>\$7,503,891</u>	<u>15.74</u>
Total Operating Revenues								
	<u>44,013,466</u>		<u>46,191,696</u>		<u>46,133,126</u>		<u>47,671,300</u>	
Sales of Electricity - Mwhrs.								

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
MEGAWATT HOURS SUPPLIED AND REVENUE BILLED
BY CLASSIFICATION OF SERVICE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2004, 2005, 2006 AND 2007
(Thousands of Dollars)

Account S.C. Number	Description	2004			2005			2006			2007		
		Mwhr Sold	Revenue	Revenue Per Kwhr	Mwhr Sold	Revenue	Revenue Per Kwhr	Mwhr Sold	Revenue	Revenue Per Kwhr	Mwhr Sold	Revenue	Revenue Per Kwhr
440	Residential Sales												
1	Residential and Religious	12,975,086	\$2,410,132	\$ 16.58	14,059,736	\$ 2,869,048	\$ 20.55	13,462,042	\$2,690,887	\$ 19.99	13,916,827	\$2,795,122	\$ 20.08
7	Residential and Religious - Space & Water Heating	199,837	28,586	14.52	209,874	34,629	16.50	172,616	29,604	17.15	191,728	30,960	15.99
	Total Residential Sales	13,171,923	2,438,718	33.10	14,269,612	2,923,677	37.05	13,634,658	2,720,491	37.14	14,108,355	2,825,782	36.07
	Commercial and Industrial Sales												
2	General - Small	2,093,979	418,888	19.99	2,188,416	472,024	21.57	2,123,612	444,258	20.92	2,206,618	479,609	21.74
3	Breakdown, Reserve & Auxiliary	12,610	7,951	63.04	2,641	923	34.95	8,332	1,857	22.43	10,252	2,023	19.73
4	Redistribution - Submetering, Resale	6,411,911	502,577	7.84	6,595,393	476,371	7.22	6,640,545	501,023	7.54	6,976,011	558,951	8.01
5	Electric Traction System - Time of Day - Rate II	1,932,286	196,012	10.14	2,025,487	216,773	10.70	1,849,733	210,168	10.78	2,004,986	223,705	11.16
6	Multiple Dwelling - Redistribution	19,000,698	2,198,121	11.57	19,051,138	2,287,439	11.94	19,629,366	2,195,399	11.13	20,150,683	2,310,221	11.46
9	General - Large	98,398	9,770	9.93	100,698	10,884	10.81	99,716	11,098	11.07	103,150	11,836	11.47
10	Supplementary Service - Rate I	484,352	28,715	6.11	475,089	27,194	5.72	435,140	27,875	6.41	456,263	28,767	6.30
12	Multiple Dwelling - Space Heating	152,044	3,503	23.03	153,182	3,442	22.46	147,378	3,902	26.48	147,186	6,483	44.00
13	Bulk Power-HT-Housing Developments		(1,826)	0.00		(481)	0.00		(11)	0.00		154	0.00
14	Direct Retail/ESCO Sales		135	0.00		139	0.00		147	0.00		4	0.00
26	Rider D-Operation of Fire Alarms or Signal Systems		4	0.00		4	0.00		4	0.00		4	0.00
28	Rider D-Operation of Fire Alarms or Signal Systems		4	0.00		4	0.00		4	0.00		4	0.00
	Total Commercial & Industrial Sales	30,186,288	3,363,150	11.15	31,192,022	3,493,089	11.20	31,033,822	3,395,474	10.91	32,055,159	3,621,753	11.30
442	Public Street and Highway Lighting	10,864	1,707	15.71	11,106	2,200	19.81	10,728	2,136	19.91	12,142	2,896	23.85
444	Total Public and Private Street Lighting	10,864	1,707	15.71	11,106	2,200	19.81	10,728	2,136	19.91	12,142	2,896	23.85
	Other Sales to Public Authorities												
1	Residential and Religious	55	9	16.36	53	10	18.87	11	5	45.45	120	14	11.67
2	General	2,972	(75)	(25.22)	2,539	257	10.12	2,569	443	17.11	2,729	42	1.54
3	Breakdown, Reserve & Auxiliary	4	(1)	(25.00)									
4	Nonsubmetering	37,920	4,487	11.83	35,324	5,133	14.53	33,593	3,895	11.61	32,722	4,117	12.58
5	NYC Transit Authority Transition Rate				(17)	(2)	(11.76)	(2)	(1)	(50.00)	2	2	50.00
8	Multiple Dwelling - Redistribution	294	39	13.27	6,456	564	8.74	5,194	280	5.39	5,287	6.10	6.10
9	General - Large	494,485	38,994	7.89	538,250	40,915	7.60	512,064	30,461	5.95	510,020	31,896	6.25
69	DC Premium	4	1	25.00			0.00			0.00			0.00
28	Rider D - Operation of Fire Alarms or Signal Systems		3	0.00		3	0.00		3	0.00		4	0.00
	Total Other Sales to Public Authorities	535,734	43,457	8.11	582,605	46,880	8.05	553,409	35,086	6.34	550,892	36,398	6.61
445	Sales to Railroads & Railways												
1	Residential and Religious	230	43	18.70	179	39	21.79	178	39	21.91	307	65	21.17
2	General		10	0.00									
3	Breakdown, Reserve & Auxiliary	2,191	327	14.92	2,001	350	17.49	1,868	317	16.97	1,899	309	18.19
4	Nonsubmetering	120,031	5,224	4.35	132,019	4,859	3.66	121,137	5,087	4.20	115,651	4,800	4.15
5	NYC Transit Authority Transition Rate		580	13.71	2,152	344	15.99	1,182	220	18.61	2,326	412	17.71
9	General - Large	4,085	580	13.71	2,152	344	15.99	1,182	220	18.61	2,326	412	17.71
	Total Sales to Railroads & Railways	126,537	6,164	4.87	136,351	5,692	4.10	124,365	5,683	4.55	119,983	5,586	4.66
446	Sales for Resale	2,118	40,456	19,10.10		46,410	0.00	776,144	50,579	6.52	824,769	52,630	6.38
447	TOTAL SALES - ELECTRIC	44,013,484	5,893,652	13.37	46,191,696	6,517,846	14.09	46,133,126	6,199,429	13.44	47,871,300	6,545,045	13.73
451	Other Electric Revenues		13,126	-		12,818	-		12,600	-		14,104	-
454	Miscellaneous Service Revenues		15,777	-		15,453	-		16,455	-		17,899	-
455	Rent from Electric Property		10,608	-		9,648	-		10,398	-		11,044	-
456	Interdepartmental Rents		231,243	-		446,717	-		874,803	-		915,799	-
	Other Electric Revenue		270,754	-		484,936	-		814,256	-		958,846	-
	TOTAL OTHER ELECTRIC REVENUES		270,754	-		484,936	-		814,256	-		958,846	-
400	TOTAL OPERATING REVENUES - ELECTRIC	\$8,164,408	\$9,164,408	\$ 14.01	\$8,164,408	\$7,002,484	\$ 15.16	\$8,164,408	\$7,113,685	\$ 15.42	\$8,164,408	\$7,503,691	\$ 15.74

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
OTHER OPERATING REVENUES - ELECTRIC
TWELVE MONTHS ENDED DECEMBER 31, 2004, 2005, 2006 AND 2007
(Thousands of Dollars)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Miscellaneous Service Revenues	\$13,126	\$12,817	\$12,600	\$14,104
Rent from Electric Property	15,777	15,453	16,455	17,899
Interdepartmental Rents	10,608	9,648	10,398	11,044
NYPA & Other Delivery Revenues	254,463	280,353	276,339	309,203
Municipal Agency Revenues	16,537	16,902	17,087	17,482
Miscellaneous Other Electric Revenues				
Transmission of Energy	12,463	12,371	11,406	11,456
Transmission Service Charges	8,647	9,514	6,198	16,496
Credit Card Performance Incentive Income	214	300	-	-
Cash Point Loss	-	(10,483)	10,483	-
Sithe Contract Restructuring	-	1,139	3,989	2,269
Reimbursement of Maintenance Cost of Intercon. of Company Facilities	2,159	2,146	2,263	2,185
Excess Distribution Facilities	3,979	2,367	2,387	2,924
Late Payment Charges	18,677	23,204	22,104	21,631
Provision Rate Disallowance	48,296	-	-	-
M & C Services	474	305	138	16
Staten Island Meter Reading Services	460	467	481	542
The Learning Center Services	868	694	746	868
Water Meter Reading Services	2,614	2,686	2,678	2,860
Electric Department Gas Sales	(21)	-	-	-
Cablevision Lightpath, Inc. - Hudson Ave. Tunnel	150	(1,100)	(1,094)	2,300
Fuel Management Program	69	245	99	196
TCC Auction Proceeds - Wholesale	8,142	1,225	84	0
Electricity Sold to Divested Facilities	(3,625)	-	-	-
Transmission Netting Customer Credit	(354)	(523)	(371)	(357)
KeySpan Settlement Facilities Fee	(450)	(720)	(515)	(481)
Cubs Credit	378	769	2,021	3,679
Electric Wholesale Refund	-	(1,733)	-	-
CBS Outdoor Settlement	-	-	600	(600)
Electric Revenue - CE Solutions	212	350	462	613
Regulatory Accounting:				
Electric Service Reliability Penalty	(1,500)	(8,000)	(18,000)	(9,000)
Retail Choice Program	7,296	5,430	627	536
Business Incentive Rates	2,458	952	-	-
NYS Tax Law Changes	31,994	3,183	11,434	14,011
Amortization of Deferred Costs	-	72,300	101,242	107,693
Amortization of Divested Plants	-	2,378	3,171	3,171
POR Discount	-	2,722	4,597	6,883
Electric Interference Deferral	44,296	-	-	(12,384)
Rate Case - T&D Expense Deferral	-	38,392	115,419	186,746
Rate Case - TCC Proceeds	-	85,915	215,371	141,306
Rate Increase Accrual	-	-	44,261	(29,991)
Sale of Chelsea	-	-	4,003	32,616
Electric Migration Incentive	-	-	3,188	(1,661)
Earnings Above Sharing Threshold	(616)	(53,000)	16,588	-
Non-recoverable State Income Taxes	454	-	-	-
Electric Rate Case 04-E-0572 Amortizations	(100,000)	-	25,177	58,890
Amortization of I.P.2 Deferred Costs	(50,694)	(10,636)	-	-
System Benefits Charge - Deferral	235	(3,589)	(2,600)	7,568
Medicare Rx Tax Savings	(2,800)	-	-	-
DC Service Incentive	11,542	26,057	13,934	3,655
Net Post - Merger Benefit	(88)	-	-	-
Divested Capacity - Pre-ISO	(12,818)	(3,204)	-	-
Overcollection of Revenues Re: 74/59th St.	(21,418)	(24,383)	(19,253)	(4,400)
NRG Settlement - Facilities Fee	557	655	655	655
Revenue Rate Program	8,677	2,893	-	-
Demand Response Program	(6,655)	40	(5,336)	7,602
Retention of Property Tax Incentive	-	-	122	2,296
Low Income Program Disc. Accrual	-	-	-	4,485
Rate Refund Provision	(51,688)	(3,767)	-	-
Investment Tax credits deferral	-	(23,464)	-	-
FIT Refund	-	(3,650)	-	-
Manufacturing Deduction	-	(2,128)	-	-
Miscellaneous	(2,341)	1,144	2,618	1,840
Total Miscellaneous Other Electric Revenues	(39,757)	149,463	581,377	589,114
Total Electric Other Operating Revenues	\$270,754	\$484,636	\$914,256	\$958,846

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 SUMMARY OF OPERATION AND MAINTENANCE EXPENSES - ELECTRIC
 IN AMOUNT AND EQUIVALENT CENTS PER KWHR. SOLD
 2004, 2005, 2006, and 2007
 (Thousands of Dollars)

	2004		2005		2006		2007	
	Amount	Equivalent Cents Per Kwhr Sold						
Operation and Maintenance Expenses								
Power Production Expenses	\$3,176,964	7.22	\$3,653,818	7.91	\$3,443,489	7.46	\$3,432,637	7.20
Transmission Expenses	122,798	0.28	140,885	0.31	161,551	0.35	162,058	0.34
Distribution Expenses	358,144	0.81	396,291	0.86	465,066	1.01	434,118	0.91
Customer Accounts Expenses	169,740	0.39	183,029	0.40	196,561	0.43	194,201	0.41
Customer Service Expenses	12,318	0.03	16,624	0.04	21,023	0.05	32,971	0.07
Administrative & General Expenses	244,377	0.56	309,771	0.67	379,294	0.82	543,833	1.14
Total	<u>\$4,084,341</u>	<u>9.29</u>	<u>\$4,700,418</u>	<u>10.19</u>	<u>\$4,666,983</u>	<u>10.12</u>	<u>\$4,799,817</u>	<u>10.07</u>
Sales of Electricity - Mwhrs.	<u>44,013,466</u>		<u>46,191,696</u>		<u>46,133,126</u>		<u>47,671,300</u>	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 POWER PRODUCTION EXPENSES - ELECTRIC
 TWELVE MONTHS ENDED DECEMBER 31,
 2004, 2005, 2006, and 2007
 (Thousands of Dollars)

Account No.	2004		2005		2006		2007		Total
	Steam Power Generation	Other Power Generation							
Operation									
500,517,546 Supervision and Engineering	\$10,832	\$1	\$11,031	-	\$11,188	-	\$13,322	-	\$13,322
501,515,154 Fuel	138,173	3,190	253,941	3,283	306,971	3,403	320,066	2,625	323,510
- 519, - Coolants and Water	-	-	-	-	-	-	-	-	-
502,520,548 Steam and Generation Expenses	9,144	-	6,449	-	3,725	-	4,719	-	4,719
804,522, - Steam Transferred - Credit	(5,228)	-	(2,377)	-	(275)	-	(119)	-	(119)
505,523, - Electric Expenses	1,788	-	1,477	-	1,302	-	945	-	945
506,524,549 Misc. Steam, Nuclear, & Other Power Generation Expenses	4,667	-	4,697	-	4,953	-	4,476	-	4,476
Sub-Total	159,378	3,191	275,118	3,283	329,984	3,403	343,029	2,625	346,453
507,525,550 Rents	1,442	-	55,171	-	74,357	-	76,521	-	76,523
Total	160,820	3,191	330,289	3,283	404,221	3,403	419,550	2,625	423,976
Maintenance									
510,528,551 Supervision and Engineering	6,028	-	7,789	-	7,901	-	6,246	-	6,246
511,529,552 Structures	3,239	2	2,358	-	2,169	-	2,417	-	2,432
512,530, - Boiler Plant & Reactor Plant Equip.	4,267	-	3,157	-	3,070	-	3,598	-	3,598
513,531,553 Generating and Electric Plant	2,037	-	7,068	-	4,344	-	6,880	-	12,599
514,532,554 Miscellaneous Steam, Nuclear, & other Power Generation Expenses	5,659	4	1,757	-	1,807	-	2,289	-	2,289
Sub-Total	21,260	4	22,129	-	20,111	-	21,378	-	21,102
Total Electric Generation	\$182,080	\$3,195	\$352,418	\$3,283	\$424,332	\$3,403	\$440,928	\$2,625	\$450,078
Other Power Supply Expenses									
555 Purchased Power	-	-	-	-	-	-	-	-	\$2,960,916
556 System Control & Load Dispatching	-	-	2,008	-	-	-	-	-	1,543
557 Other Expenses	-	-	\$3,288,807	-	\$3,268,807	-	\$3,005,885	-	\$2,962,559
Total Other Power Supply Expenses	-	-	\$3,653,612	-	\$3,653,612	-	\$3,443,469	-	\$3,432,637
Mixing Generated and Purchased									
Steam Power Generation	1,437,462	-	2,257,292	-	2,781,595	-	2,761,595	-	2,895,994
Other Power Generation	4,018	-	4,388	-	4,037	-	4,037	-	2,477
Sub-Total	1,441,480	-	2,261,680	-	2,785,632	-	2,765,632	-	2,898,471
Purchased	30,221,137	-	29,055,402	-	25,282,216	-	24,719,391	-	24,719,391
Total	31,662,617	-	31,317,082	-	28,067,848	-	27,481,264	-	27,607,862

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 POWER PRODUCTION EXPENSES - ELECTRIC
 CENTS PER KWHR. GENERATED AND PURCHASED
 TWELVE MONTHS ENDED DECEMBER 31,
 2004, 2005, 2006, and 2007

Account No.	2004		2005		2006		2007		Total
	Steam Power Generation	Other Power Generation							
Operation									
500,517,546	\$0.75	-	\$0.49	-	\$0.40	-	\$0.46	-	\$0.46
501,518,1,547	9.61	14.42	11.25	114.47	11.11	37.11	11.09	32.26	11.20
- ,519, -	-	-	-	-	-	-	-	-	-
502,520,548	0.64	-	0.29	-	0.13	-	0.16	-	0.16
504,522, -	(0.36)	-	(0.11)	-	(0.01)	-	0.00	-	0.00
505,523, -	0.12	-	0.07	-	0.05	-	0.02	-	0.02
506,524,549	0.32	-	0.21	-	0.18	-	0.16	-	0.15
Power Generation Expenses	11.08	14.42	12.20	114.47	11.86	37.11	11.89	32.26	11.99
Sub-Total	11.18	14.47	14.64	114.52	14.53	37.16	14.54	32.34	14.64
507,525,550	0.10	0.05	2.44	0.05	2.67	0.05	2.65	0.08	2.65
Rents	11.18	14.47	14.64	114.52	14.53	37.16	14.54	32.34	14.64
Total	11.18	14.47	14.64	114.52	14.53	37.16	14.54	32.34	14.64
Maintenance									
510,528,551	0.42	-	0.35	-	0.28	-	0.22	-	0.22
511,529,552	0.23	0.05	0.10	0.11	0.08	0.32	0.08	0.61	0.08
512,530, -	0.30	-	0.14	-	0.14	-	0.12	-	0.12
513,531,553	0.14	7.20	0.31	142.00	0.16	208.49	0.24	230.48	0.44
514,532,554	0.40	2.27	0.08	1.12	0.06	0.25	0.08	-	0.08
other Power Generation Expenses	1.49	9.52	0.98	143.23	0.72	207.06	0.74	231.09	0.94
Sub-Total	12.87	23.99	15.62	257.75	15.25	244.22	15.28	263.43	15.58
Total Electric Generation	12.87	23.99	15.62	257.75	15.25	244.22	15.28	263.43	15.58
Other Power Supply Expense									
555	\$9.89	-	-	-	\$11.31	-	-	-	\$12.06
556	-	-	-	-	-	-	-	-	-
557	9.89	-	-	-	11.31	-	-	-	12.06
Total Other Power Supply Expenses	19.78	-	-	-	22.62	-	-	-	24.12
Total Power Production Expenses	32.65	23.99	31.24	515.48	30.50	244.22	30.56	263.43	39.70
Cents Per Kwhr Sold	7.22	12.91	10.03	11.67	7.46	11.88	7.20	12.43	7.20

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
TRANSMISSION EXPENSES - ELECTRIC
TWELVE MONTHS ENDED DECEMBER 31,
2004, 2005, 2006, and 2007
(Thousands of Dollars)

Account No.	Operation	2004			2005			2006			2007		
		Amount	Equivalent Cents Per Kwhr Sold	Amount	Equivalent Cents Per Kwhr Sold								
560	Supervision and Engineering	\$9,889	0.02	\$11,034	0.02	\$9,745	0.02	\$10,102	0.02				
561	Load Dispatching	18,289	0.04	19,450	0.04	4,770	0.01	-	-				
561.2	Load Dispatch/Operation System	-	-	1	0.00	6,930	0.02	9,220	0.02				
561.4	Scheduling System/Control Dispatch Serv	-	-	-	-	7,427	0.02	6,568	0.01				
561.5	Long-Term Reliab/Planning Standard Dev	-	-	-	-	1,286	0.00	2,203	0.01				
561.6	Service Studies	-	-	-	-	281	0.00	419	0.00				
561.7	Generation Interconnection Studies	-	-	-	-	106	0.00	81	0.00				
561.8	Long-Term Reliab/Planning Standard Dev	-	-	-	-	12	0.00	1,561	0.00				
562	Station Expenses	18,511	0.04	22,400	0.05	24,217	0.04	24,310	0.06				
563	Overhead Line Expenses	684	0.00	629	0.00	523	0.00	731	0.00				
564	Underground Line Expenses	1,474	0.00	1,608	0.00	1,602	0.00	1,736	0.00				
566	Miscellaneous Transmission Expenses	5,003	0.01	6,881	0.01	6,559	0.01	6,320	0.01				
	Sub-Total	53,830	0.11	61,803	0.12	63,469	0.12	63,250	0.14				
567	Rents	21,579	0.06	21,416	0.05	21,992	0.05	22,481	0.05				
	Total	75,409	0.17	83,219	0.17	85,462	0.17	85,730	0.19				
	Maintenance												
568	Supervision and Engineering	4,024	0.01	4,625	0.01	5,804	0.01	6,976	0.01				
569	Structures	6,079	0.01	8,154	0.02	7,873	0.02	7,077	0.01				
569.1	Computer Hardware	-	-	-	-	955	0.00	1,007	0.00				
569.2	Computer Software	-	-	-	-	1,374	0.00	1,147	0.00				
569.3	Communication Equipment	-	-	-	-	3,269	0.01	5,147	0.01				
570	Station Equipment	20,757	0.05	23,412	0.06	22,219	0.05	21,338	0.05				
571	Overhead Lines	2,885	0.01	3,906	0.01	3,221	0.01	4,553	0.01				
572	Underground Lines	13,844	0.03	17,569	0.04	21,952	0.05	15,620	0.03				
573	Mis. Transmission Plant	-	-	-	-	2,314	0.01	2,940	0.01				
575.7	Market Admin Monitoring Compl Service	-	-	-	-	7,107	0.02	10,523	0.02				
	Total	47,589	0.11	57,666	0.14	76,089	0.18	76,328	0.15				
	Total Transmission Expenses	\$122,798	0.28	\$140,885	0.31	\$161,551	0.35	\$162,058	0.34				
	Sales of Electricity - Mwhrs.	44,013,466		46,191,696		46,133,126		47,671,300					

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 DISTRIBUTION EXPENSES - ELECTRIC
 TWELVE MONTHS ENDED DECEMBER 31,
 2004, 2005, 2006, and 2007
 (Thousands of Dollars)

Account No.	2004			2005			2006			2007		
	Amount	Equivalent Cents Per Kwhr Sold	Amount	Equivalent Cents Per Kwhr Sold								
Operation												
580	\$27,718	0.06	\$30,765	0.07	\$30,548	0.07	\$32,695	0.07				
581												
582	20,313	0.05	23,650	0.05	26,235	0.06	28,955	0.06				
583	6,806	0.02	7,346	0.02	25,869	0.06	15,638	0.03				
584	39,117	0.08	29,478	0.06	33,520	0.07	45,366	0.10				
585	1,191	0.00	998	0.00	4,036	0.01	6,924	0.01				
586	7,569	0.02	7,052	0.02	6,503	0.01	6,564	0.01				
587	14,621	0.03	15,604	0.03	15,004	0.03	16,898	0.04				
588	28,980	0.07	48,783	0.10	42,353	0.09	30,804	0.06				
	146,315	0.33	163,676	0.35	184,068	0.40	183,864	0.38				
589	31,068	0.07	31,278	0.07	31,872	0.07	32,772	0.07				
	177,381	0.40	194,954	0.42	215,940	0.47	216,636	0.45				
Maintenance												
590	14,219	0.03	13,997	0.03	14,808	0.03	15,076	0.03				
591	3,867	0.01	4,283	0.01	5,050	0.01	5,174	0.01				
592	9,222	0.02	12,174	0.03	11,731	0.03	10,637	0.02				
593	29,625	0.07	30,116	0.07	44,523	0.10	45,301	0.10				
594	100,356	0.22	115,345	0.24	144,705	0.31	112,609	0.24				
595	11,425	0.03	14,120	0.03	15,252	0.03	15,941	0.03				
596	4,497	0.01	2,519	0.01	2,420	0.01	4,184	0.01				
597	750	0.00	880	0.00	752	0.00	551	0.00				
598	6,802	0.02	7,903	0.02	9,885	0.02	8,008	0.02				
	180,763	0.41	201,337	0.44	249,126	0.54	217,481	0.46				
	\$358,144	0.81	\$396,291	0.86	\$465,066	1.01	\$434,118	0.91				
Total Distribution Expenses												
	44,013,466		46,191,696		46,133,126		47,671,300					
Sales of Electricity - Mwhrs.												

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 CUSTOMER ACCOUNTS EXPENSES - ELECTRIC
 TWELVE MONTHS ENDED DECEMBER 31,
 2004, 2005, 2006, and 2007
 (Thousands of Dollars)

Account No.	Operation	2004		2005		2006		2007	
		Amount	Equivalent Cents Per Kwhr Sold						
901	Supervision	\$5,504	0.01	\$5,958	0.01	\$4,916	0.01	\$6,246	0.01
902	Meter Reading Expenses	29,961	0.07	31,005	0.07	31,302	0.07	30,103	0.06
903	Customer Records and Collection Expenses	100,156	0.23	102,728	0.22	110,494	0.24	107,556	0.23
905	Miscellaneous Customer Accounts Expenses	735	0.00	471	0.00	432	0.00	373	0.00
	Sub-Total	136,356	0.31	140,162	0.30	147,143	0.32	144,278	0.30
904	Uncollectible Accounts	33,384	0.08	42,867	0.10	49,418	0.11	49,923	0.11
	Total	\$169,740	0.39	\$183,029	0.40	\$196,561	0.43	\$194,201	0.41
	Sales of Electricity - Mwhrs.	44,013,466		46,191,696		46,133,126		47,671,300	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 ADMINISTRATIVE AND GENERAL EXPENSES - ELECTRIC
 TWELVE MONTHS ENDED DECEMBER 31,
 2004, 2005, 2006, and 2007
 (Thousands of Dollars)

Account No.	Operation	2004		2005		2006		2007	
		Amount	Equivalent Cents Per Kw/hr Sold						
920	Administrative & General Salaries	\$79,377	0.18	\$82,332	0.18	\$89,414	0.22	\$95,234	0.20
921	Office Supplies and Expenses	19,813	0.05	25,440	0.06	25,817	0.06	24,677	0.05
923	Outside Services Employed	2,060	0.00	2,151	0.00	4,174	0.01	6,081	0.01
924	Property Insurance	5,704	0.01	3,552	0.01	3,009	0.01	1,954	0.00
925	Injuries and Damages	57,487	0.13	64,699	0.14	84,652	0.18	82,491	0.17
926.1	Employees Pensions	(82,737)	(0.19)	(16,986)	(0.04)	(26,967)	(0.06)	(5,951)	(0.01)
926.2	Employees Welfare Expenses	101,460	0.23	104,969	0.23	117,017	0.25	123,957	0.26
926.3	Pension & Welfare Administration	-	-	-	-	-	-	-	-
927	Franchise Requirements	-	-	-	-	-	-	-	-
928	Regulatory Commission Expenses	20,464	0.05	22,680	0.05	24,320	0.05	30,937	0.06
929	Duplicate Charges - Credit	(11,669)	(0.03)	(20,089)	(0.04)	(19,074)	(0.04)	(20,742)	(0.04)
930.1	Institutional and Goodwill Advertising	771	0.00	778	0.00	770	0.00	854	0.00
930.2	Miscellaneous General Expenses	100,515	0.24	98,625	0.20	125,316	0.26	262,362	0.56
931.2	Expenses of Data Processing Equipment	2,407	0.01	2,970	0.01	3,119	0.01	3,027	0.01
	Sub-Total	295,652	0.68	371,121	0.80	441,567	0.95	604,880	1.27
922	Administrative Expenses Transferred - Credit	(51,275)	(0.12)	(61,350)	(0.13)	(62,273)	(0.13)	(61,048)	(0.13)
	Total	\$244,377	0.56	\$309,771	0.67	\$379,294	0.82	\$543,833	1.14
	Sales of Electricity - Mwhrs.	44,013,466		46,191,696		46,133,126		47,671,300	

EXHIBIT__ (AP - 1)
SCHEDULE 10

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
TAXES OTHER THAN INCOME TAXES - ELECTRIC
TWELVE MONTHS ENDED DECEMBER 31
2004, 2005, 2006 AND 2007
(Thousands of Dollars)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<u>Local Taxes</u>				
Real Estate - NYC	\$537,739	\$553,831	\$584,458	\$629,175
- Upstate and Westchester	81,289	84,552	87,810	92,441
Property Tax Reconciliation Deferral	(57,201)	12,836	44,523	45,260
Receipts Taxes - Special Franchise	12,780	14,519	13,700	14,405
Public Utilities Excise	134,726	155,561	139,983	147,705
Commercial Rent	17	19	20	21
Sales and Use	(4,859)	(3,541)	144	(131)
Miscellaneous				
Motor Vehicle	362	383	406	421
Subsidiary Capital Tax	3,085	4,375	3,900	5,343
Other	-	-	-	-
Total - Local Taxes	<u>707,938</u>	<u>822,535</u>	<u>874,944</u>	<u>934,640</u>
<u>State Taxes</u>				
Franchise - Capital	-	-	-	809
Gross Earnings	-	-	-	-
Dividends	10,704	-	-	-
Public Utilities Gross Income	63,504	36,518	38,922	36,400
Unemployment Insurance	1,047	1,053	992	734
Gasoline	218	179	3	-
Vehicle Registration and Highway Use	482	459	525	518
Sales and Use	(3,752)	(3,473)	(8)	(174)
Insurance Premium Tax	232	292	223	112
Environmental - Hazardous Waste	76	155	161	159
Other	44	99	-	-
Total - State Taxes	<u>72,555</u>	<u>35,282</u>	<u>40,818</u>	<u>38,558</u>
<u>Federal Taxes</u>				
Unemployment	595	738	471	439
Insurance Contributions	41,663	41,082	43,433	44,212
Excise - Diesel	451	382	-	-
Other	88	297	257	456
Total - Federal Taxes	<u>42,797</u>	<u>42,499</u>	<u>44,161</u>	<u>45,107</u>
Grand Total	<u>\$823,290</u>	<u>\$900,316</u>	<u>\$959,923</u>	<u>\$1,018,305</u>

EXHIBIT __ (AP- 2)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CALCULATION OF FEDERAL INCOME TAXES - ELECTRIC

CONSOLIDATED EDISON OF COMPANY OF NEW YORK, INC.
CALCULATION OF FEDERAL INCOME TAXES - ELECTRIC
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

	<u>Amount</u>
OPERATING REVENUES PER BOOKS	\$ 7,503,890,889.24
OPERATING EXPENSES PER BOOKS	6,328,491,208.39
INTEREST CHARGES	337,344,240.44
BOOK INCOME BEFORE FIT	<u>\$ 838,055,440.41</u>
<u>SECTION I - FLOW THROUGH ITEMS</u>	
<u>ADDITIONS</u>	
Book Depreciation	\$ 446,760,335.78
Hudson Farragut Amortization - per books	477,030.48
Capitalized Interest (Section 263A)	7,406,321.52
Injuries & Damages Reserve	5,625,436.20
Meal & Entertainment Limitations	203,848.95
Excess of Book Provision Over Direct W/O - Bad Debts	2,741,804.64
Officers Compensation in Excess of \$1M (Restricted Stock)	616,000.00
TOTAL	<u>\$ 463,830,777.57</u>
<u>DEDUCTIONS</u>	
Statutory Depreciation Deduction - Flow Through	\$ 258,955,000.00
Removal Costs - Flow Through	181,485,219.75
Amortization of Capitalized Interest - Flow Through	2,782,360.30
Westchester Property Tax Adjustment	792,000.00
Deduction for Dividends Paid on \$5 Cumulative Pref. Stk.	3,328,000.00
Medicare Part D Subsidy - Post Employment Benefits	16,283,020.00
Customer ADR Adjustment	44,851,000.00
TOTAL	<u>\$ 508,476,600.05</u>
PRETAX INCOME	\$ 793,409,617.93
<u>SECTION II - NORMALIZED ITEMS</u>	
<u>ADDITIONS</u>	
Sale of Chelsea Property (In excess of 2004 Settlement) (See Folio-52353)	\$ (32,616,010.00)
Sale of W 53rd St. Manh. (Electric)	25,317,183.00
Sale of W 53rd St. Manh. (Electric) - Rate Case Adjustment	(25,317,183.00)
State Income Tax Refund on Loss Indian Point	(15,072,000.00)
Contributions in Aid of Construction	188,916.00
Deferred Revenue-Astoria Energy Easement	(2,123.82)
MTA Business Tax Surcharge	430,817.80
Deferred Income Plan	4,260,545.17
Retiree Health VEBA - Funding v. Expense	16,227,288.00
Retiree Group Life - Funding v. Expense	3,247,352.00
Advance Refunding Long Term Debt - Net	9,612,888.53
Elimination of DC Service	(3,284,391.02)
EPA/SO2 Allowance Proceeds	(82,586,261.22)
Special Assessment - Uranium Fund	2,625,004.54
O&R Post Merger Savings-West Aggregation	(7,400.00)
Retail Access Program	12,498.27
System Benefit Charges	(7,678,370.08)
Vacation Pay Accrual	(325,000.00)
Capitalized Interest per Tax - Normalized	2,189,955.00
TCC Auction Proceeds	(41,110,551.06)
TCC Rents - NYPA	(6,793,081.39)
Restricted Stock Plan Performance Based	(1,548,130.29)
Deferred State Income Tax Not deducted on Federal Return	57,418,000.00
Washington Heights and WTC Security Incentives	(541.80)
Customer Refund Associated with Divested Plants (IP) (M0966)	(2,148,000.00)
Electric Reliability Penalty	(9,000,000.00)
Provision for Rate Disallowance - Roseton	(1,022,664.00)
Odd W.T.C Incident Sys. Restor.(FEMA Reimbursement)	50,588,617.76
Odd W.T.C Incident Sys. Restor.	6,180,375.19
Medicare Rx Legislative Savings	(4,050,862.00)
Electric Rate Case Deferral (Pens/Opeb) (Acc#C0950)	(58,590,001.00)
Amortization Deferred Costs - Electric	(130,765,002.78)
Rate Case Interference Deferral (254.00)	(2,953,837.00)
SBU/GHP Realized & Deferred Gain	2,557,285.31
Westinghouse Settlement Proceeds	(3,991,882.80)
Excess Deferred SIT	13,282,309.00
Stock Plans	4,248,418.14
Oil Overcharge Refund	(6,702,470.43)
Foregone Rental Income W 24th St.	(804,000.00)
Arthur Kill	11,420,800.00
ADR Adj. Due Customer	49,069,000.00
L.I.C. Settlement	40,000,000.00
TOTAL	<u>\$ (137,472,510.08)</u>

CONSOLIDATED EDISON OF COMPANY OF NEW YORK, INC.
CALCULATION OF FEDERAL INCOME TAXES - ELECTRIC
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

<u>DEDUCTIONS</u>	<u>Amount</u>
Tax Depreciation - Norm. - MACRS	\$ 249,665,000.00
Tax Depreciation - Norm. - ADR	33,000.00
ADR Repair Allowance	32,343,000.00
Provision for Deferred Compensation	(651,538.40)
Market Supply Charge / NYC	49,210,289.27
Market Supply Charge / Westchester	9,664,211.07
Monthly Adjustment Clause	(72,137,773.11)
Deferred Fuel Not Subject to Reconciliation	13,552,682.98
Property Tax Savings (Electric)	(3,178,843.23)
Loss on MACRS Retirement	42,700,000.00
Additional Pension Deduction (Add back)	(24,549,008.00)
Executive Incentive Plan	1,278,143.33
Power Contract Termination Costs (IPP Buyouts)	1,050,000.00
Site Investigation and Redemption	736,081.24
Superfund Liability	28,620,306.41
Cogen Technologies, O&M Reimbursement	(45.32)
Amortization of Capitalized Interest - Normalized	1,984,646.74
Electric Energy Reduction Programs	862,654.69
Low Income Fund	1,055,082.65
Phase 5 & 6 & 7 & 8- Unavoidable Costs	(9,244,066.49)
Change of Accounting Section 263A	83,765,375.00
Tax Consulting Fees - KPMG/Mediation Fees (Final)	(696,428.68)
Prepaid Insurance	1,968,000.00
Pension Deferral (182.30)	(3,237,499.43)
Accrued Rate Increase/Rate Relief	(29,991,480.00)
Electric Rate Case T&D Expenditure Deferral 04-E-0572	48,012,995.04
Electric Rate Case TCC Auction Proceeds 04-E-0572	14,865,835.54
System Reliab.Assessment Study	(45,000.00)
DSM Program 04-E-0572	11,987,577.30
Deferred POR Prgm Costs	(197,971.88)
Int on Audit Adj NYS Inc	(49,837.00)
Elect Migration Incentive 04-e0572	(1,680,281.06)
Depreciation of Capitalized Maintenance - Tax Audit 98-02	356,710.00
Computer Software Capitalized on Book	29,836,153.54
Computer Software Book Amortization	(1,302,718.38)
Deferred MTA - All Years	13,126,000.00
Hud. Ave. Annex DEC Shutdown	348,960.16
TOTAL	<u>\$ 490,080,233.98</u>
TAXABLE INCOME	<u>\$ 165,856,873.87</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CALCULATION OF FEDERAL INCOME TAXES - ELECTRIC
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

	<u>Amount</u>
<u>CURRENT FEDERAL INCOME EXPENSE</u>	
Current Federal Income Tax @ 35%	\$ 58,051,000.00
To record FIN 48 Liability	(2,759,000.00)
To record Accrual to Return	(73,269,949.00)
To adjust FIN 48 for accrual to return Adjustment - 9/07	116,000.00
TOTAL CURRENT FIT ACCOUNT 409	<u>\$ (17,861,949.00)</u>
<u>DEFERRED FEDERAL INCOME TAX</u>	
Sale of Chelsea Property (In excess of 2004 Settlement)	\$ 11,416,000.00
Sale of W 53rd St. Manh. (Electric)	(8,861,000.00)
Sale of W 53rd St. Manh. (Electric) - Rate Case Adjustment	8,861,000.00
State Income Tax Refund on Loss Indian Point	5,275,000.00
Contributions in Aid of Construction	(66,000.00)
Deferred Revenue-Astoria Energy Easement	1,000.00
MTA Business Tax Surcharge	(151,000.00)
Deferred Income Plan	(1,491,000.00)
Retiree Health VEBA - Funding v. Expense	(5,680,000.00)
Retiree Group Life - Funding v. Expense	(1,137,000.00)
Advance Refunding Long Term Debt - Net	(3,365,000.00)
Elimination of DC Service	1,150,000.00
EPA/SO2 Allowance Proceeds	28,898,000.00
Special Assessment - Uranium Fund	(919,000.00)
O&R Post Merger Savings-West Aggregation	3,000.00
Retail Access Program	(4,000.00)
System Benefit Charges	2,687,000.00
Vacation Pay Accrual	114,000.00
Capitalized Interest per Tax - Normalized	(766,000.00)
TCC Auction Proceeds	14,389,000.00
Provision for Deferred Compensation	(228,000.00)
TCC Rents - NYPA	2,378,000.00
Restricted Stock Plan Performance Based	542,000.00
Deferred State Income Tax Not deducted on Federal Return	(20,096,000.00)
Customer Refund Associated with Divested Plants (IP) (M0966)	752,000.00
Electric Reliability Penalty	3,150,000.00
Provision for Rate Disallowance - Roseton	358,000.00
Odd W.T.C Incident Sys. Restor.(FEMA Reimbursement)	(17,706,000.00)
Odd W.T.C Incident Sys. Restor.	(2,163,000.00)
Medicare Rx Legislative Savings	1,418,000.00
Electric Rate Case Deferral (Pens/Opeb) (Acc#C0950)	20,507,000.00
Amortization Deferred Costs - Electric	45,768,000.00
Rate Case Interference Deferral (254.00)	1,034,000.00
SBU/GHP Realized & Deferred Gain	(895,000.00)
Westinghouse Settlement Proceeds	1,397,000.00
Excess Deferred SIT	(4,649,000.00)
Stock Plans	(1,487,000.00)
Oil Overcharge Refund	2,346,000.00
Foregone Rental Income W 24th St.	281,000.00
Arthur Kill	(3,997,000.00)
ADR Adj. Due Customer	(17,174,000.00)
L.I.C. Settlement	(14,000,000.00)
Tax Depreciation - Norm. - MACRS	87,383,000.00
Tax Depreciation - Norm. - ADR	12,000.00
ADR Repair Allowance	11,320,000.00

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CALCULATION OF FEDERAL INCOME TAXES - ELECTRIC
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

	<u>Amount</u>
Market Supply Charge / NYC	17,224,000.00
Market Supply Charge / Westchester	3,382,000.00
Monthly Adjustment Clause	(25,248,000.00)
Deferred Fuel Not Subject to Reconciliation	4,743,000.00
Property Tax Savings (Electric)	(1,113,000.00)
Loss on MACRS Retirement	14,945,000.00
Additional Pension Deduction (Add back)	(8,592,000.00)
Executive Incentive Plan	447,000.00
Power Contract Termination Costs (IPP Buyouts)	368,000.00
Site Investigation and Redemption	258,000.00
Superfund Liability	10,017,000.00
Amortization of Capitalized Interest - Normalized	695,000.00
Electric Energy Reduction Programs	302,000.00
Low Income Fund	369,000.00
Phase 5 & 6 & 7 & 8- Unavoidable Costs	(3,235,000.00)
Change of Accounting Section 263A	29,318,000.00
Tax Consulting Fees - KPMG/Mediation Fees (Final)	(244,000.00)
Prepaid Insurance	689,000.00
Pension Deferral (182.30)	(1,133,000.00)
Accrued Rate Increase/Rate Relief	(10,497,000.00)
Electric Rate Case T&D Expenditure Deferral 04-E-0572	16,805,000.00
Electric Rate Case TCC Auction Proceeds 04-E-0572	5,203,000.00
System Reliab.Assessment Study	(16,000.00)
DSM Program 04-E-0572	4,196,000.00
Deferred POR Prgm Costs	(69,000.00)
Int on Audit Adj NYS Inc	(17,000.00)
Elect Migration Incentive 04-e0572	(581,000.00)
Depreciation of Capitalized Maintenance - Tax Audit 98-02	125,000.00
Computer Software Capitalized on Book	10,443,000.00
Computer Software Book Amortization	(456,000.00)
Deferred MTA - All Years	4,594,000.00
Hud. Ave. Annex DEC Shutdown	122,000.00
	<u>\$ 219,649,000.00</u>
<u>AMORTIZATION OF DEFERRED FIT</u>	
Def. FIT - ACRS	\$ (8,884,000.00)
Def. FIT - MACRS	(12,971,000.00)
Def. FIT - ADR	(16,441,000.00)
Capitalized Overheads Section 263A (SSCM)	(8,175,000.00)
Repair Allowance	(9,052,000.00)
Loss on MACRS Retirements	(3,274,000.00)
Debt Expense - Advance Refunding Mortgage Bonds	(84,000.00)
	<u>\$ (58,881,000.00)</u>
<u>ADJUSTMENTS</u>	
To record FIN 48 Liability	\$ 2,759,000.00
Accrual to Return true-up	69,195,000.00
Accrual to Return true-up - Depreciation	(1,699,000.00)
	<u>\$ 70,255,000.00</u>
NET DEF. FIT ACCOUNT 410 & 411	\$ 231,023,000.00
<u>AMORTIZATION OF ITC</u>	<u>\$ (4,878,000.00)</u>
TOTAL FEDERAL INCOME TAX EXPENSE	<u>\$ 208,283,051.00</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
DEFERRED FEDERAL INCOME TAX SUMMARY - ELECTRIC
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

	ACCOUNT		Net
	410	411	
DEFERRED FEDERAL INCOME TAX			
Sale of Chelsea Property (In excess of 2004 Settlement)	\$ 11,485,000.00	\$ (89,000.00)	\$ 11,416,000.00
Sale of W 53rd St. Manh. (Electric)	8,822,000.00	(17,683,000.00)	(8,861,000.00)
Sale of W 53rd St. Manh. (Electric) - Rate Case Adjustment	8,861,000.00		8,861,000.00
State Income Tax Refund on Loss Indian Point	5,275,000.00		5,275,000.00
Contributions in Aid of Construction	297,000.00	(363,000.00)	(66,000.00)
Deferred Revenue-Astoria Energy Easement	1,000.00		1,000.00
MTA Business Tax Surcharge	401,000.00	(552,000.00)	(151,000.00)
Deferred Income Plan	256,000.00	(1,747,000.00)	(1,491,000.00)
Retiree Health VEBA - Funding v. Expense	4,030,000.00	(9,710,000.00)	(5,680,000.00)
Retiree Group Life - Funding v. Expense	295,000.00	(1,432,000.00)	(1,137,000.00)
Advance Refunding Long Term Debt - Net		(3,365,000.00)	(3,365,000.00)
Elimination of DC Service	1,150,000.00		1,150,000.00
EPA/SO2 Allowance Proceeds	32,744,000.00	(3,848,000.00)	28,896,000.00
Special Assessment - Uranium Fund		(919,000.00)	(919,000.00)
O&R Post Merger Savings-West Aggregation	3,000.00		3,000.00
Retail Access Program		(4,000.00)	(4,000.00)
System Benefit Charges	3,800,000.00	(1,113,000.00)	2,687,000.00
Vacation Pay Accrual	502,000.00	(388,000.00)	114,000.00
Capitalized Interest per Tax - Normalized	399,000.00	(1,165,000.00)	(766,000.00)
TCC Auction Proceeds	22,802,000.00	(8,413,000.00)	14,389,000.00
Provision for Deferred Compensation	5,000.00	(233,000.00)	(228,000.00)
TCC Rents - NYPA	7,267,000.00	(4,889,000.00)	2,378,000.00
Restricted Stock Plan Performance Based	545,000.00	(3,000.00)	542,000.00
Deferred State Income Tax Not deducted on Federal Return	2,365,000.00	(22,481,000.00)	(20,096,000.00)
Customer Refund Associated with Divested Plants (IP) (M0966)	752,000.00		752,000.00
Electric Reliability Penalty	6,300,000.00	(3,150,000.00)	3,150,000.00
Provision for Rate Disallowance - Roseton	359,000.00		359,000.00
Odd W.T.C Incident Sys. Restor.(FEMA Reimbursement)	17,706,000.00	(35,412,000.00)	(17,706,000.00)
Odd W.T.C Incident Sys. Restor.		(2,163,000.00)	(2,163,000.00)
Medicare Rx Legislative Savings	1,750,000.00	(332,000.00)	1,418,000.00
Electric Rate Case Deferral (Pens/Opeb) (AcctC0950)	20,507,000.00		20,507,000.00
Amortization Deferred Costs - Electric	45,788,000.00		45,788,000.00
Rate Case Interference Deferral (254.00)	3,624,000.00	(2,590,000.00)	1,034,000.00
SBU/GHP Realized & Deferred Gain	1,290,000.00	(2,185,000.00)	(895,000.00)
Westinghouse Settlement Proceeds	1,397,000.00		1,397,000.00
Excess Deferred SIT	250,000.00	(4,899,000.00)	(4,649,000.00)
Stock Plans	46,000.00	(1,533,000.00)	(1,487,000.00)
Oil Overcharge Refund	2,709,000.00	(363,000.00)	2,346,000.00
Foregone Rental Income W 24th St.	422,000.00	(141,000.00)	281,000.00
Arthur Kill		(3,997,000.00)	(3,997,000.00)
ADR Adj. Due Customer		(17,174,000.00)	(17,174,000.00)
L.I.C. Settlement		(14,000,000.00)	(14,000,000.00)
Tax Depreciation - Norm. - MACRS	87,383,000.00		87,383,000.00
Tax Depreciation - Norm. - ADR	12,000.00		12,000.00
ADR Repair Allowance	11,320,000.00		11,320,000.00
Deferred Compensation payments	5,000.00	(5,000.00)	
Market Supply Charge / NYC	66,599,000.00	(49,375,000.00)	17,224,000.00
Market Supply Charge / Westchester	8,140,000.00	(4,758,000.00)	3,382,000.00
Monthly Adjustment Clause	29,072,000.00	(54,320,000.00)	(25,248,000.00)
Deferred Fuel Not Subject to Reconciliation	34,840,000.00	(30,097,000.00)	4,743,000.00
Property Tax Savings (Electric)	13,288,000.00	(14,381,000.00)	(1,113,000.00)
Loss on MACRS Retirement	18,016,000.00	(3,071,000.00)	14,945,000.00
Additional Pension Deduction (Add back)	471,000.00	(9,063,000.00)	(8,592,000.00)
Executive Incentive Plan	2,026,000.00	(1,579,000.00)	447,000.00
Power Contract Termination Costs (IPP Buyouts)	368,000.00		368,000.00
Site Investigation and Redemption	363,000.00	(105,000.00)	258,000.00
Superfund Liability	10,380,000.00	(343,000.00)	10,017,000.00
CoGen Technologies, O&M Reimbursement	493,000.00	(493,000.00)	
NYC Prepaid Property Tax	164,668,000.00	(164,668,000.00)	
Amortization of Capitalized Interest - Normalized	895,000.00		895,000.00
Electric Energy Reduction Programs	933,000.00	(631,000.00)	302,000.00
Low Income Fund	369,000.00		369,000.00
Phase 5 & 6 & 7 & 8- Unavoidable Costs	304,000.00	(3,539,000.00)	(3,235,000.00)
Change of Accounting Section 283A	32,674,000.00	(3,356,000.00)	29,318,000.00
Tax Consulting Fees - KPMG/Mediation Fees (Final)		(244,000.00)	(244,000.00)
Prepaid Insurance	689,000.00		689,000.00
Interest IRS Audits	2,528,000.00	(2,528,000.00)	
Pension Deferral (182.30)	27,741,000.00	(28,674,000.00)	(1,133,000.00)
Accrued Rate Increase/Rate Relief	5,019,000.00	(15,518,000.00)	(10,497,000.00)
Electric Rate Case T&D Expenditure Deferral 04-E-0572	55,072,000.00	(38,267,000.00)	16,805,000.00
Electric Rate Case TCC Auction Proceeds 04-E-0572	34,890,000.00	(29,687,000.00)	5,203,000.00
System Reliab.Assessment Study		(16,000.00)	(16,000.00)
DSM Program 04-E-0572	10,140,000.00	(5,944,000.00)	4,196,000.00
Deferred POR Prgm Costs	11,000.00	(80,000.00)	(69,000.00)
Int on Audit Adj NYS Inc		(17,000.00)	(17,000.00)
Elect Migration Incentive 04-e0572	1,246,000.00	(1,827,000.00)	(581,000.00)
Depreciation of Capitalized Maintenance - Tax Audit 98-02	125,000.00		125,000.00
Computer Software Capitalized on Book	10,443,000.00		10,443,000.00
Computer Software Book Amortization		(456,000.00)	(456,000.00)
Deferred MTA - All Years	5,883,000.00	(1,289,000.00)	4,594,000.00
Hud. Ave. Annex DEC Shutdown	122,000.00		122,000.00
TOTAL	\$ 850,472,000.00	\$ (630,823,000.00)	\$ 219,649,000.00
AMORTIZATION OF DEFERRED FIT			
Def. FIT - ACRS		\$ (8,884,000.00)	\$ (8,884,000.00)
Def. FIT - MACRS	308,000.00	(13,279,000.00)	(12,971,000.00)
Def. FIT - ADR		(16,441,000.00)	(16,441,000.00)
Capitalized Overheads Section 263A	1,334,000.00	(9,509,000.00)	(8,175,000.00)
Repair Allowance		(9,052,000.00)	(9,052,000.00)
Loss on MACRS Retirements		(3,274,000.00)	(3,274,000.00)
Debt Expense - Advance Refunding Mortgage Bonds		(84,000.00)	(84,000.00)
TOTAL	1,642,000.00	(60,523,000.00)	(58,881,000.00)
ADJUSTMENTS			
To record FIN 48 Liability	\$ 2,759,000.00		\$ 2,759,000.00
Accrual to Return true-up	79,404,000.00	(10,209,000.00)	69,195,000.00
Accrual to Return true-up - Depreciation	174,000.00	(1,873,000.00)	(1,699,000.00)
TOTAL	\$ 82,337,000.00	\$ (12,082,000.00)	\$ 70,255,000.00
AMORTIZATION OF ITC			
	\$ -	\$ (4,878,000.00)	\$ (4,878,000.00)

CONSOLIDATED EDISON OF COMPANY OF NEW YORK, INC.
CALCULATION OF STATE INCOME TAX - ELECTRIC
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

	<u>Amount</u>
BOOK INCOME BEFORE FIT	\$ 838,055,440.41
STATE INCOME TAX	61,004,895.00
BOOK INCOME BEFORE SIT	<u>\$ 899,060,335.41</u>
PERM. DIFFERENCES	
Meal & Entertainment Limitations	\$ 203,848.95
Medicare Part D Subsidy - Post Employment Benefits	(16,283,020.00)
Officers Compensation in Excess of \$1M	616,000.00
TOTAL	<u>\$ (15,463,171.05)</u>
PRETAX INCOME	\$ 883,597,164.36
ADDITIONS	
Book Depreciation	\$ 446,760,335.78
Capitalized interest (Section 263A)	7,406,321.52
Injuries & Damages Reserve	5,625,436.20
Excess of Book Provision Over Direct W/O - Bad Debts	2,741,804.64
Interest on Interruptible Sales Credit	(32,616,010.00)
Gain on Sale of W 53rd Street	27,708,313.00
Sale of W 53rd St. Manh. (Electric) - Rate Case Adjustment	(27,708,313.00)
Contributions in Aid of Construction	188,916.00
Deferred Revenue-Astoria Energy Easement	(2,123.82)
MTA Business Tax Surcharge	430,817.80
Deferred Income Plan	4,260,545.17
Retiree Health VEBA - Funding v. Expense	16,227,288.00
Retiree Group Life - Funding v. Expense	3,247,352.00
Elimination of DC Service	(3,284,391.02)
EPA/SO2 Allowance Proceeds	(82,566,261.22)
Special Assessment - Uranium Fund	2,625,004.54
O&R Post Merger Savings	(7,400.00)
Retail Access Program	12,498.27
System Benefit Charges	(7,678,370.08)
Vacation Pay Accrual	(325,000.00)
Capitalized Interest per Tax - Normalized	2,189,955.00
TCC Auction Proceeds	(41,110,551.06)
TCC Rents - NYPA	(6,793,081.39)
Restricted Stock Plan	(1,548,130.29)
Washington Heights and WTC Security Incentives	(541.80)
Customer Refund Associated with Divested Plants (IP) (M0966)	(2,148,000.00)
Electric Reliability Penalty	(9,000,000.00)
Provision for Rate Disallowance - Roseton	(1,022,664.00)
Odd W.T.C Incident Sys. Restor.(FEMA Reimbursement)	50,588,617.76
Odd W.T.C Incident Sys. Restor.	6,180,375.19
Medicare Rx Legislative Savings	(4,050,862.00)
Electric Rate Case Deferral (Pens/Opeb) (Acc#C0950)	(58,590,001.00)
Amortization Deferred Costs - Electric	(130,765,002.78)
Rate Case Interference Deferral (254.00)	(2,953,837.00)
SBU/GHP Realized & Deferred Gain	2,557,285.31
Westinghouse Settlement Proceeds	(3,991,882.90)
Excess Deferred SIT	13,282,309.00
Stock Plans	4,248,418.14
Oil Overcharge Refund	(6,702,470.43)
Foregone Rental Income W 24th St.	(804,000.00)
Arthur Kill	11,420,800.00
ADR Adj. Due Customer	49,069,000.00
L.I.C. Settlement	40,000,000.00
TOTAL	<u>\$ 273,102,499.53</u>

CONSOLIDATED EDISON OF COMPANY OF NEW YORK, INC.
CALCULATION OF STATE INCOME TAX - ELECTRIC
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007

	<u>Amount</u>
DEDUCTIONS	
NYS Depreciation	514,969,483.53
Removal Costs - Flow Through	181,485,219.75
Amortization of Capitalized Interest - Flow Through	2,782,360.30
Westchester Property Tax Adjustment (X - ROSETON)	792,000.00
ADR Repair Allowance	32,343,000.00
Provision for Deferred Compensation	(651,538.40)
Market Supply Charge / NYC	49,210,289.27
Market Supply Charge / Westchester	9,664,211.07
Monthly Adjustment Clause	(72,137,773.11)
Deferred Fuel Not Subject to Reconciliation	13,552,682.98
Property Tax Savings	(3,178,843.23)
Loss on MACRS Retirement (Est. based on 2004 Actual)	42,700,000.00
Additional Pension Deduction	(24,549,008.00)
Executive Incentive Plan	1,278,143.33
Power Contract Termination Costs (IPP Buyouts)	1,050,000.00
Site Investigation and Redemption	736,081.24
Superfund Liability	28,620,306.41
Cogen Technologies, O&M Reimbursement	(45.32)
Amortization of Capitalized Interest - Normalized	1,984,646.74
Electric Energy Reduction Programs	862,654.69
Low Income Fund	1,055,082.65
Phase 5 & 6 & 7 & 8- Unavoidable Costs	(9,244,066.49)
Change of Accounting Section 263A	83,765,375.00
Tax Consulting Fees - KPMG/Mediation Fees (Final)	(696,428.68)
Pension Deferral (182.30)	(3,237,499.43)
Accrued Rate Increase/Rate Relief	(29,991,480.00)
Electric Rate Case T&D Expenditure Deferral 04-E-0572	48,012,995.04
Electric Rate Case TCC Auction Proceeds 04-E-0572	14,865,835.54
System Reliab.Assessment Study	(45,000.00)
DSM Program 04-E-0572	11,987,577.30
Deferred POR Prgm Costs	(197,971.88)
Int on Audit Adj NYS Inc	(49,837.00)
Elect Migration Incentive 04-e0572	(1,660,261.06)
Depreciation of Capitalized Maintenance - Tax Audit 98-02	356,710.00
Computer Software Capitalized on Book	29,836,153.54
Computer Software Book Amortization	(1,302,718.38)
Deferred MTA - All Years	13,126,000.00
Hud. Ave. Annex DEC Shutdown	348,960.16
TOTAL	<u>\$ 938,443,297.56</u>
 TAXABLE INCOME OR (LOSS)	 <u>\$ 218,256,366.33</u>
 CURRENT STATE INCOME TAX	
Current State Income Tax	\$ 18,836,000.00
Adoption of FIN 48	324,000.00
Return to Accrual	(15,513,105.00)
	<u>\$ 3,646,895.00</u>
 Net State Deductions Normalized	 <u>\$ (665,340,798.03)</u>
 DEFERRED STATE INCOME TAX	
Deferred State Income Tax	\$ 57,425,000.00
Amortization Indian Point	(15,072,000.00)
Accrual to return	16,306,000.00
	<u>\$ 58,659,000.00</u>

EXHIBIT __ (AP-3)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
BOOK COST OF UTILITY PLANT - ELECTRIC

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
BOOK COST OF UTILITY PLANT - ELECTRIC
AS OF DECEMBER 31, 2003, 2004, 2005, 2006, AND 2007
(Thousands of Dollars)

Account No.		December 31,				
		2003	2004	2005	2006	2007
101	<u>Electric Plant in Service</u>					
	<u>Production Plant</u>					
	<u>Steam Production</u>					
310	Land and Land Rights	\$7,631	\$7,631	\$4,193	\$4,192	4,193
311	Structures and Improvements	106,186	110,740	81,907	94,465	104,930
312	Boiler Plant Equipment	230,947	235,736	118,858	137,585	154,508
313	Turbogenerator Units	72,490	73,058	33,624	36,333	37,793
315	Accessory Electric Equipment	32,392	32,541	21,905	24,410	25,531
316	Miscellaneous Power Plant Equipment	7,893	8,254	3,663	3,663	3,663
	Total	457,539	467,960	264,150	300,648	330,617
	<u>Nuclear Production</u>					
320	Land and Land Rights	-	-	-	-	-
321	Structures and Improvements	-	-	-	-	-
322	Reactor Plant Equipment	-	-	-	-	-
323	Turbogenerator Units	-	-	-	-	-
324	Accessory Electric Equipment	-	-	-	-	-
325	Miscellaneous Power Plant Equipment	-	-	-	-	-
	Total	-	-	-	-	-
	<u>Other Production</u>					
340	Land and Land Rights	308	308	308	308	308
341	Structures and Improvements	5,973	5,973	5,973	6,001	6,001
342	Fuel Holders, Producers and Accessories	1,594	1,594	1,656	1,868	1,868
344	Generators	11,843	13,782	16,258	17,692	18,662
345	Accessory Electric Equipment	1,704	3,977	5,535	6,129	6,698
	Total	21,422	25,634	29,730	31,998	33,537
	Total Production Plant	478,961	493,594	293,880	332,646	364,154
	Total Electric Plant in Service - Carried Forward	\$478,961	\$493,594	\$293,880	\$332,646	\$364,154

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
BOOK COST OF UTILITY PLANT - ELECTRIC
AS OF DECEMBER 31, 2003, 2004, 2005, 2006, AND 2007
(Thousands of Dollars)

Account No.		December 31,				
		2003	2004	2005	2006	2007
101	Total Electric Plant in Service - Brought Forward	\$478,961	\$493,594	\$293,880	\$332,646	\$364,154
	<u>Transmission Plant</u>					
350	Land and Land Rights	37,591	36,367	36,874	36,875	36,891
352	Structures and Improvements	69,219	70,399	73,963	140,377	181,739
353	Station Equipment	918,920	968,110	1,052,505	1,140,022	1,236,503
354	Towers and Fixtures	140,406	140,405	140,462	142,095	142,095
355	Poles and Fixtures	-	-	-	-	-
356	Overhead Conductors and Devices	81,919	81,919	82,030	82,030	82,030
357	Underground Conduit	334,029	351,030	371,462	373,578	394,529
358	Underground Conductors and Devices	251,521	271,556	297,071	340,585	372,176
	Total	1,833,605	1,919,786	2,054,367	2,255,562	2,445,962
	<u>Distribution Plant</u>					
303	Capitalized Software	-	-	-	-	3,877
360	Land and Land Rights	69,671	76,382	106,176	153,493	201,456
361	Structures and Improvements	148,332	213,700	229,837	239,992	250,630
362	Station Equipment	1,074,691	1,179,785	1,259,150	1,357,886	1,500,200
364	Poles, Towers and Fixtures	253,728	266,334	277,941	291,586	306,484
365	Overhead Conductors and Devices	425,778	444,377	463,028	495,481	522,433
366	Underground Conduit	1,706,734	1,836,425	1,991,499	2,162,557	2,325,366
367	Underground Conductors and Devices	2,588,835	2,756,942	2,951,880	3,199,081	3,468,083
368	Line Transformers	1,526,689	1,610,736	1,692,161	1,824,675	1,954,488
369	Services	749,457	812,300	891,799	958,058	1,031,995
370	Meters and Meter Installation	335,960	350,040	367,561	389,971	409,399
371	Installation on Customers' Premises	3,658	3,658	4,448	4,448	5,353
372	Street Lighting and Signal Systems	121,963	131,328	145,020	151,932	165,291
	Total	9,005,496	9,682,007	10,380,500	11,229,160	12,145,053
	Total Electric Plant in Service	<u>\$11,318,062</u>	<u>\$12,095,387</u>	<u>\$12,728,747</u>	<u>\$13,817,368</u>	<u>\$14,955,170</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
BOOK COST OF UTILITY PLANT - ELECTRIC
AS OF DECEMBER 31, 2003, 2004, 2005, 2006, AND 2007
(Thousands of Dollars)

Account No.	2003	2004	December 31, 2005	2006	2007
105 <u>Electric Plant Held for Future Use</u>					
<u>Production Plant</u>					
<u>Steam Production</u>					
310 Land and Land Rights	-	-	-	-	-
311 Structures and Improvements	-	-	-	-	-
Total	-	-	-	-	-
<u>Transmission Plant</u>					
350 Land and Land Rights	3,808	3,808	3,808	40,828	40,869
357 Underground Conduit	-	-	-	-	-
Total	3,808	3,808	3,808	40,828	40,869
<u>Distribution Plant</u>					
360 Land and Land Rights	1,736	106	106	2,148	10,415
361 Structures and Improvements	30	-	-	-	-
Total	1,766	106	106	2,148	10,415
Total Electric Plant Held for Future Use	<u>\$5,574</u>	<u>\$3,914</u>	<u>\$3,914</u>	<u>\$42,976</u>	<u>\$51,284</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
BOOK COST OF UTILITY PLANT - ELECTRIC
AS OF DECEMBER 31, 2003, 2004, 2005, 2006, AND 2007
(Thousands of Dollars)

Account No.	December 31,					
	2003	2004	2005	2006	2007	
118.1	<u>Common Utility Plant in Service*</u>					
	<u>General Plant</u>					
303				\$9,656	\$12,093	
389	24,656	22,405	22,405	22,408	22,450	
390	383,322	397,142	404,962	440,636	490,912	
391	310,981	309,758	307,561	331,348	307,115	
392	134,590	134,766	149,378	163,870	182,846	
393	9,552	9,449	9,106	8,556	8,455	
394	53,774	53,306	53,845	56,934	58,269	
395	55,461	56,911	60,497	64,925	71,674	
396	11,710	9,718	7,868	6,097	5,117	
397	124,966	126,989	132,518	120,223	137,828	
398	22,470	24,172	25,689	26,334	27,595	
	<u>Total</u>	<u>1,131,482</u>	<u>1,144,616</u>	<u>1,173,829</u>	<u>1,250,987</u>	<u>1,324,354</u>
	<u>Construction Work in Progress</u>					
107	839,302	491,251	503,724	553,663	671,438	
118.1	59,991	58,083	100,437	117,194	102,610	
	<u>Total</u>	<u>899,293</u>	<u>549,334</u>	<u>670,857</u>	<u>774,048</u>	
	<u>Grand Total - Plant in Service</u>	<u>\$13,348,837</u>	<u>\$13,789,337</u>	<u>\$14,506,737</u>	<u>\$15,739,212</u>	<u>\$17,053,572</u>

* 83% of Common Utility Plant is applicable
to Electric Operations

EXHIBIT __ (AP- 4)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ACCUMULATED DEPRECIATION

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC PLANT
AS OF DECEMBER 31, 2003, 2004, 2005, 2006 AND 2007
 (Thousands of Dollars)

P.S.C. Account No.		December 31,				
		<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
108	<u>Electric Plant in Service</u>					
	Steam Production Plant	\$96,984	\$80,579	(\$56,391)	(\$62,717)	(\$68,224)
	Other Production Plant - Internal Combustion	15,845	16,282	16,881	17,156	17,922
	Transmission Plant	748,931	773,691	779,448	809,218	841,475
	Distribution Plant	<u>2,324,885</u>	<u>2,394,370</u>	<u>2,403,929</u>	<u>2,416,785</u>	<u>2,405,521</u>
	Total	<u>3,186,645</u>	<u>3,264,922</u>	<u>3,143,867</u>	<u>3,180,442</u>	<u>3,198,694</u>
119.1	<u>Common Utility Plant in Service*</u>					
	General Plant	<u>331,610</u>	<u>354,985</u>	<u>366,567</u>	<u>385,212</u>	<u>399,316</u>
	Grand Total	<u>\$3,518,255</u>	<u>\$3,619,907</u>	<u>\$3,510,434</u>	<u>\$3,565,654</u>	<u>\$3,598,010</u>
	Common Utility Plant Total:	\$399,530	\$427,693	\$441,647	\$464,111	\$481,104
	Total Applicable at 83%:	\$331,610	\$354,985	\$366,567	\$385,212	\$399,316

* Common Utility Plant applicable to Electric Operations is 83%

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
REVENUES AND OPERATING EXPENSE DATA
INDEX TO SCHEDULES

Schedule No.		Number of Pages
1	Statement of Electric Operating Income by Component - for the Years Ended December 2007 and March 2010, Other Operating Revenues, Operation and Maintenance Expenses, Depreciation and Amortization and Taxes Other than Income Taxes - Twelve Months Ended December 31, 2007 Adjusted to the Twelve Months Ending March 31, 2010	6
2	Computation of Labor Factor to Bring the Twelve Months Ended December 31, 2007 to the Rate Year	4
3	Staffing Levels from December 2007 to March 2010	1
4	Summary of Electric Cost Elements - Twelve Months Ended December 31, 2007; Twelve Months Ending March 31, 2010; and Twelve Months Ending March 31, 2010 vs. Twelve Months Ended December 31, 2007	3
5	Electric Cost Elements by Major Account Group - Twelve Months Ended December 31, 2007	9
6	Summary of Electric Charges - Twelve Months Ended December 31, 2007 and Twelve Months Ending March 31, 2010	6
7	Summary of Electric Normalizing Adjustments by Elements of Expense in the Rate Year	4
8	Summary of Electric Program Changes by Element of Expense in the Rate Year	4
9	Summary of Electric Cost Elements Subject to General Escalation	1
10	Witness and Planned Update	1

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 STATEMENT OF ELECTRIC OPERATING INCOME BY COMPONENT
 FOR THE YEARS ENDED DECEMBER 2007 AND MARCH 2010
 (Thousands of Dollars)

LINE NO.		12 MONTHS ENDED DECEMBER 31, 2007 (Col. 1)	ADJUSTMENT TO NORMALIZE TEST YEAR & REFLECT CONDITIONS IN THE RATE YEAR (Col. 2)	12 MONTHS ENDING MARCH 31, 2010 (Col. 3)	LINE NO.
	Operating Revenues				
1	Sales Revenues	\$ 6,871,730	\$ 496,711	\$ 7,368,441	1
2	Other Operating Revenues (Page 2)	632,161	(381,786)	250,375	2
3	Total Operating Revenues	<u>7,503,891</u>	<u>114,942</u>	<u>7,819,833</u>	3
	Operating & Maintenance Expenses				
4	Fuel & Purchased Power	3,323,060	(71,979)	3,251,081	4
5	Other Fuel Charges	-	-	-	5
6	Administrative Expenses Transferred - cr.	(148)	(7,779)	(7,927)	6
7	Inter-Util Agreement-Ramapo-O&R	827	43	870	7
8	Asbestos Removal	228	11	239	8
9	Bank Collection Fees	253	13	266	9
10	Benefit Cost - Program Change Labor	-	-	-	10
11	Betterment Program	1,835	95	1,930	11
12	Boiler Cleaning	124	375	499	12
13	Building Service/Facilities	9,279	11,409	20,688	13
14	Central Engineering-Administrative	24	1	25	14
15	Central Engineering-Distribution	499	26	525	15
16	Collection Agency Fees	1,944	101	2,045	16
17	Communications - Telephone	10,622	1,754	12,376	17
18	Other Compensation	5,724	297	6,021	18
19	Company Labor	481,297	89,114	570,411	19
20	AMR/AMI Saturation Savings	-	(778)	(778)	20
21	Consultants	10,331	3,146	13,477	21
22	Contract Labor	6,048	641	6,689	22
23	Corrective Maintenance	3,278	751	4,029	23
24	DC Incentive Program	2,600	(2,600)	-	24
25	Disposal of Obsolete M&S	5,772	289	6,071	25
26	DSM	95,181	(68,850)	26,331	26
27	Duplicate Misc. Charges	(20,742)	-	(20,742)	27
28	EDP Equipment Rentals & Mica.	3,978	207	4,185	28
29	Electricity & Gas Used	637	64	701	29
30	Employee Pensions / OPEBS	94,496	17,683	112,179	30
31	Employee Welfare Expense - Net	94,666	16,749	111,417	31
32	Environmental Expenses	10,530	7,513	18,043	32
33	ERRP - Major Maintenance	4,692	2,600	7,292	33
34	Executive Incentive Plan	4,917	(4,917)	-	34
35	Facilities Maintenance	1,278	3,895	5,173	35
36	Financial Services	5,605	1,419	7,024	36
37	Gas Turbines	645	2,394	3,039	37
38	Information Resources	21,000	2,562	23,562	38
39	Informational Advertising	16,706	867	17,573	39
40	Injuries & Damages Reserve	46,854	(4,916)	41,938	40
41	Instl. Dues & Subscriptions	1,579	82	1,661	41
42	Insurance Premiums	21,926	8,975	30,901	42
43	Interference	51,482	44,748	96,230	43
44	Reserve for Contingencies	40,000	(40,000)	-	44
45	Corporate and Fiscal Expenses	4,114	214	4,328	45
46	Mobile Diesel Generators	6,201	322	6,523	46
47	Manhour Expense	46,186	2,432	48,628	47
48	Marshall's Fees	1,045	54	1,099	48
49	Materials & Supplies	22,657	4,450	27,107	49
50	RCA- MGP / Superfund	8,915	(8,915)	-	50
51	Outreach and Education	4,381	227	4,608	51
52	Other (Fossil)	1,708	89	1,797	52
53	Outside Legal Services	1,612	84	1,696	53
54	Paving	1,833	95	1,928	54
55	Plant Component Upgrade	407	21	428	55
56	Power Your Way	1,622	(1,622)	-	56
57	Postage	13,266	813	14,079	57
58	Preventive Maintenance	1,091	376	1,467	58
59	RCA - Pension	(100,447)	100,447	-	59
60	RCA-Amort. of Hudson-Farragut	477	-	477	60
61	System Benefit Charge/Renewable Portfolio Standard	107,813	18,608	126,421	61
62	Real Estate Expense	986	51	1,037	62
63	Regulatory Commission Expense	30,615	(338)	30,277	63
64	Rents	53,284	10,931	64,215	64
65	Rents (ERRP)	75,143	(2,284)	72,859	65
66	Rents (Interdepartmental)	4,581	458	5,039	66
67	Research & Development	10,804	9,221	20,025	67
68	Stray Voltage	13,201	11,558	24,759	68
69	Scheduled Overhauls	1,725	2,719	4,444	69
70	Security	2,034	631	2,665	70
71	Shared Services	(8,484)	(440)	(8,924)	71
72	Steam Incident	4,208	(4,208)	-	72
73	Storm Reserve	8,791	(3,191)	5,600	73
74	Transformer Installations	91	5	96	74
75	Tree Trimming	14,940	1,443	16,383	75
76	Trenching	8,760	1,085	9,845	76
77	Uncollectible	49,923	2,149	52,072	77
78	Water	370	264	634	78
79	Water Chemicals	148	8	156	79
80	Other	46,581	26,071	72,652	80
81	Operating & Maintenance Expenses (Page 3)	<u>4,799,817</u>	<u>189,845</u>	<u>4,989,662</u>	81
82	Total Operating Revenues less Total Operation and Maintenance Expenses (Line 3 Minus Line 4)	<u>2,704,074</u>	<u>(74,903)</u>	<u>2,629,171</u>	82
	Other Operating Income Deductions				
83	Depreciation and Amortization	448,063	147,774	595,837	83
84	Taxes Other Than Income Taxes (Page 4)	1,018,305	187,024	1,205,329	84
85	Losses from Disposition of Utility Plant	-	-	-	85
86	Total Other Operating Income Deductions	<u>1,466,368</u>	<u>334,798</u>	<u>1,801,166</u>	86
87	Operating Income Before Income Taxes (Line 5 Minus Line 9)	<u>\$ 1,237,706</u>	<u>\$ (409,701)</u>	<u>\$ 828,005</u>	87

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ELECTRIC OTHER OPERATING REVENUES
12 MONTHS ENDED DECEMBER 31, 2007
ADJUSTED TO THE 12 MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

Line No.	Item	12 Months Ended 12/31/07 *	Changes to Reflect Conditions in Rate Year	12 Months Ending 3/31/10	Line No.
1	Miscellaneous Service Revenues	\$ 14,104	\$ (930)	\$ 13,174	1
2	Rent from Electric Property	17,899	(2,884)	15,015	2
3	Interdepartmental Rents	11,044	19	11,063	3
	<u>Other Electric Revenues:</u>				
4	Transmission of Energy	11,456	-	11,456	4
5	Transmission Service Charges	16,496	(16,496)	-	5
6	R & D Ventures	36	(36)	-	6
7	Purchased Capacity From Customers	607	(607)	-	7
8	Maint. of Interconnection Facilities	2,185	(2)	2,183	8
9	Excess Distribution Facilities	2,924	(365)	2,559	9
10	Late Payment Charges	21,631	4,119	25,750	10
11	CBS Outdoor Settlement	(600)	600	-	11
12	Meter Reading Services	3,402	(164)	3,238	12
13	The Learning Center Services	868	(99)	769	13
14	A&S Capitalized	5,803	(5,803)	-	14
15	Cablevision Settlement	2,300	(2,300)	-	15
16	Fuel Management Program	196	(62)	134	16
17	KeySpan Settlement	(101)	101	-	17
18	Proceeds from Sales of TCCs	60,000	90,000	150,000	18
19	NYPA Street Lighting Settlement	(74)	74	-	19
20	Time Warner Settlement	640	(640)	-	20
21	Sithe Agreement	2,269	(6)	2,263	21
22	POR Discount (Revenues from ESCO)	6,880	-	6,880	22
23	ESCOS/Marketers - Bills Charges (CUBS)	3,679	929	4,608	23
24	ADR Tax Benefits due to Customers	(2,566)	2,566	-	24
25	ERRP Maintenance Accounting	(2,607)	2,607	-	25
26	SO2 Allowance	-	5,700	5,700	26
	<u>Regulatory Accounting</u>				
27	T&D Expense Deferrals	186,746	(186,746)	-	27
28	NYS Tax Law Changes	14,011	(14,011)	-	28
29	Rate Increase Accrual	(29,991)	29,991	-	29
30	Retention of Property Tax Incentive	2,296	(2,296)	-	30
31	Demand Response Program	7,602	(7,602)	-	31
32	Retail Choice Program	536	(536)	-	32
33	Rate Case Deferrals	58,590	(58,590)	-	33
34	Amortization of the Sale of Chelsea Property	32,616	(32,616)	-	34
35	Amortization of I.P. Loss and WTC	107,693	(107,693)	-	35
36	Amortization of Divested Plants	3,171	(3,171)	-	36
37	Amortization of W24th Street Rental Income	804	(804)	-	37
38	Interference	(12,384)	12,384	-	38
39	Interest on Purchase of Receivables Program	3	(3)	-	39
40	System Benefits Charge - Deferral	7,678	(7,678)	-	40
41	DC Service Incentive	3,655	(3,655)	-	41
42	Intercompany Rents Re: 74/59th St. (Paid to Steam)	(4,400)	-	(4,400)	42
43	Low Income Program	4,485	(4,485)	-	43
44	TCC Auction Proceeds	81,306	(81,306)	-	44
45	Electric Service Reliability Penalty	(9,000)	9,000	-	45
46	Migration Incentive	(1,661)	1,661	-	46
47	Miscellaneous	(66)	66	-	47
48	Total Other Electric Revenues	589,114	(377,974)	211,140	48
49	Total Electric Other Operating Revenues	\$ 632,161	\$ (381,769)	\$ 250,392	49

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 ELECTRIC OPERATION AND MAINTENANCE EXPENSES
 FOR THE YEARS ENDED DECEMBER 2007 AND MARCH 2010
 (Thousands of Dollars)

LINE NO.		12 MONTHS ENDED DECEMBER 31, 2007	NORMALIZING ADJMTS	PROGRAM CHANGES	7.78% LABOR ESCAL	5.19% GENERAL ESCAL	ADJ.	12 MONTHS ENDING MARCH 31, 2010	LINE NO.
1	Fuel & Purchased Power	\$ 3,323,060	\$ -	\$ (71,979)	\$ -	\$ -	\$ (71,979)	\$ 3,251,081	1
2	Other Fuel Charges	-	-	-	-	-	-	-	2
3	Administrative Expenses Transferred - cr.	(148)	(7,779)	-	-	43	(7,779)	(7,927)	3
4	Inter-Util Agreement-Ramapo-O&R	827	-	-	-	12	12	240	4
5	Asbestos Removal	228	-	-	-	13	13	266	5
6	Bank Collection Fees	253	-	-	-	-	-	-	6
7	Benefit Cost - Program Change Labor	-	-	-	-	-	-	-	7
8	Betterment Program	1,835	-	-	-	95	95	1,930	8
9	Boiler Cleaning	124	-	350	-	25	375	499	9
10	Building Service/Facilities	9,279	-	10,389	-	1,021	11,410	20,689	10
11	Central Engineering-Administrative	24	-	-	-	1	1	25	11
12	Central Engineering-Distribution	499	-	-	-	26	26	525	12
13	Collection Agency Fees	1,944	-	-	-	101	101	2,045	13
14	Communications - Telephone	10,822	-	1,135	-	621	1,756	12,578	14
15	Other Compensation	5,724	-	-	-	297	297	6,021	15
16	Company Labor	481,297	7,307	40,631	41,175	-	89,113	570,410	16
17	AMR/AMI Saturation Savings	-	-	(722)	(56)	-	(778)	(778)	17
18	Consultants	10,331	-	2,480	-	665	3,145	13,476	18
19	Contract Labor	6,048	-	311	-	330	641	6,689	19
20	Corrective Maintenance	3,278	552	-	-	199	751	4,029	20
21	DC Incentive Program	2,600	(2,600)	-	-	-	(2,600)	-	21
22	Disposal of Obsolete M&S	5,772	-	-	-	300	300	6,072	22
23	DSM	95,181	-	(68,850)	-	-	(68,850)	26,331	23
24	Duplicate Misc. Charges	(20,742)	-	-	-	-	-	(20,742)	24
25	EDP Equipment Rentals & Mtce.	3,978	-	-	-	208	208	4,184	25
26	Electricity & Gas Used	637	-	64	-	64	64	701	26
27	Employee Pensions / OPEBS	94,496	-	17,683	-	-	17,683	112,179	27
28	Employee Welfare Expense - Net	94,668	(4,238)	20,987	-	-	16,749	111,417	28
29	Environmental Expenses	10,530	80	6,562	-	890	7,512	18,042	29
30	ERRP - Major Maintenance	4,692	-	2,600	-	-	2,600	7,292	30
31	Executive Incentive Plan	4,917	(4,917)	-	-	-	(4,917)	-	31
32	Facilities Maintenance	1,278	-	3,641	-	255	3,896	5,174	32
33	Financial Services	5,605	-	1,419	-	-	1,419	7,024	33
34	Gas Turbines	645	-	2,244	-	150	2,394	3,039	34
35	Information Resources	21,000	-	1,400	-	1,163	2,563	23,563	35
36	Informational Advertising	16,706	-	-	-	867	867	17,573	36
37	Injuries & Damages Reserve	46,854	-	(6,985)	-	2,069	(4,916)	41,938	37
38	Instit. Dues & Subscriptions	1,579	-	-	-	82	82	1,661	38
39	Insurance Premiums	21,926	-	8,975	-	-	8,975	30,901	39
40	Interference	51,482	-	40,001	-	4,747	44,748	96,230	40
41	Reserve for Contingencies	40,000	(40,000)	-	-	-	(40,000)	-	41
42	Corporate and Fiscal Expenses	4,114	-	-	-	214	214	4,328	42
43	Mobile Diesel Generators	6,201	-	-	-	322	322	6,523	43
44	Manhour Expense	46,196	-	34	-	2,399	2,433	48,629	44
45	Marshall's Fees	1,045	-	-	-	54	54	1,099	45
46	Materials & Supplies	22,657	-	3,112	-	1,337	4,449	27,106	46
47	RCA- MGP / Superfund	8,915	(8,915)	-	-	-	(8,915)	-	47
48	Outreach and Education	4,381	-	-	-	227	227	4,608	48
49	Other (Fossil)	1,708	-	-	-	89	89	1,797	49
50	Outside Legal Services	1,612	-	-	-	84	84	1,696	50
51	Paving	1,833	-	-	-	95	95	1,928	51
52	Plant Component Upgrade	407	-	-	-	21	21	428	52
53	Power Your Way	1,622	(1,622)	-	-	-	(1,622)	-	53
54	Postage	13,266	-	813	-	-	813	14,079	54
55	Preventive Maintenance	1,091	-	303	-	72	375	1,466	55
56	RCA - Pension	(100,447)	100,447	-	-	-	100,447	0	56
57	RCA-Amort. of Hudson-Farragut	477	-	-	-	-	-	477	57
58	System Benefit Charge/Renewable Portfolio Standard	107,813	-	18,608	-	-	18,608	126,421	58
59	Real Estate Expense	986	-	-	-	51	51	1,037	59
60	Regulatory Commission Expense	30,615	-	(1,832)	-	1,494	(338)	30,277	60
61	Rents	53,284	-	7,763	-	3,168	10,931	64,215	61
62	Rents (ERRP)	75,143	-	(2,284)	-	-	(2,284)	72,859	62
63	Rents (Interdepartmental)	4,581	-	458	-	-	458	5,039	63
64	Research & Development	10,804	-	8,196	118	907	9,221	20,025	64
65	Stray Voltage	13,201	-	10,337	-	1,222	11,559	24,780	65
66	Scheduled Overhauls	1,725	-	2,500	-	219	2,719	4,444	66
67	Security	2,034	-	499	-	131	630	2,664	67
68	Shared Services	(8,484)	-	-	-	(440)	(440)	(8,924)	68
69	Steam Incident	4,206	(4,206)	-	-	-	(4,206)	-	69
70	Storm Reserve	8,791	-	(3,191)	-	-	(3,191)	5,600	70
71	Transformer Installations	91	-	-	-	5	5	96	71
72	Tree Trimming	14,940	-	634	-	808	1,442	16,382	72
73	Trenching	8,760	-	600	-	486	1,086	9,846	73
74	Uncollectible	49,923	-	2,149	-	-	2,149	52,072	74
75	Water	370	-	264	-	-	264	634	75
76	Water Chemicals	146	-	-	-	8	8	154	76
77	Other	46,581	(3,178)	25,661	-	3,585	26,070	72,651	77
78	Total Operation & Maintenance Expenses	\$ 4,799,817	\$ 30,912	\$ 86,960	\$ 41,237	\$ 30,736	\$ 189,845	\$ 4,969,662	78

Consolidated Edison Company of New York, Inc.
 Electric Operation and Maintenance Expenses - Other
 for the Years Ended December 2007 and March 2010
 (\$000s)

EXHIBIT (AP-5)
 SCHEDULE 1
 PAGE 3A OF 6

Description	2007	Normalization	Program Change	5.19% General Escalation	Adj.	12 Months Ending March 31, 2010
Various Accounts Payable Items:						
Electric Parts, Repairs & Services	\$ 8,593	\$ -	\$ 2,475	\$ 574	\$ 3,049	\$ 11,642
Other Equipment, Parts, Repair & Services	2,862	-	130	155	285	3,147
Misc. Materials, Hardware, Parts & Supplies	4,525	-	1,133	294	1,427	5,952
Vehicle Mtce. Service & Other Transportation	2,095	-	172	118	290	2,385
Substation Equipment, Parts & Services	5,024	-	-	261	261	5,285
Training & Development	1,469	-	369	95	464	1,933
Audio & Visual	360	-	-	19	19	379
Printing Services	646	-	-	34	34	680
Programming Services	1,485	-	998	129	1,127	2,612
Rental Equipment - Other	1,979	-	-	103	103	2,082
Testing and Inspection	1,985	-	13,734	816	14,550	16,535
Subtotal	31,023	-	19,011	2,598	21,609	52,632
Normalizations:						
RMS Units Capitalized	2,354	(2,354)	-	-	(2,354)	-
Write-off Consulting Services	696	(696)	-	-	(696)	-
Write-off Misc Acct Receivable - Peekskill	484	(484)	-	-	(484)	-
Credit and Collection Activity	(358)	358	-	-	358	-
Subtotal	3,176	(3,176)	-	-	(3,176)	-
Other	12,382	-	6,650	987	7,637	20,019
Total Other	\$ 46,581	\$ (3,176)	\$ 25,661	\$ 3,585	\$ 26,070	\$ 72,651

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 ELECTRIC DEPRECIATION AND AMORTIZATION EXPENSE
 DECEMBER 2007 - MARCH 2008
 (Thousands of Dollars)

	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
Electric Plant Balance	\$ 326,424	\$ 328,001	\$ 329,844	\$ 330,478	\$ 333,742	\$ 336,286	\$ 340,641	\$ 342,220	\$ 343,206	\$ 346,624	\$ 356,208	\$ 361,414	\$ 367,528	\$ 367,528	\$ 368,348	\$ 370,564
Electric Steam Production	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229
Other Steam Production	14,378,394	14,453,112	14,522,774	14,617,889	14,720,685	15,052,898	15,154,095	15,239,651	15,329,565	15,400,810	15,514,006	15,612,411	15,621,659	15,901,736	15,976,207	16,078,125
Electric T&D	14,738,047	14,814,342	14,885,547	14,981,996	15,087,656	15,422,413	15,527,965	15,614,101	15,705,000	15,783,864	15,903,442	16,007,055	16,222,418	16,302,811	16,377,785	16,481,916
Total Electric Plant																
Composite Depreciation Rates																
Electric Steam Production	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%	0.2653%
Other Steam Production	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%
Electric T&D	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%	0.2113%
Electric Depreciation Expense																
Electric Steam Production	866	870	875	875	1,401	1,412	1,420	1,435	1,441	1,444	1,468	1,488	1,508	1,527	1,527	1,528
Other Production	30,382	30,539	30,687	30,878	34,479	34,717	35,487	35,721	35,917	36,125	36,282	36,554	36,782	37,287	37,452	37,625
Electric T&D	31,364	31,525	31,678	31,878	36,015	36,264	37,042	37,281	37,463	37,704	37,893	38,177	38,423	38,929	39,114	39,289
Total Electric Plant Depreciation																
Common Plant Balance	570,973	571,594	573,483	576,484	578,529	580,163	584,777	586,755	588,623	610,000	614,204	619,361	626,145	626,145	637,770	638,106
Building & Yards	220,296	221,960	222,275	224,350	225,960	228,010	230,081	231,661	234,649	238,251	241,267	243,688	252,183	252,424	251,621	255,320
Vehicles	37,074	38,814	38,505	38,259	35,987	35,751	35,505	35,249	35,030	34,840	34,629	34,377	34,385	34,177	33,918	33,725
Office Furniture	309,941	308,118	306,375	304,687	303,450	302,188	300,914	299,552	302,716	302,393	302,115	301,667	306,920	303,905	300,733	297,967
Computer	166,058	166,395	166,607	166,963	167,315	167,688	168,064	168,413	168,855	169,372	169,836	170,244	171,528	171,528	171,720	172,064
Communications - Subject to Depreciation																
- Embedded	5,764	5,734	5,694	5,681	5,681	5,648	5,632	5,614	5,611	5,620	5,620	5,612	5,593	5,651	5,593	5,555
Stores Equipment	66,607	66,787	66,814	66,957	69,239	69,478	69,720	69,925	70,258	60,695	61,058	61,346	62,407	62,509	62,470	62,614
Lab Equipment	6,165	6,457	6,575	6,920	7,205	7,548	7,891	8,188	8,634	9,175	9,641	10,032	11,202	11,518	11,675	12,039
Power Equipment	47,789	47,506	47,205	46,928	46,845	46,367	46,009	45,541	45,284	45,020	44,747	44,556	44,168	43,777	43,391	43,391
Shop Equipment	20,021	20,119	20,158	20,274	20,368	20,443	20,598	20,741	21,028	20,847	21,083	21,314	21,705	21,499	21,242	21,052
Misc. Equipment	14,569	14,939	15,333	15,933	16,533	17,133	17,733	18,333	18,933	19,533	20,133	20,733	21,333	21,933	22,533	23,133
Software Amortization	1,457,247	1,459,427	1,463,092	1,468,390	1,474,909	1,480,960	1,489,585	1,495,784	1,524,311	1,555,015	1,568,680	1,593,488	1,637,060	1,635,371	1,634,429	1,633,307
Total Common Plant																
Composite Depreciation Rates																
Building & Yards (2.6% annual)	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%	0.21670%
Vehicles (11.25% annual)	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%
Office Furniture (5.56% annual)	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%
Computer (11.88% annual)	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%
Communications (6.97% annual)	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%
Stores Equipment (4.75% annual)	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%
Lab Equipment (5.0% annual)	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%
Power Equipment (7.3% annual)	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%
Shop Equipment (5.28% annual)	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%
Misc. Equipment (5.0% annual)	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%
Software Amortization (14.43% annual)	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%
Common Depreciation Expense																
Building & Yards	1,237	1,289	1,243	1,537	1,543	1,543	1,547	1,560	1,565	1,570	1,627	1,638	1,652	1,697	1,697	1,701
Vehicles	2,065	2,081	2,084	2,103	2,116	2,116	2,138	2,157	2,174	2,200	2,234	2,262	2,285	2,364	2,364	2,361
Office Furniture - Normal Depreciation	172	171	169	168	167	166	164	163	162	161	161	160	159	159	158	157
- Amortization Ltd Plant	3,068	3,050	3,033	3,016	3,004	2,992	2,982	2,975	2,968	2,974	2,984	2,991	2,989	3,039	3,009	2,977
Computer	923	925	928	928	928	932	934	935	938	938	941	944	946	952	953	954
Stores Equipment - Normal Depreciation	23	23	23	23	22	22	22	22	22	22	22	22	22	22	22	22
- Amortization Ltd Plant	38	38	38	38	38	38	38	38	38	36	36	36	36	36	36	38
Lab Equipment - Normal Depreciation	244	244	244	246	246	247	245	245	245	251	253	254	256	260	260	260
- Amortization Ltd Plant	185	185	185	185	185	185	185	185	185	185	185	185	185	185	185	185
Power Equipment - Normal Depreciation	39	40	41	43	45	47	49	51	54	57	60	63	63	70	72	73
Shop Equipment - Normal Depreciation	210	209	208	205	204	203	203	202	202	199	198	198	197	198	198	194
- Amortization Ltd Plant	228	228	228	228	228	228	228	228	228	228	228	228	228	226	226	226
Misc. Equipment - Normal Depreciation	83	84	84	84	84	86	86	86	86	87	88	88	88	90	89	89
- Amortization Ltd Plant	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65
Software Amortization	146	159	164	222	262	295	328	380	468	488	531	587	652	849	857	860
Total Common Depreciation	8,998	9,014	9,038	9,363	9,416	9,464	9,519	9,583	9,765	9,895	9,992	10,088	10,486	10,486	10,468	10,455
Common Allocation to Electric (89%)	7,468	7,482	7,502	7,771	7,815	7,855	7,901	7,937	8,097	8,213	8,293	8,381	8,703	8,687	8,678	8,678
Depreciation on Electric Plant Above	31,965	31,978	31,978	36,015	36,264	36,264	37,042	37,483	37,704	37,893	38,178	38,424	38,424	39,289	39,289	39,289
Total Electric Depreciation	\$ 38,833	\$ 39,007	\$ 39,160	\$ 43,786	\$ 44,079	\$ 44,592	\$ 45,192	\$ 45,430	\$ 45,801	\$ 46,108	\$ 46,471	\$ 46,805	\$ 47,633	\$ 47,801	\$ 47,801	\$ 47,967

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ELECTRIC DEPRECIATION AND AMORTIZATION EXPENSE
APRIL 2009 - MARCH 2010
(Thousands of Dollars)

	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Total
Electric Plant Balance	\$ 371,124	\$ 373,586	\$ 376,550	\$ 377,841	\$ 377,841	\$ 380,566	\$ 386,566	\$ 391,107	\$ 400,581	\$ 401,866	\$ 402,442	\$ 403,012	
Electric Steam Production	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229	33,229
Other Production	16,190,817	16,321,695	16,425,617	16,507,904	16,598,113	16,677,416	16,755,505	16,891,761	17,012,761	17,091,650	17,165,004	17,256,690	
Electric T&D	16,585,170	16,728,521	16,834,337	16,917,637	17,008,964	17,091,211	17,205,280	17,316,097	17,446,671	17,526,745	17,600,675	17,702,931	
Total Electric Plant													17,792,931
Composite Depreciation Rates													
Electric Steam Production	0.3400%	0.3400%	0.3400%	0.3400%	0.3400%	0.3400%	0.3400%	0.3400%	0.3400%	0.3400%	0.3400%	0.3400%	0.3400%
Other Production	0.4000%	0.4000%	0.4000%	0.4000%	0.4000%	0.4000%	0.4000%	0.4000%	0.4000%	0.4000%	0.4000%	0.4000%	0.4000%
Electric T&D	0.2316%	0.2316%	0.2316%	0.2316%	0.2316%	0.2316%	0.2316%	0.2316%	0.2316%	0.2316%	0.2316%	0.2316%	0.2316%
Electric Depreciation Expenses													
Electric Steam Production	1,260	1,262	1,270	1,276	1,280	1,284	1,284	1,314	1,330	1,362	1,366	1,368	16,686
Other Production	133	133	133	133	133	133	133	133	133	133	133	133	1,333
Electric T&D	37,237	37,498	37,801	38,042	38,232	38,441	38,625	38,875	39,121	39,402	39,584	39,758	463,612
Total Electric Depreciation	38,530	38,993	39,204	39,451	39,645	39,858	40,052	40,322	40,584	40,897	41,083	41,253	479,674
Common Plant Balance													
Buildings & Yards	639,536	640,667	641,745	642,847	643,901	646,444	648,314	650,667	652,407	654,723	657,105	659,586	711,269
Vehicles	252,528	253,011	253,507	254,021	254,567	255,144	255,753	256,395	257,070	257,778	258,518	259,291	262,085
Office Furniture	33,515	33,322	33,130	32,928	32,761	32,628	32,471	32,283	32,146	32,005	31,859	31,712	32,104
Computer	285,215	282,615	280,011	287,307	284,952	283,027	280,976	278,867	279,917	279,770	277,362	276,378	276,378
Communications - Subject to Depreciation	172,369	172,711	173,055	173,374	173,679	174,253	174,678	175,062	175,493	175,249	174,489	173,616	
- Embedded	-	-	-	-	-	-	-	-	-	-	-	-	
Stores Equipment	6,513	6,475	6,438	6,397	6,368	6,349	6,323	6,290	6,252	6,205	6,168	6,131	5,247
Lab Equipment	62,710	62,851	62,994	63,108	63,225	63,367	63,509	63,687	63,872	64,073	64,289	64,530	64,530
Power Equipment	12,349	12,710	13,073	13,402	13,850	14,383	14,868	15,273	16,380	16,703	16,851	16,911	17,214
Shop Equipment	43,004	42,618	42,232	41,845	41,461	41,080	40,697	40,313	39,847	39,545	39,189	38,859	39,519
Misc. Equipment	20,843	20,662	20,462	20,260	20,097	19,966	19,810	19,633	19,467	19,298	19,126	18,952	19,002
Software Amortization	96,972	98,939	100,658	102,737	104,669	107,009	109,838	113,215	120,423	121,016	122,528	123,111	123,111
Total Common Plant	1,834,553	1,835,560	1,836,505	1,837,065	1,838,931	1,844,068	1,848,154	1,852,663	1,857,783	1,863,916	1,870,236	1,876,586	
Composite Depreciation Rates													
Buildings & Yards (2.6% annual)	0.26670%	0.26670%	0.26670%	0.26670%	0.26670%	0.26670%	0.26670%	0.26670%	0.26670%	0.26670%	0.26670%	0.26670%	0.26670%
Vehicles (0.93750% annual)	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%	0.93750%
Office Furniture (5.56% annual)	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%	0.46330%
Computer (11.88% annual)	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%	0.99000%
Communications (6.67% annual)	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%	0.55580%
Stores Equipment (4.75% annual)	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%	0.39580%
Lab Equipment (6.0% annual)	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%
Power Equipment (7.5% annual)	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%	0.62500%
Shop Equipment (5.28% annual)	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%	0.44000%
Misc. Equipment (5.0% annual)	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%	0.41670%
Software Amortization (14.43% annual)	1.06810%	1.06810%	1.06810%	1.06810%	1.06810%	1.06810%	1.06810%	1.06810%	1.06810%	1.06810%	1.06810%	1.06810%	1.06810%
Common Depreciation Expenses													
Buildings & Yards	1,702	1,705	1,709	1,712	1,714	1,717	1,724	1,729	1,735	1,741	1,747	1,753	1,886
Vehicles	2,366	2,367	2,372	2,377	2,380	2,388	2,402	2,412	2,419	2,426	2,431	2,438	2,458
Office Furniture - Normal Depreciation	156	155	154	153	153	152	151	150	150	150	150	150	149
Computer - Amortization Ltd Plant	2,458	2,423	2,374	2,324	2,274	2,224	2,174	2,124	2,074	2,024	1,974	1,924	1,874
Communications	855	855	855	852	852	852	852	852	852	852	852	852	852
Stores Equipment - Normal Depreciation	22	22	22	22	21	21	21	21	21	21	21	21	21
- Amortization Ltd Plant	38	38	38	38	38	38	38	38	38	38	38	38	304
Lab Equipment - Normal Depreciation	261	261	262	262	263	264	265	266	267	270	270	269	3,180
- Amortization Ltd Plant	185	185	185	185	185	185	185	185	185	185	185	185	2,220
Power Equipment	75	75	77	82	84	87	90	93	95	102	104	105	1,073
Shop Equipment	181	189	188	186	184	182	181	179	177	176	174	172	2,179
Normal Depreciation	228	228	228	228	228	228	228	228	228	228	228	228	2,272
Amortization Ltd Plant	88	87	86	85	84	84	83	82	82	82	82	82	1,008
Misc. Equipment - Normal Depreciation	65	65	65	65	65	65	65	65	65	65	65	65	780
Amortization Ltd Plant	889	814	934	954	974	994	1,019	1,047	1,083	1,119	1,155	1,181	12,312
Software Amortization	10,443	10,447	10,451	10,454	10,453	10,464	10,494	10,521	10,513	10,511	10,507	10,789	126,657
Total Common Depreciation	8,688	8,671	8,677	8,676	8,676	8,685	8,710	8,732	8,726	8,673	8,670	8,683	105,125
Common Allocation to Electric (83%)	38,530	38,993	39,205	39,451	39,645	39,858	40,052	40,323	40,584	40,897	41,083	41,253	479,674
Depreciation on Electric Plant Above	47,288	47,564	47,879	48,128	48,321	48,543	48,762	49,055	49,310	49,670	50,053	50,218	565,501
Total Electric Depreciation													1,045,175

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 TAXES OTHER THAN INCOME TAXES - ELECTRIC
 12 MONTHS ENDED DECEMBER 31, 2007
ADJUSTED TO THE 12 MONTHS ENDING MARCH 31, 2010
 (Thousands of Dollars)

Line No.	Item	12 Months Ended 12/31/07	Changes to Reflect Conditions in Rate Year	12 Months Ending 3/31/10	Line No.
	Property Taxes				
1	New York City	\$ 629,175	\$ 223,604	\$ 852,779	1
2	Upstate and Westchester	92,441	(9,015)	83,426	2
3	Property Tax Reconciliation Deferral	45,260	(45,260)	-	3
	Total Property Taxes	<u>766,876</u>	<u>169,329</u>	<u>936,205</u>	
4	Revenue Taxes	184,105	9,179	193,284	4
5	Payroll Taxes	45,385	7,980	53,365	5
6	Sales & Compensating Use Tax	(305)	305	-	6
7	Subsidiary Capital Tax	5,343	(114)	5,229	7
8	Receipts Tax	14,405	215	14,620	8
9	All Other Taxes	<u>2,496</u>	<u>130</u>	<u>2,626</u>	9
	Total Taxes Other than Income Taxes	<u>\$ 1,018,305</u>	<u>\$ 187,024</u>	<u>\$ 1,205,329</u>	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
COMPUTATION OF LABOR FACTOR TO BRING
THE TWELVE MONTHS ENDED DECEMBER 31, 2007 TO THE RATE YEAR
(Thousands of Dollars)

	Twelve Months Ended Dec 31, 2007	<u>Twelve Months Ending March 31, 2010</u>			
		<u>Without Productivity Savings</u>		<u>With Productivity Savings</u>	<u>Productivity Savings</u>
<u>Union Wages</u>					
Straight Time	\$ 543,380	\$ 594,782		\$ 584,414	\$ 10,368
Premium Time	26,703	29,037		28,384	653
Overtime	129,804	141,149		137,973	3,176
Total Union	699,887	764,968	9.3%	750,771	7.3% 14,197
 <u>Management Salaries</u>					
Straight Time	472,429	522,937		513,755	9,182
Compensatory Time	34,017	36,439		35,619	820
Total Management	506,446	559,376	10.5%	549,374	8.5% 10,002
 Total Salaries and Wages	<u>\$ 1,206,333</u>	<u>\$ 1,324,344</u>		<u>\$ 1,300,145</u>	<u>\$ 24,199</u>
 Percentage Increase - Rate Year Over Twelve Months Ended December 31, 2007		<u>9.78%</u>		<u>7.78%</u>	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
STRAIGHT TIME WAGES AND SALARIES

	Weekly	Without Productivity Management	Total	Weekly	With Productivity Management	Total
Number of Employees						
Actual on Roll with Pay for December 2007 excluding Summer Temps	9,127	4,670	13,797	9,127	4,670	13,797
Estimated Average Number of Employees on Roll with Pay during the Rate Year, excluding Summer Temps	9,127	4,670	13,797	8,968	4,588	13,556
Average Weekly Straight Time Wages and Monthly Management Salary During Rate Year	\$ 1,250 /Week	\$ 8,803 /Month		\$ 1,250 /Week	\$ 8,803 /Month	
Rate Year Straight Time Wages and Salaries (Thousands of Dollars)						
<u>Weekly</u>	\$ 1,250			\$ 1,250		
(X) 52 Weeks	52			52		
	65,024			65,024		
(X) No. of Employees			\$ 593,474			\$ 583,135
Total Weekly Straight Time Wages	9,127		1,308	8,968		1,279
Summer Temporary Employees			594,782			584,414
sub-total						
Management						
Average Monthly Straight Time Wages		\$ 8,803			\$ 8,803	
(X) 12 Months		12			12	
		105,640			105,640	
Variable pay	6.0%	6,338		6,338		
		111,978		111,978		
(X) No. of Employees		4,670		4,588		
Total Management Salaries		522,937		522,937		513,755
Total Straight Time Wages and Salaries			\$ 1,117,719			\$ 1,098,169

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
OTHER THAN STRAIGHT TIME WAGES AND SALARIES
 (Thousands of Dollars)

Weekly

Premium Time

Actual Twelve Months Ended December 31, 2007	\$ 26,703	
(X) Rate Year Factor	<u>108.74%</u>	
Rate Year Amount - without productivity savings		<u>\$ 29,037</u>
Rate Year Amount - with productivity savings		<u>\$ 28,384</u>

Overtime

Actual Twelve Months Ended December 31, 2007	\$ 129,804	
(X) Rate Year Factor	<u>108.74%</u>	
Rate Year Amount - without productivity savings		<u>\$ 141,149</u>
Rate Year Amount - with productivity savings		<u>\$ 137,973</u>

Summer Temporary

Actual Twelve Months Ended December 31, 2007	\$ 1,210	
(X) Rate Year Factor - 1.035 x 1.035 x 1.00875	<u>108.06%</u>	
Rate Year Amount - without productivity savings		<u>\$ 1,308</u>
Rate Year Amount - with productivity savings		<u>\$ 1,279</u>

Management

Compensatory Time

Actual Twelve Months Ended December 31, 2007	\$ 34,017	
(X) Rate Year Factor	<u>107.12%</u>	
Rate Year Amount - without productivity savings		<u>\$ 36,439</u>
Rate Year Amount - with productivity savings		<u>\$ 35,619</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
AVERAGE SALARY AND WAGES

<u>Weekly Employees</u>	<u>Per Week</u>	
Straight Time Average December 2007	\$ 1,149.95	
Est. average for March 2009	1,212.96	
Estimated Average Straight Time for the Rate Year		
April-09	1,212.96	
May-09	1,212.96	
June-09	1,212.96	
July-09 @ 3.5% wage award	1,255.41	
August-09	1,255.41	
September-09	1,255.41	
October-09 @ .7% progression	1,264.20	
November-09	1,264.20	
December-09	1,264.20	
January-10	1,264.20	
February-10 @ .6% progression	1,271.78	
March-10	<u>1,271.78</u>	
Rate Year Straight Time Average	<u>1,250.45</u>	
<u>Labor Factor</u>		
Rate Year Average less December 2007	<u>\$ 100.50</u>	
divided by December 2007		<u>8.74%</u>
<u>Management Employees</u>	<u>Per Month</u>	
Straight Time Average for December 2007	\$ 8,218.00	
Estimated April 2008 - 3.5% merit	8,505.63	
Estimated Average Straight Time for the Rate Year		
April-09 @ 3.5% merit	8,803.33	
May-09	8,803.33	
June-09	8,803.33	
July-09	8,803.33	
August-09	8,803.33	
September-09	8,803.33	
October-09	8,803.33	
November-09	8,803.33	
December-09	8,803.33	
January-10	8,803.33	
February-10	8,803.33	
March-10	<u>8,803.33</u>	
Rate Year Straight Time Average	<u>8,803.33</u>	
<u>Labor Factor</u>		
Rate Year Average less December 2007	<u>\$ 585.33</u>	
divided by December 2007		<u>7.12%</u>

**CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
STAFFING LEVELS FROM DECEMBER 2007 TO MARCH 2010**

	<u>%</u>	<u>Weekly</u>	<u>Management</u>	<u>Total</u>
Average with pay at December 2007		9,127	4,670	13,797
Forecast of Productivity - January to December 2008	1.00%	<u>(91)</u>	<u>(47)</u>	<u>(138)</u>
Average with pay at December 2008		9,036	4,623	13,659
Forecast of Productivity - January to March 2009	0.25%	<u>(23)</u>	<u>(12)</u>	<u>(35)</u>
Average with pay at March 2009		9,013	4,611	13,624
Forecast of Productivity - April 2009 to March 2010	1.00%	<u>(90)</u>	<u>(46)</u>	<u>(136)</u>
Average with pay at March 2010		8,923	4,565	13,488
Average March 2009 and March 2010		<u>8,968</u>	<u>4,588</u>	<u>13,556</u>

EXHIBIT __ (AP-5)
SCHEDULE 3

CONSOLIDATED EMERSON COMPANY OF NEW YORK, INC.
STATEMENT OF ELECTRIC COST ELEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2007
(Thousands of Dollars)

LINE NO.	(40) PRODUCTION		(43) TRANSMISSION		(44) DISTRIBUTION		(47) CUSTOMER		(49) ADMIN GENERAL	TOTAL	LINE NO.
	OPERATION	MAINTENANCE	OPERATION	MAINTENANCE	OPERATION	MAINTENANCE	ACCOUNTING	SERVICE			
1	3,304,427		6,110	10,823						3,320,060	1
2									(146)	1,417	2
3			531	296						827	3
4		97		124						228	4
5										263	5
6										1,835	6
7										9,270	7
8										1,050	8
9	124		1,450	1,471						3,094	9
10	1,174			3,137						5,311	10
11										24	11
12										460	12
13										1,844	13
14	141		82	4,807						5,026	14
15	18,216	10,428	37,888	25,897	110,460	85,823				1,172	15
16										663,378	16
17										481,287	17
18	39		141	767	1,339	109	122			7,432	18
19			295	1,891	1,056	2,812	43			6,048	19
20		3,378								3,276	20
21										5,772	21
22					2,800	5,770				8,572	22
23										95,181	23
24										(20,742)	24
25	115		20	1,188	199	242	880			3,879	25
26										637	26
27										84,498	27
28										84,688	28
29	1,425		709	3,228	2,298	2,879	48			10,030	29
30										4,882	30
31	8		(1)	(6)	12	(18)	(1)			4,917	31
32		1,002			25	202				1,205	32
33										5,905	33
34		645								6,548	34
35	888		3,779		2,975		1,128			12,259	35
36										18,708	36
37										4,854	37
38	223									4,854	38
39										1,579	39
40										21,528	40
41					1,454	47,525				51,482	41
42										40,000	42
43										4,114	43
44	27		4,085	5,580	8,201	17,555	100			48,188	44
45					17,001		1,048			1,048	45
46		1,272	217	1,802	6,898	10,148	1,858			22,857	46
47										6,915	47
48										1,708	48
49										1,833	49
50										1,812	50
51										1,833	51
52										407	52
53										1,422	53
54										13,226	54
55										1,051	55
56										(100,447)	56
57										107,477	57
58										107,477	58
59										30,815	59
60										83,264	60
61										75,143	61
62										4,591	62
63										13,204	63
64										13,204	64
65										1,725	65
66										2,034	66
67										(6,494)	67
68										8,393	68
69										8,791	69
70										91	70
71										14,940	71
72										8,790	72
73										48,760	73
74										370	74
75	370									146	75
76	146									146	76
77	488		2,708	8,812	145	7,977	5,146			48,581	77
										18,397	
										543,833	
										32,971	
										194,201	
										317,481	
										218,635	
										78,528	
										27,102	
										3,405,535	
										4,728,817	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
STATEMENT OF ELECTRIC COST ELEMENTS
YEAR-END TWELVE MONTHS ENDING MARCH 2010 VS TWELVE MONTHS ENDED DECEMBER 2007
(Thousands of Dollars)

LINE NO.	(40) PRODUCTION		(43) TRANSMISSION		(44) DISTRIBUTION		(47) CUSTOMER		(49) ADMIN GENERAL	TOTAL
	OPERATION	MAINTENANCE	OPERATION	MAINTENANCE	OPERATION	MAINTENANCE	ACCOUNTING	SERVICE		
1		(71,979)								(71,979)
2	Fuel & Purchased Power									
3	Other Fuel Charges									
4	Administrative Expenses Transferred - cr.								(7,778)	(7,778)
5	Electricity									
6	Administrative Expenses - Tempo-OR		28							28
7	Bank Collection Fees							13		13
8	Benefit Cost - Program Change Labor									
9	Benefit Cost - Program Change Labor									
10	Benefit Cost - Program Change Labor									
11	Benefit Cost - Program Change Labor									
12	Benefit Cost - Program Change Labor									
13	Benefit Cost - Program Change Labor									
14	Benefit Cost - Program Change Labor									
15	Benefit Cost - Program Change Labor									
16	Benefit Cost - Program Change Labor									
17	Benefit Cost - Program Change Labor									
18	Benefit Cost - Program Change Labor									
19	Benefit Cost - Program Change Labor									
20	Benefit Cost - Program Change Labor									
21	Benefit Cost - Program Change Labor									
22	Benefit Cost - Program Change Labor									
23	Benefit Cost - Program Change Labor									
24	Benefit Cost - Program Change Labor									
25	Benefit Cost - Program Change Labor									
26	Benefit Cost - Program Change Labor									
27	Benefit Cost - Program Change Labor									
28	Benefit Cost - Program Change Labor									
29	Benefit Cost - Program Change Labor									
30	Benefit Cost - Program Change Labor									
31	Benefit Cost - Program Change Labor									
32	Benefit Cost - Program Change Labor									
33	Benefit Cost - Program Change Labor									
34	Benefit Cost - Program Change Labor									
35	Benefit Cost - Program Change Labor									
36	Benefit Cost - Program Change Labor									
37	Benefit Cost - Program Change Labor									
38	Benefit Cost - Program Change Labor									
39	Benefit Cost - Program Change Labor									
40	Benefit Cost - Program Change Labor									
41	Benefit Cost - Program Change Labor									
42	Benefit Cost - Program Change Labor									
43	Benefit Cost - Program Change Labor									
44	Benefit Cost - Program Change Labor									
45	Benefit Cost - Program Change Labor									
46	Benefit Cost - Program Change Labor									
47	Benefit Cost - Program Change Labor									
48	Benefit Cost - Program Change Labor									
49	Benefit Cost - Program Change Labor									
50	Benefit Cost - Program Change Labor									
51	Benefit Cost - Program Change Labor									
52	Benefit Cost - Program Change Labor									
53	Benefit Cost - Program Change Labor									
54	Benefit Cost - Program Change Labor									
55	Benefit Cost - Program Change Labor									
56	Benefit Cost - Program Change Labor									
57	Benefit Cost - Program Change Labor									
58	Benefit Cost - Program Change Labor									
59	Benefit Cost - Program Change Labor									
60	Benefit Cost - Program Change Labor									
61	Benefit Cost - Program Change Labor									
62	Benefit Cost - Program Change Labor									
63	Benefit Cost - Program Change Labor									
64	Benefit Cost - Program Change Labor									
65	Benefit Cost - Program Change Labor									
66	Benefit Cost - Program Change Labor									
67	Benefit Cost - Program Change Labor									
68	Benefit Cost - Program Change Labor									
69	Benefit Cost - Program Change Labor									
70	Benefit Cost - Program Change Labor									
71	Benefit Cost - Program Change Labor									
72	Benefit Cost - Program Change Labor									
73	Benefit Cost - Program Change Labor									
74	Benefit Cost - Program Change Labor									
75	Benefit Cost - Program Change Labor									
76	Benefit Cost - Program Change Labor									
77	Benefit Cost - Program Change Labor									
	Total Operation & Maintenance Expenses	(71,979)	19,115	15,704	17,178	70,286	17,824	4,092	65,347	189,845

CONSOLIDATED ENERCON COMPANY OF NEW YORK, INC.
 TWELVE MONTHS ENDED DECEMBER 31, 2007 ACTUAL - ELECTRIC COST ELEMENTS
 PRODUCTION OPERATIONS - (40)
 (Thousands of Dollars)

LINE NO.	DESCRIPTION	(501)	(502)	(504)	(505)	(506)	(507)	(517)	(518.1)	(524)	(547)	(549)	(550)	(555)	(557)	TOTAL	LINE NO.
1	Fuel & Purchased Power	320,087							2,625		769					3,304,427	1
2	Other Fuel Charges																2
3	Administrative Expenses Transferred - or																3
4	Inter-User Agreements-Rampco-QSR																4
5	Abatement Removal																5
6	Contract Labor																6
7	Benefit Cost - Program Change Labor																7
8	Retirement Program																8
9	Boiler Cleaning																9
10	Building Service/Facilities	287				124										124	10
11	Central Engineering-Johnston's					484										1,174	11
12	General Engineering-Johnston's																12
13	Construction Management-Distribution																13
14	Collection Agency Fees					54										141	14
15	Communications - Telephone																15
16	Other Compensation																16
17	Contract Labor	12,287	5,287	(20)		2,388										18,216	17
18	Company Labor																18
19	Health Insurance Savings					25										39	19
20	Contract Labor																20
21	Corrective Maintenance																21
22	DC Incentive Program																22
23	Health or Obsolete M&S																23
24	Duplicate Misc. Charges																24
25	EDP Equipment Rentals & Misc	112				3										115	25
26	Electricity & Gas Used																26
27	Employee Payroll / OPEBS																27
28	Employee Welfare Expense - Net																28
29	Employee Welfare Expense - Net	1,202				220									3	1,425	29
30	ERP - Major Maintenance																30
31	Executive Incentive Plan	6														6	31
32	Facilities Maintenance																32
33	Financial Services																33
34	Gas Turbines																34
35	Information Systems																35
36	Information Advertising																36
37	Injuries & Damages Reserve																37
38	Inst. Dues & Subscriptions																38
39	Insurance Premiums																39
40	Leases																40
41	Leases																41
42	Corporate and Fiscal Expenses																42
43	Mobile Diesel Generators																43
44	Merchant's Fees	24				3										27	44
45	Merchant's Fees																45
46	Merchant's Fees																46
47	Merchant's Fees	12	(1)			78									1	98	47
48	Outreach and Education																48
49	Other (Fossil)																49
50	Outside Legal Services	(988)	708			467										398	50
51	Power																51
52	Power																52
53	Power-You Way																53
54	Pre-Inspection																54
55	Preventive Maintenance																55
56	RCA - Pension																56
57	RCA - Pension																57
58	System Benefit Charge/Nonreservable Portfolio Standard																58
59	Real Estate Expense																59
60	Regulatory Commission Expense																60
61	Rents																61
62	Rents (RRRP)																62
63	Rents (Leasehold)																63
64	Research & Development																64
65	Stim Voltage																65
66	Scheduled Overhaul																66
67	Security																67
68	Storm Reserves																68
69	Storm Reserves																69
70	Storm Reserves																70
71	Transformer Installation																71
72	Tree Trimming																72
73	Tree Trimming																73
74	Utilities																74
75	Water																75
76	Water																76
77	Water																77
78	Water																78
	Total	\$ 13,322	\$ 320,087	\$ 4,719	\$ (119)	\$ 545	\$ 4,478	\$ 78,920	\$ 2,625	\$ 799	\$ 799	\$ 2	\$ 2,880,818	\$ 1,845	\$ 89	\$ 3,405,835	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 TWELVE MONTHS ENDED DECEMBER 31, 2007 ACTUAL - ELECTRIC COST ELEMENTS
 PRODUCTION MAINTENANCE-(600)
 (Thousands of Dollars)

LINE NO.	DESCRIPTION	6811	6812	6813	6814	6820	6833	6854	TOTAL	LINE NO.
1	Fuel & Purchased Power									1
2	Other Fuel Charges									2
3	Administrative Expense Transferred - or									3
4	Reimbursed - or									4
5	Amortization-ORR									5
6	Asbestos Removal				81				81	6
7	Bank Collection Fee	1	4	1					6	7
8	Benefit Cost - Program Change Labor									8
9	Retirement Program									9
10	Buildings Services/Facilities	6							11	10
11	Central Engineering-Administrative									11
12	Central Engineering-Distribution									12
13	Collection Agency Fees	217							217	13
14	Communications - Telephones									14
15	Construction									15
16	Contract Labor	4,341	607	1,308	2,879	837	345		10,428	16
17	Consultants	3							3	17
18	Contract Maintenance	5	445	1,241	808	684			3,278	18
19	DC Voltage									19
20	Disposal of Obsolete M&S					1			1	20
21	DSM									21
22	Duckiana Misc. Charges									22
23	EDP Equipment Rentals & Misc.	80							80	23
24	Electricity & Gas Used									24
25	Employee Welfare Expenses - Net									25
26	Environmental Expenses	23					4,882		4,905	26
27	ERRP - Major Maintenance									27
28	Executive Incentive Plan	3	1,052						1,052	28
29	Financial Services									29
30	Gas Turbines					1	644		645	30
31	Information Resources									31
32	Informational Advertising									32
33	Items & Damages Incurred									33
34	Insurance Premiums									34
35	Insurance Premiums									35
36	Inference									36
37	Reserve for Contingencies									37
38	Corporate and Physical Expenses									38
39	Manufacturing Operations									39
40	Materials & Supplies	52	42	119	474	36	24		746	40
41	Materials & Supplies	182	368	287	376	75	4		1,272	41
42	Materials & Supplies									42
43	Materials & Supplies									43
44	Materials & Supplies									44
45	Materials & Supplies									45
46	Materials & Supplies									46
47	Materials & Supplies									47
48	Materials & Supplies									48
49	Materials & Supplies									49
50	Materials & Supplies									50
51	Materials & Supplies									51
52	Materials & Supplies									52
53	Materials & Supplies									53
54	Materials & Supplies									54
55	Materials & Supplies									55
56	Materials & Supplies									56
57	Materials & Supplies									57
58	Materials & Supplies									58
59	Materials & Supplies									59
60	Materials & Supplies									60
61	Materials & Supplies									61
62	Materials & Supplies									62
63	Materials & Supplies									63
64	Materials & Supplies									64
65	Materials & Supplies									65
66	Materials & Supplies									66
67	Materials & Supplies									67
68	Materials & Supplies									68
69	Materials & Supplies									69
70	Materials & Supplies									70
71	Materials & Supplies									71
72	Materials & Supplies									72
73	Materials & Supplies									73
74	Materials & Supplies									74
75	Materials & Supplies									75
76	Materials & Supplies									76
77	Materials & Supplies									77
78	Other									78
	Total	6,245	2,437	3,598	9,850	2,289	5,709		27,102	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 TWELVE MONTHS ENDED DECEMBER 31, 2007 ACTUAL - ELECTRIC COST ELEMENTS
 TRANSMISSION OPERATION - 453
 (Thousands of Dollars)

LINE NO.	P&C / AC (590)	(591)	(592)	(593)	(594)	(595)	(596)	(597)	TOTAL	LINE NO.
1	\$	8,110							8,110	1
2										2
3										3
4	199	372							571	4
5										5
6										6
7										7
8										8
9										9
10	377		1,053						1,430	10
11										11
12										12
13	82								82	13
14										14
15										15
16	8,070	11,440	1,328	278	1,328	141			37,869	16
17										17
18	13	128	20	245					141	18
19									285	19
20										20
21										21
22										22
23										23
24										24
25	11		9						20	25
26			28						28	26
27										27
28										28
29	654		46		9				709	29
30										30
31	(1)								(1)	31
32										32
33										33
34						3,779			3,779	34
35										35
36										36
37										37
38										38
39										39
40										40
41										41
42										42
43										43
44	3		4,254	73	356				4,686	44
45										45
46	41	1	160		16				217	46
47										47
48										48
49										49
50										50
51										51
52										52
53										53
54										54
55										55
56								477	477	56
57										57
58										58
59										59
60								17,448	17,448	60
61										61
62								4,558	4,558	62
63										63
64								2,408	2,408	64
65										65
66										66
67										67
68										68
69										69
70										70
71										71
72										72
73										73
74										74
75										75
76										76
77										77
78	683	(1)	1,857	137	28	(6)			2,708	78
	10,102	20,050	24,310	731	1,735	6,320	22,481	85,730		

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 TWELVE MONTHS ENDED DECEMBER 31, 2013
 TRANSMISSION MAINTENANCE - (53)
 (Thousands of Dollars)

LINE NO.	DESCRIPTION	P&C / AC (565)	(565)	(570)	(571)	(572)	(573)	(575)	TOTAL	LINE NO.
1	Fuel & Purchased Power								10,523	1
2	Other Fuel Charges								-	2
3	Other Expenses Transferred - c.								-	3
4	Int'l. Liab. Acct. - Rtnup-O&R			296					296	4
5	Asbestos Removal		67	37					124	5
6	Bank Collection Fees								-	6
7	Benefit Cost - Program Change Labor		36	1,435					1,471	7
8	Baler Cleaning		67	1			2,014		3,137	8
9	Building/Offices	1,055								9
10	Capital Expenditures-Administrative									10
11	Central Engineering-Distribution									11
12	Collection Agency Fees									12
13	Communications - Telephone	446	4,356	1					4,807	13
14	Other Compensation					6,327	4		6,331	14
15	Company Labor	1,303	6,001	11,116	810		340		26,897	15
16	Individual Saturation Savings									16
17	Contract Labor	20	22	628	31	12	73		787	17
18	Contract Labor	19	17	100	404	1,011			1,551	18
19	Corrective Maintenance									19
20	DC Incentive Program									20
21	Disposal of Obsolete M&S									21
22	DSM									22
23	Duplicate Misc. Charges	540	662	36			28		1,168	23
24	ERP - Equipment Rentals & Misc.									24
25	Employee Pension / OPEBS									25
26	Employee Pension / OPEBS									26
27	Employee Welfare Expense - Net									27
28	Environmental Expenses	1,145	95	170	96	1,787	1		3,296	28
29	Environmental Expenses									29
30	ERRP - Major Maintenance	(6)							(6)	30
31	Executive Incentive Plan									31
32	Facilities Maintenance									32
33	Facilities Maintenance									33
34	Gas Turbines									34
35	Information Resources									35
36	Informational Advertising									36
37	Injuries & Damages Reserve									37
38	Instr. Dues & Subscriptions									38
39	Insurance Premiums									39
40	Inventory									40
41	Reserve for Contingencies					2,103			2,103	41
42	Corporate and Fiscal Expenses									42
43	Mobile Diesel Generator									43
44	Manhour Expense	83	972	2,784	220	1,611			5,580	44
45	Messhall's Fees									45
46	Materials Supplies	36	270	685	27	682	2		1,602	46
47	Materials Supplies									47
48	Outreach and Education									48
49	Other (Fossil)									49
50	Outsided Legal Services		24		1	21			46	50
51	Paving									51
52	Plant Component Upgrade									52
53	Power Your Way									53
54	Prologis	2							2	54
55	Protective Maintenance									55
56	RCA - Pennon									56
57	RCA-Amort of Hudson-Fairguit									57
58	System Benefit Charge/Renewable Portfolio Standard									58
59	Real Estate Expense									59
60	Regulatory Commission Expense									60
61	Rentals (ERRP)									61
62	Rentals (ERRP)									62
63	Rentals (Interdepartmental)									63
64	Research & Development									64
65	Slurry Voltage									65
66	Scheduled Overhaul									66
67	Security Services									67
68	Steam Incident									68
69	Storm Reserve									69
70	Transformer Installations									70
71	Tree Trimming				1,842				1,842	71
72	Trenching				546	2,654			3,140	72
73	Truck									73
74	Truck									74
75	Water Chemicals									75
76	Water Chemicals									76
77	Other	2,285	1,845	4,145	614	(369)	291		8,612	77
78	Total	6,978	14,378	21,338	4,553	15,620	2,840	10,523	76,328	78

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 TWELVE MONTHS ENDED DECEMBER 31, 2014
 DISTRIBUTION MAINTENANCE (56)
 (Thousands of Dollars)

LINE NO.	DESCRIPTION	(580)	(581)	(582)	(583)	(584)	(585)	(586)	(587)	(588)	TOTAL	LINE NO.
1	Fuel & Purchased Power											1
2	Other Fuel Charges											2
3	Administrative Expenses Transferred - ct.											3
4	Inter-Utility Agreements - Ramapo-ODR											4
5	Asbestos Removal			7							7	5
6	Bank Collection Fees											6
7	Benevol. Cost. - Program Change Labor											7
8	Beitrament Program											8
9	Boiler Cleaning		26								26	9
10	Boiler Repairs/Facilities	644										10
11	Boiler Repairs/Equipment		12			24						11
12	Capital Engineering-Durham	338										12
13	Capital Engineering-Durham											13
14	Collection Agency Fees	153										14
15	Communications - Telephone											15
16	Other Compensation	11,792	2,776	6,717	16,862	7,540	2,688		403	1,779	86,622	16
17	Commodity Labor											17
18	Contract Labor	49	2	52	3						109	18
19	Contract Labor	1	32	12	969	1,388	118				2,612	19
20	Connective Maintenance											20
21	DC Incentive Program											21
22	Disposal of Obsolete M&S											22
23	DSM											23
24	Duplicate Misc. Charges	224	10	4							242	24
25	EDP Equipment Rentals & Misc.		1								3	25
26	Employee Incentive Plan											26
27	Employee Present / OPEBS											27
28	Employee Welfare Expense - Net											28
29	Environmental Expense	2	6	518		1,834	79	40			2,579	29
30	ERRP - Major Maintenance	(16)									(16)	30
31	Executive Incentive Plan											31
32	Facilities Maintenance											32
33	Facilities Maintenance					202					202	33
34	Gas Turbines											34
35	Information Resources				6,008	41,917					47,925	35
36	Informational Advertising											36
37	Injuries & Damages Receive											37
38	Insur. Dues & Subscriptions											38
39	Insurance Premiums											39
40	Inventory for Contingencies											40
41	Corporate and Fiscal Expenses											41
42	Mobile Diesel Generators											42
43	Marshall's Fees	31	694	1,737	4,290	7,649	1,931	689	107	458	17,569	43
44	Materials & Supplies	64	691	246	663	3,222	4,972	74	15	1	10,148	44
45	Rock-ROF / Superfund											45
46	Other (Fossil)											46
47	Outside Legal Services											47
48	Paving											48
49	Plant Components Upgrade											49
50	Power Year Warranty											50
51	Postage											51
52	Preventive Maintenance											52
53	RCA - Pension											53
54	RCA - Amort. of Hudson-Farragut											54
55	System Benefit Charge/Renewable Portfolio Standard											55
56	Real Estate Expense											56
57	Regulatory Commission Expense											57
58	Rentals (ERRP)	22									22	58
59	Rentals (ERRP)											59
60	Rentals (ERRP)											60
61	Research & Development											61
62	Research & Development											62
63	Research & Development											63
64	Research & Development											64
65	Scheduled Overhaul											65
66	Security											66
67	Shared Services											67
68	Storm Reserve											68
69	Storm Reserve											69
70	Transformer Installations											70
71	Tree Trimming			1	13,098	6,290	67	162			13,098	71
72	Trenching											72
73	Uncollectible											73
74	Water											74
75	Water Chemicals											75
76	Other											76
77	Total	1,672	914	988	3,191	(257)	634	359	26	7,977	217,481	77
78	Total	15,076	5,174	10,637	45,301	15,941	4,194	551	8,008	217,481	78	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 TWELVE MONTHS ENDED DECEMBER 31, 2007 ACTUAL - ELECTRIC COST ELEMENTS
 CUSTOMER ACCOUNTS - 677
 (Thousands of Dollars)

LINE NO.	PSC / AC (501)	(502)	(503)	(504)	(505)	TOTAL	LINE NO.
1							1
2							2
3							3
4							4
5							5
6			253			253	6
7							7
8							8
9							9
10	504	128	763			1,363	10
11							11
12							12
13	57	247	1,638		1	1,638	13
14			3,101			3,101	14
15							15
16	3,170	20,798	73,953		304	108,172	16
17							17
18	19	12	327		1	369	18
19		3	40			43	19
20							20
21							21
22							22
23							23
24							24
25	47	(14)	646		1	660	25
26	9	78	615			602	26
27							27
28							28
29							29
30	36	3	6			46	30
31							31
32							32
33							33
34							34
35							35
36							36
37							37
38							38
39							39
40							40
41							41
42							42
43							43
44							44
45							45
46							46
47							47
48							48
49							49
50							50
51							51
52							52
53							53
54							54
55							55
56							56
57							57
58							58
59							59
60							60
61							61
62							62
63							63
64							64
65							65
66							66
67							67
68							68
69							69
70							70
71							71
72							72
73							73
74							74
75							75
76							76
77							77
78							78
Total	346	2,259	5,522	19	48,923	8,148	Total
	6,245	30,103	107,556	373	48,923	184,201	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 TWELVE MONTHS ENDED DECEMBER 31, 2007 ACTUAL - ELECTRIC COST ELEMENTS
 CUSTOMER SERVICE (68)
 (Thousands of Dollars)

LINE NO.	DESCRIPTION	(809)	(810)	(811)	(812)	(816)	(817)	(818)	TOTAL	LINE NO.
1	Fuel & Purchased Power									1
2	Other Fuel Charges									2
3	Administrative Expense Transferred - cr.									3
4	Im-UIS Agreement-Ramapo-O&R									4
5	Abetox Removal									5
6	Bank Collection Fees									6
7	Business Card Program Change Labor									7
8	Boiler Cleaning									8
9	Building Service/Facilities		141		92				233	9
10	Central Engineering-Administrative									10
11	Central Engineering-Distribution									11
12	Collection Agency Fees		68		30				98	12
13	Communications - Telephone									13
14	Other Compensation	238	2,875		3,814				7,025	14
15	AMERICAN SALVATION SAVINGS		108		14				122	15
16	Contract Labor									16
17	Corrective Maintenance									17
18	DC Incentive Program									18
19	Disposal of Obsolete M&S									19
20	DSM		3,260						3,260	20
21	Duplicate Misc. Charges		2		17				19	21
22	EDP Equipment Rentals & Misc.									22
23	Employee Pension / OPEBS									23
24	Employee Welfare Expense - Net									24
25	Environmental Expenses									25
26	ERRP - Major Maintenance									26
27	Executive Incentive Plan	2							2	27
28	Facilities Maintenance									28
29	Financial Services									29
30	Information Resources			15,852					15,852	30
31	International Advertising									31
32	Injuries & Damages Reserve									32
33	Inst. Dues & Subscriptions									33
34	Insurance Premiums									34
35	Intelligence									35
36	Reserve for Contingencies									36
37	Corporate and Fiscal Expenses									37
38	Market Penetration		5						5	38
39	Marshall's Fees									39
40	Materials & Supplies		19	1					20	40
41	RCA - IJGP / Superfund				4,381				4,381	41
42	Outreach and Education									42
43	Other (Fossil)									43
44	Outside Legal Services									44
45	Power Your Way		674	6	642				1,022	45
46	Postage		61		11				72	46
47	Preventive Maintenance									47
48	RCA - Pension									48
49	System Benefit Charge/Renewable Portfolio Standard									49
50	Regulatory Commission Expense									50
51	Rents (ERRP)		8		2				10	51
52	Rents (Intergovernmental)									52
53	Research & Development									53
54	Stacy Voltage									54
55	Scheduled Overhaul									55
56	Steam Incident									56
57	Storm Reserve									57
58	Transformer Installations									58
59	Tree Trimming									59
60	Trenching									60
61	Unrecoverable									61
62	Water									62
63	Water Chemicals									63
64	Other									64
65	Total	238	7,322	15,859	9,552				32,971	65

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
TWELVE MONTHS ENDED DECEMBER 31, ANY FISCAL - ELECTRIC COST ELEMENTS
ADMINISTRATIVE AND GENERAL (68)
(Thousands of Dollars)

LINE NO.		(920)	(921)	(922)	(923)	(924)	(925)	(926.1)	(926.2)	(926)	(929)	(930.1)	(930.2)	(931.1)	(931.2)	TOTAL	LINE NO.
1	Fuel & Purchased Power																1
2	Other Fuel Charges																2
3	Administrative Expenses Transferred - cr.			(148)												(148)	3
4	Inter-Utility Agreement-Ramapo-QAR																4
5	Asbestos Removal																5
6	Bank Collection Fees																6
7	Benefit Cost - Program Change Labor																7
8	Benefit Cost - Program Change Labor																8
9	Boiler, Chemicals																9
10	Boiler, Chemicals																10
11	Building Services/Facilities																11
12	Central Engineering-Administrative																12
13	Central Engineering-Distribution																13
14	Communication Agency Fees																14
15	Communications - Telephone																15
16	Other Compensation																16
17	Contract Labor																17
18	AM/AMJ Station Savings																18
19	Consultants																19
20	Contract Labor																20
21	Corrective Maintenance																21
22	DC Incentive Program																22
23	Disposal of Obsolete M&S																23
24	DSM																24
25	Duplicate Misc. Charges																25
26	EOP Equipment Rentals & Misc.																26
27	Electricity - Other																27
28	Employee Pension (OPEBS)																28
29	Employee Welfare Expense - Net																29
30	Environmental Expenses																30
31	ERRP - Major Maintenance																31
32	Executive Incentive Plan																32
33	Facilities Maintenance																33
34	Financial Services																34
35	Gas Resources																35
36	Informational Advertising																36
37	Injuries & Damages Reserve																37
38	Inst. Dues & Subscriptions																38
39	Insurance Premiums																39
40	Inference																40
41	Reserve for Contingencies																41
42	Construction Material Expenses																42
43	Mobile Plant Generation																43
44	Manhour Expense																44
45	Manhour Expense																45
46	Materials & Supplies																46
47	RCA- MGF / Superfund																47
48	Outreach and Education																48
49	Other (Postal)																49
50	Printing																50
51	Legal Services																51
52	Plant Component Upgrades																52
53	Power You Way																53
54	Postage																54
55	Preventive Maintenance																55
56	RCA - Pension																56
57	Construction Material Expenses																57
58	Construction Material Expenses																58
59	Real Estate Expense																59
60	Regulatory Commission Expense																60
61	Rents																61
62	Rents (ERRP)																62
63	Rents (Infradepartmental)																63
64	Research & Development																64
65	Shareholder Outreach																65
66	Shareholder Outreach																66
67	Security																67
68	Shared Services																68
69	Storm Reserve																69
70	Storm Reserve																70
71	Transformer Installations																71
72	Tree Trimming																72
73	Trucking																73
74	Uncontrollable																74
75	Water																75
76	Water Chemicals																76
77	Other																77
78	Total	55,254	24,677	(61,048)	8,081	1,954	82,481	(5,951)	123,957	30,837	(20,742)	854	262,392	3,027	543,833	78	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 ELECTRIC COST ELEMENT
SUMMARY OF ELECTRIC CHANGES

(Thousands of Dollars)

<u>LINE NO.</u>	<u>MAG</u>	<u>DESCRIPTION</u>	<u>TWELVE MONTHS ENDED 12/31/2006</u>	<u>NORMALIZING ADJUSTMENTS</u>	<u>PROGRAM CHANGES</u>	<u>LABOR ESCALATION</u>	<u>GENERAL ESCALATION</u>	<u>TWELVE MONTHS ENDING 3/31/2009</u>	<u>LINE NO.</u>
		PRODUCTION EXPENSE							
1	40	OPERATION	\$ 3,405,535	\$ 126	\$ (73,618)	\$ 1,426	\$ 403	\$ 3,333,872	1
2	50	MAINTENANCE	27,102	-	10,284	811	1,020	39,217	2
		TRANSMISSION EXPENSE							
3	43	OPERATION	85,730	2,431	7,947	3,412	2,004	101,524	3
4	53	MAINTENANCE	76,328	1,505	10,809	2,432	2,432	93,506	4
		DISTRIBUTION EXPENSE							
5	44	OPERATION	216,636	(4,659)	47,000	10,131	6,390	275,498	5
6	54	MAINTENANCE	217,481	(4,206)	57,765	8,013	8,724	287,777	6
7	47	CUSTOMER ACCOUNTING	194,201	1,433	6,548	8,425	1,418	212,025	7
8	48	CUSTOMER SERVICE	32,971	(1,622)	3,821	722	1,171	37,063	8
9	49	ADMINISTRATIVE & GENERAL	543,833	35,904	16,405	5,866	7,172	609,180	9
10		TOTAL	\$ 4,799,817	\$ 30,912	\$ 86,960	\$ 41,238	\$ 30,735	\$ 4,989,662	10

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC PROGRAM CHANGES AND NORMALIZATIONS BY PROGRAMS
(\$000s)

EXHIBIT ____ (AP-5)
SCHEDULE 6
PAGE 2 OF 6

Allocations

<u>Network</u>	<u>Total</u>	<u>Electric</u>	
Automatic Transfer Switch Operator Replacement	\$ 900	\$ 900	
Dissolved Gas in Oil Analysis (DGOA)	196	196	
Electric Distribution Equipment Reconditioning & Repairs	325	325	
Network Transformer Vault Cleaning	6,836	6,836	
O&M Vault Repairs	1,958	1,958	
Total Network	10,215	10,215	(a)
<u>Non-Network</u>			
Danger Tree Removal	634	634	
3-Phase Gang Switch Inspection/ Repair Program	271	271	
Line Clearance Program	1,904	1,904	
Overhead Planning Group	163	163	
Double Wood Program	540	540	
Rear Lot Pole Elimination	1,437	1,437	
Total Non-Network	4,949	4,949	(b)
<u>Energy Efficiency</u>			
NAICS Code Append	(28)	(28)	
Area Profile System Program	100	75	
SMART Electric Technologies	592	592	
500 MW DSM Programs	1,562	1,562	
Total Energy Efficiency	2,226	2,201	(c)
<u>Public Safety</u>			
5 Year OH Inspection Program	3,226	3,226	
5-Year UG Structure Inspection Program	11,482	11,482	
Annual Stray Voltage Testing Program	1,538	1,538	
Electric Distribution Inspection System (EDIS) Improvements	200	200	
Mobile Stray Voltage Testing - Samoff Devices	9,754	9,754	
Central Quality Assurance	4,397	4,397	
Total Public Safety	30,597	30,597	(d)
<u>Engineering & Other Services</u>			
Establishment of a Regional Contractor Oversight / Review Group	237	237	
Electric Operations Process Management - EOPM	800	800	
Electric Operations Project Management	1,340	1,340	
Unit Substation Repairs and Inspection	1,097	1,097	
Accounting by Network	350	350	
COOP's	350	350	
Senior Civil Engineers	100	100	
Staffing Increase - DE	110	110	
RMS Response Group	1,820	1,820	
Electrical Engineering Support	1,896	1,896	
FIN Team- Programming Resources for Electric Operations	540	540	
Total Engineering & Other Services	8,640	8,640	(e)

(\$100*81.14% less 7.1%)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC PROGRAM CHANGES AND NORMALIZATIONS BY PROGRAMS
(\$000s)

EXHIBIT ____ (AP-5)
SCHEDULE 6
PAGE 3 OF 6

	<u>Total</u>		<u>Electric</u>	
<u>Energy Services</u>				
Customer Focused Service Ruling Program	\$ 226	(f)	\$ 226	
Customer Response Program	388		388	
Technical Support/NYC Regulatory Liaison Program	70		70	
Field Auditing & Quality Control Program	244		244	
Preconstruction Survey Work Program	196		196	
Mobile CSR Automation	275		275	
Engineering Contractor - Vendor Layouts	221		221	
Total Energy Services	<u>1,620</u>	(g)	<u>1,620</u>	
<u>Customer Operations (common)</u>				
Mandatory Hourly Pricing Expansion - Ongoing Support (Electric only)	316		316	
Credit and Collection Activity	1,748		1,433 *	(at 82%)
AMR - Accounts Payable	210		172	(at 82%)
AMR - Savings	(880)		(722)	(at 82%)
Call Center - CSRs	635		521	(at 82%)
Bill Redesign Program	1,854		1,520	(at 82%)
Customer Field Representatives - HR	476		390	(at 82%)
Storm Mobilization	1,061		870	(at 82%)
Power Your Way - Electric - Normalization	(1,622)		(1,622) *	
Total Customer Operations	<u>3,798</u>	(h)	<u>2,878</u>	
<u>Steam Operations</u>				
Water Usage	264		264	
Major Maintenance - ERRP	2,600		2,600	
Gas Turbine Maintenance Program	2,244		2,244	
Facilities Maintenance - Local Law 11	1,640		1,640	
Facilities Maintenance - ER Stack #3 & #4 Repairs	1,300		1,300	
Boiler Cleaning	350		350	
East River 6 Generator Rewind	2,500		2,500	
Total Steam Operations	<u>10,898</u>	(i)	<u>10,898</u>	
<u>Substation Operations</u>				
Flame Retardant Clothing	228		228	
Staffing for New Substation Facilities	4,897		4,897	
Staffing Augmentation for Existing Facilities	1,760		1,760	
Dynamic Feeder Rating System	130		130	
Facilities Betterment - Structural Integrity	2,475		2,475	
SF6 Gas Emissions Reduction Program	124		124	
Advanced Control Group - HMI/Digital Fiber Optics	830		830	
Telecommunications Conversion Digital Fiber Optics	216		216	
Field Operations Trainers	154		154	
Corrective Maintenance Normalization	1,400		1,400 *	
Bus Enclosure Reliability	498		498	
Total Substation Operations	<u>12,712</u>	(j)	<u>12,712</u>	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC PROGRAM CHANGES AND NORMALIZATIONS BY PROGRAMS
(\$000s)

EXHIBIT ___ (AP-5)
SCHEDULE 6
PAGE 4 OF 6

	<u>Total</u>	<u>Electric</u>	
<u>System & Transmission Operations</u>			
Manhole Inspections	\$ 497	\$ 497	
Feeder Emergencies	3,018	3,018	
Coating Refurbishment	1,027	1,027	
PFT Patrols - Environmental Program	600	600	
Overhead Line Inspections	133	133	
Tower Painting	140	140	
Conductor Repairs	220	220	
Training Specialist for TLM Training Programs	125	125	
Improve Overhead Transmission Restoration Capability	700	700	
Conductor Cart Training	75	75	
Live Line Maintenance Procedures	175	175	
Update Plan and Profile Drawings	50	50	
Install Bird Discouragers on Selected Portions of P & F Line	270	270	
Transmission Planning Studies	79	79	
Training for Emergency CIG	100	100	
ECC Trainer/Compliance Monitor	125	125	
Sequencing and Scheduling - Add 3rd District Operator	100	100	
Communication Infrastructure	543	543	
Normalized HR 14 Under Budget	2,322	2,322 *	
NERC and EMS Training	64	64	
ECC Facility Maintenance Costs	82	82	
Human Resource - 1 Hire - NYISO Functions	100	100	
AECC Equipment Support and Maintenance	298	298	
Transmission Reliability - Industry Group Fees	54	54	
EMS System License Maintenance	700	700	
Total System & Transmission Operations	11,597 (k)	11,597	
<u>Central Engineering</u>			
Studies, Inspections, Testing, Analysis and Support of Stations	3,000	3,000	
<u>Environment, Health & Safety</u>			
Labor - Normalization	900	575 *)
NYSDEC SPDES Fees	50	28) See back up
NYSDEC Hazardous Waste Fees and Surcharge Fees - Normalization	108	60 *) papers to
Climate Registry	75	44) program changes
Total Environment, Health & Safety	1,133	707	
Interference	27,458 (n)	27,458	
Interference - Lower Manhattan (WTC)	13,849 (n)	13,849	
<u>Emergency Management (common)</u>			
Audit Report Implementation Plan	2,458 (o)	1,959	(\$1,490*78.7% plus \$968*81.14%)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC PROGRAM CHANGES AND NORMALIZATIONS BY PROGRAMS
(\$000s)

EXHIBIT ____ (AP-5)
SCHEDULE 6
PAGE 5 OF 6

	<u>Total</u>		<u>Electric</u>	
<u>Security (common)</u>				
Security Operations Center - Central Monitoring Station	<u>\$ 800</u>	(p)	<u>\$ 645</u>	($\$650 \times 81.14\%$ plus $\$150 \times 78.7\%$)
<u>Research & Development</u>				
Administration Salaries	190		190	
Balance of Base Program	<u>8,006</u>		<u>8,006</u>	
Total Research & Development	<u>8,196</u>	(q)	<u>8,196</u>	
<u>Facilities Management</u>				
Betterment Programs - Various Facilities in Regions (common)	11,761	(r)	9,543	(at 81.14%)
Betterment Programs - Irving Place (common)	10,610	(s)	8,609	(at 81.14%)
Future Substation Facilities Costs	<u>701</u>	(t)	<u>701</u>	
Total Facilities Management	<u>23,072</u>		<u>18,853</u>	
<u>Human Resources (common)</u>				
Corporate Hiring and Career Path Training	3,349	(u)	2,647	($\$479 \times 81.14\%$ plus $\$2,870 \times 78.7\%$)
HR Strategy	763	(v)	600	(at 78.7%)
Strike Contingency Planning	1,400	(v)	379	($\$1,400 \times 81.14\% / 3$)
Payroll System - On-Going Support (common and O&R)	650	(v)	490	($\$650 \times 81.14\%$ less 7.1%)
Care Management	<u>601</u>	(v)	<u>488</u>	(at 81.14%)
Total Human Resources	<u>6,763</u>		<u>4,604</u>	
<u>Purchasing (common)</u>				
Single Entry Point Ordering System - Ariba	<u>150</u>	(w)	<u>122</u>	(at 81.14%)
<u>Information Resources (common)</u>				
Expand Programming Support	700		551	(at 78.7%)
Mainframe Costs	<u>346</u>		<u>281</u>	(at 81.14%)
Total Information Resources	<u>1,046</u>	(x)	<u>832</u>	
<u>Central Field Services</u>				
Vehicle Fuel Costs	<u>1,941</u>	(y)	<u>719</u>	(see back up papers)
<u>Public Affairs (common)</u>				
Human Resources - Normalization	<u>1,335</u>		<u>1,051</u>	* (at 78.7%)
<u>Finance-Tax/Rate Engineering/Strategic Planning</u>				
Load Diversity - Rate Engineering	94		94	
Additional HR (common and O&R)	555		406	($\$555 \times 78.7\%$ less 7.1%)
Strategic Planning - Consultants	800		615	($\$400 \times 81.14\%$ less 10.6%)+($\$400 \times 81.14\%$)
Normalization for HR (common/O&R and CEI)	<u>601</u>		<u>426</u>	* ($\$61+57$) $\times 78.7\%$ less 7.1%)+($\$483 \times 78.7\%$ less 10.6%)
Total Finance-Tax/Rate Engineering/Strategic Planning	<u>2,050</u>		<u>1,541</u>	
<u>Law (common and O&R)</u>				
Human Resources - Normalization	1,381		1,010	* ($\$1,381 \times 78.7\%$ less 7.1%)
Litigation System, Records Retention - 4 HR	425		311	($\$425 \times 78.7\%$ less 7.1%)
Additional HR - 4 HR	<u>470</u>		<u>343</u>	($\$470 \times 78.7\%$ less 7.1%)
Total Law	<u>2,276</u>		<u>1,664</u>	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC PROGRAM CHANGES AND NORMALIZATIONS BY PROGRAMS
(\$000s)

EXHIBIT ____ (AP-5)
SCHEDULE 6
PAGE 6 OF 6

	<u>Total</u>	<u>Electric</u>
Program Changes Above	184,606	174,852
Normalizations Above	8,173	6,655
Total Above Changes	<u>\$ 192,779</u>	<u>\$ 181,507</u>

Program Changes from Above		\$ 174,852
Plus Other Program Changes:		
Fuel and Purchased Power		(71,979)
A&S Transfer Credit		(3,767)
Interdepartmental Rents		458
Uncollectibles		2,149
Postage		813
Injuries & Damages		(6,985)
Insurance		8,975
Employee Welfare Expenses	(z)	16,527
Benefits for New Hires		6,553
Employee Pensions / OPEBS		15,590
Electricity & Gas Used		64
Financial Services		1,419
Regulatory Commission Expense		(1,832)
Rents - ERRP		(2,284)
Storm Reserve		(3,191)
System Benefits Charge/Retail Portfolio Standard		18,608
DSM		(68,850)
Consultants - PricewaterhouseCoopers		(160)
Subtotal		<u>(87,892)</u>
Total Program Changes per Exhibit ____ (AP-5), Schedule 8		<u>\$ 86,960</u>

Normalizations from Above*		\$ 6,655
Plus Other Normalizations:		
Long Island City Outage		(40,000)
A&S Overhead for 2004-2005 Overcapitalized Amounts		(7,779)
Write-off Deferred Balance for Consultants and Accounting Fees		(696)
Adjusting RMS Units Capitalized in '05/'06		(2,354)
Write-off Receivable from Peekskill Refuse Facility Fund		(484)
Employee Welfare Expenses		(4,238)
DC Incentive Program		(2,600)
Executive Incentive Plan		(4,917)
Rate Case Accounting - Pension/OPEBS		100,447
RCA-MGP/Superfund		(8,915)
Steam Incident		(4,206)
Subtotal		<u>24,258</u>
Total Normalizations per Exhibit ____ (AP-5), Schedule 7		<u>\$ 30,913</u>

Note: these program changes are also shown on the following exhibits:

- (a) Exhibit ____ (IIP-7)
- (b) Exhibit ____ (IIP-7)
- (c) Exhibit ____ (IIP-28)
- (d) Exhibit ____ (IIP-18)
- (e) Exhibit ____ (IIP-7)
- (f) Exhibit ____ (IIP-7)
- (g) Exhibit ____ (IIP-7)
- (h) Exhibit ____ (CO-1),(CO-3),(CO-5),(CO-16),(CO-18)
- (i) Exhibit ____ (EPP-2)
- (j) Exhibit ____ (IIP-3)
- (k) Exhibits ____ (IIP-5)
- (n) Exhibit ____ (MISP-1),(MISP-3)
- (o) Exhibit ____ (EMP-1)
- (p) Exhibit ____ (SSP-5)
- (q) Exhibit ____ (AK-1)
- (r) Exhibit ____ (SSP-3)
- (s) Exhibit ____ (SSP-2)
- (t) Exhibit ____ (SSP-4)
- (u) Exhibit ____ (SSP-10)
- (v) Exhibit ____ (SSP-11)
- (w) Exhibit ____ (SSP-13)
- (x) Exhibit ____ (SSP-8)
- (y) Exhibit ____ (SSP-6)
- (z) Exhibit ____ (HJR-1)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC NORMALIZING ADJUSTMENTS BY ELEMENT OF EXPENSE IN THE RATE YEAR
 (Thousands of Dollars)

LINE NO.	MAJOR ACCOUNT GROUP	A&G HEALTH INS. CAP.	COMPANY LABOR	LINE NO.
40	<u>PRODUCTION OPERATION</u>			
1	EH&S Labor		\$ 107	1
2	EH&S NYSDEC Hazardous Waste Fees			2
3	SUB-TOTAL		107	3
50	<u>PRODUCTION MAINTENANCE</u>			4
4				4
5	SUB-TOTAL		-	5
43	<u>TRANSMISSION OPERATION</u>			6
6	EH&S Labor		92	6
7	EH&S NYSDEC Hazardous Waste Fees			7
8	System & Transmission Operations		2,322	8
9	SUB-TOTAL		2,414	9
53	<u>TRANSMISSION MAINTENANCE</u>			10
10	Substation Operations		848	10
11	EH&S Labor		105	11
12	SUB-TOTAL		953	12
44	<u>DISTRIBUTION OPERATION</u>			13
13	EH&S Labor		271	13
14	EH&S NYSDEC Hazardous Waste Fees			14
15	RMS Units Capitalized			15
16	DC Service Incentive			16
17	SUB-TOTAL		271	17
54	<u>DISTRIBUTION MAINTENANCE</u>			18
18	Steam Incident			18
19	SUB-TOTAL		-	19
47	<u>CUSTOMER ACCOUNTS</u>			20
20	Credit and Collection Activity		1,075	20
21	SUB-TOTAL		1,075	21
48	<u>CUSTOMER SERVICE</u>			22
22	Power Your Way			22
23	SUB-TOTAL		-	23
49	<u>ADMINISTRATIVE & GENERAL</u>			24
24	A&G Expense Capitalized	(7,779)		24
25	Reserve for Contingencies			25
26	SRIP / DIP			26
27	Write-off Consulting Services			27
28	Write-off Misc Acct Receivable - Peekskill			28
29	Incentive Plan			29
30	RCA - MGP/Superfund			30
31	RCA - Employee Pensions			31
32	Finance		426	32
33	Public Affairs		1,051	33
34	Law		1,010	34
35	SUB-TOTAL	(7,779)	2,487	35
36	TOTAL	\$ (7,779)	\$ 7,307	36
	<u>SUMMARY</u>			
37	40 PRODUCTION OPERATION	\$ -	\$ 107	37
38	43 TRANSMISSION OPERATION	-	2,414	38
39	53 TRANSMISSION MAINTENANCE	-	953	39
40	44 DISTRIBUTION OPERATION	-	271	40
41	54 DISTRIBUTION MAINTENANCE	-	-	41
42	47 CUSTOMER ACCOUNTS	-	1,075	42
43	48 CUSTOMER SERVICE	-	-	43
44	49 ADMINISTRATIVE & GENERAL	(7,779)	2,487	44
45	TOTAL	\$ (7,779)	\$ 7,307	45

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC NORMALIZING ADJUSTMENTS BY ELEMENT OF EXPENSE IN THE RATE YEAR
 (Thousands of Dollars)

LINE NO.	MAJOR ACCOUNT GROUP	CORRECTIVE MAINTENANCE	DC INCENTIVE PROGRAM	EMPLOYEE WELFARE EXPENSE	ENVIRONMENTAL AFFAIRS	EXECUTIVE INCENTIVE PLAN	LINE NO.
40	<u>PRODUCTION OPERATION</u>						1
1	EH&S Labor				19		2
2	EH&S NYSDEC Hazardous Waste Fees				19		3
3	SUB-TOTAL	-	-	-	19	-	
50	<u>PRODUCTION MAINTENANCE</u>						4
4							5
5	SUB-TOTAL	-	-	-	-	-	
43	<u>TRANSMISSION OPERATION</u>						6
6	EH&S Labor				17		7
7	EH&S NYSDEC Hazardous Waste Fees				17		8
8	System & Transmission Operations				17		9
9	SUB-TOTAL	-	-	-	17	-	
53	<u>TRANSMISSION MAINTENANCE</u>						10
10	Substation Operations	552					11
11	EH&S Labor						12
12	SUB-TOTAL	552	-	-	-	-	
44	<u>DISTRIBUTION OPERATION</u>						13
13	EH&S Labor				24		14
14	EH&S NYSDEC Hazardous Waste Fees				24		15
15	RMS Units - Capitalized						16
16	DC Service Incentive		(2,600)				17
17	SUB-TOTAL	-	(2,600)	-	24	-	
54	<u>DISTRIBUTION MAINTENANCE</u>						18
18	Steam Incident						19
19	SUB-TOTAL	-	-	-	-	-	
47	<u>CUSTOMER ACCOUNTS</u>						20
20	Credit and Collection Activity						21
21	SUB-TOTAL	-	-	-	-	-	
48	<u>CUSTOMER SERVICE</u>						22
22	Power Your Way						23
23	SUB-TOTAL	-	-	-	-	-	
49	<u>ADMINISTRATIVE & GENERAL</u>						24
24	A&G Expense Capitalized						25
25	Reserve for Contingencies						26
26	SRIP / DIP			(4,238)			27
27	Write-off Consulting Services						28
28	Write-off Misc Acct Receivable - Peekskill					(4,917)	29
29	Incentive Plan						30
30	RCA - MGP/Superfund						31
31	RCA - Employee Pensions						32
32	Finance						33
33	Public Affairs						34
34	Law						35
35	SUB-TOTAL	-	-	(4,238)	-	(4,917)	
36	TOTAL	\$ 552	\$ (2,600)	\$ (4,238)	\$ 60	\$ (4,917)	36
37	<u>SUMMARY</u>						37
38	40 PRODUCTION OPERATION	\$ -	\$ -	\$ -	\$ 19	\$ -	38
39	43 TRANSMISSION OPERATION	-	-	-	17	-	39
40	53 TRANSMISSION MAINTENANCE	552	-	-	-	-	40
41	44 DISTRIBUTION OPERATION	-	(2,600)	-	24	-	41
42	54 DISTRIBUTION MAINTENANCE	-	-	-	-	-	42
43	47 CUSTOMER ACCOUNTS	-	-	-	-	-	43
44	48 CUSTOMER SERVICE	-	-	-	-	-	44
45	49 ADMINISTRATIVE & GENERAL	-	-	(4,238)	-	(4,917)	45
45	TOTAL	\$ 552	\$ (2,600)	\$ (4,238)	\$ 60	\$ (4,917)	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC NORMALIZING ADJUSTMENTS BY ELEMENT OF EXPENSE IN THE RATE YEAR
 (Thousands of Dollars)

LINE NO.	MAJOR ACCOUNT GROUP	RESERVE FOR CONTINGENCIES	RCA MGP SUPERFUND	POWER YOUR WAY	RCA PENSIONS	LINE NO.
40	<u>PRODUCTION OPERATION</u>					1
1	EH&S Labor					2
2	EH&S NYSDEC Hazardous Waste Fees					3
3	SUB-TOTAL	-	-	-	-	
50	<u>PRODUCTION MAINTENANCE</u>					4
4						5
5	SUB-TOTAL	-	-	-	-	
43	<u>TRANSMISSION OPERATION</u>					6
6	EH&S Labor					7
7	EH&S NYSDEC Hazardous Waste Fees					8
8	System & Transmission Operations					9
9	SUB-TOTAL	-	-	-	-	
53	<u>TRANSMISSION MAINTENANCE</u>					10
10	Substation Operations					11
11	EH&S Labor					12
12	SUB-TOTAL	-	-	-	-	
44	<u>DISTRIBUTION OPERATION</u>					13
13	EH&S Labor					14
14	EH&S NYSDEC Hazardous Waste Fees					15
15	RMS Units Capitalized					16
16	DC Service Incentive					17
17	SUB-TOTAL	-	-	-	-	
54	<u>DISTRIBUTION MAINTENANCE</u>					18
18	Steam Incident					19
19	SUB-TOTAL	-	-	-	-	
47	<u>CUSTOMER ACCOUNTS</u>					20
20	Credit and Collection Activity					21
21	SUB-TOTAL	-	-	-	-	
48	<u>CUSTOMER SERVICE</u>					22
22	Power Your Way			(1,622)		23
23	SUB-TOTAL	-	-	(1,622)	-	
49	<u>ADMINISTRATIVE & GENERAL</u>					24
24	A&G Expense Capitalized					25
25	Reserve for Contingencies	(40,000)				26
26	SRIP / DIP					27
27	Write-off Consulting Services					28
28	Write-off Misc Acct Receivable - Peekskill					29
29	Incentive Plan					30
30	RCA - MGP/Superfund		(8,915)			31
31	RCA - Employee Pensions				100,447	32
32	Finance					33
33	Public Affairs					34
34	Law					35
35	SUB-TOTAL	(40,000)	(8,915)	-	100,447	
36	TOTAL	\$ (40,000)	\$ (8,915)	\$ (1,622)	\$ 100,447	36
37	<u>SUMMARY</u>					37
37	40 PRODUCTION OPERATION	\$ -	\$ -	\$ -	\$ -	38
38	43 TRANSMISSION OPERATION	-	-	-	-	39
39	53 TRANSMISSION MAINTENANCE	-	-	-	-	40
40	44 DISTRIBUTION OPERATION	-	-	-	-	41
41	54 DISTRIBUTION MAINTENANCE	-	-	-	-	42
42	47 CUSTOMER ACCOUNTS	-	-	-	-	43
43	48 CUSTOMER SERVICE	-	-	(1,622)	-	44
44	49 ADMINISTRATIVE & GENERAL	(40,000)	(8,915)	-	100,447	
45	TOTAL	\$ (40,000)	\$ (8,915)	\$ (1,622)	\$ 100,447	45

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC NORMALIZING ADJUSTMENTS BY ELEMENT OF EXPENSE IN THE RATE YEAR
(Thousands of Dollars)

LINE NO.	MAJOR ACCOUNT GROUP	STEAM INCIDENT	OTHER	TOTAL	LINE NO.
40	<u>PRODUCTION OPERATION</u>				
1	EH&S Labor			\$ 107	1
2	EH&S NYSDEC Hazardous Waste Fees			19	2
3	SUB-TOTAL	-	-	126	3
50	<u>PRODUCTION MAINTENANCE</u>			-	4
4					
5	SUB-TOTAL	-	-	-	5
43	<u>TRANSMISSION OPERATION</u>				
6	EH&S Labor			92	6
7	EH&S NYSDEC Hazardous Waste Fees			17	7
8	System & Transmission Operations			2,322	8
9	SUB-TOTAL	-	-	2,431	9
53	<u>TRANSMISSION MAINTENANCE</u>				
10	Substation Operations			1,400	10
11	EH&S Labor			105	11
12	SUB-TOTAL	-	-	1,505	12
44	<u>DISTRIBUTION OPERATION</u>				
13	EH&S Labor			271	13
14	EH&S NYSDEC Hazardous Waste Fees			24	14
15	RMS Units Capitalized		(2,354)	(2,354)	15
16	DC Service Incentive			(2,600)	16
17	SUB-TOTAL	-	(2,354)	(4,659)	17
54	<u>DISTRIBUTION MAINTENANCE</u>				
18	Steam Incident	(4,206)		(4,206)	18
19	SUB-TOTAL	(4,206)	-	(4,206)	19
47	<u>CUSTOMER ACCOUNTS</u>				
20	Credit and Collection Activity		358	1,433	20
21	SUB-TOTAL	-	358	1,433	21
48	<u>CUSTOMER SERVICE</u>				
22	Power Your Way			(1,622)	22
23	SUB-TOTAL	-	-	(1,622)	23
49	<u>ADMINISTRATIVE & GENERAL</u>				
24	A&G Expense Capitalized			(7,779)	24
25	Reserve for Contingencies			(40,000)	25
26	SRIP / DIP			(4,238)	26
27	Write-off Consulting Services		(696)	(696)	27
28	Write-off Misc Acct Receivable - Peekskill		(484)	(484)	28
29	Incentive Plan			(4,917)	29
30	RCA - MGP/Superfund			(8,915)	30
31	RCA - Employee Pensions			100,447	31
32	Finance			426	32
33	Public Affairs			1,051	33
34	Law			1,010	34
35	SUB-TOTAL	-	(1,180)	35,904	35
36	TOTAL	\$ (4,206)	\$ (3,176)	\$ 30,912	36
37	<u>SUMMARY</u>				
37	40 PRODUCTION OPERATION	\$ -	\$ -	\$ 126	37
38	43 TRANSMISSION OPERATION	-	-	2,431	38
39	53 TRANSMISSION MAINTENANCE	-	-	1,505	39
40	44 DISTRIBUTION OPERATION	-	(2,354)	(4,659)	40
41	54 DISTRIBUTION MAINTENANCE	(4,206)	-	(4,206)	41
42	47 CUSTOMER ACCOUNTS	-	358	1,433	42
43	48 CUSTOMER SERVICE	-	-	(1,622)	43
44	49 ADMINISTRATIVE & GENERAL	-	(1,180)	35,904	44
45	TOTAL	\$ (4,206)	\$ (3,176)	\$ 30,912	45

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 SUMMARY OF ELECTRIC PROGRAM CHANGES BY ELEMENT OF EXPENSE IN THE RATE YEAR
 (Thousands of Dollars)

LINE NO.	MAJOR ACCOUNT GROUP	FUEL	BOILER CLEANING	BUILDING SERVICE	COMMUNICATIONS TELEPHONE	COMPANY LABOR	AMR SAVINGS	CONSULTANTS	CONTRACT LABOR	LINE NO.
40	PRODUCTION OPERATION									1
1	Fuel	(71,979)								2
2	Steam Operations		350							3
3	Rents - ERRP									4
4	EH&S - Climate Registry									5
5	EH&S - NYSDEC SPDES Fees									6
6	SUB-TOTAL	(71,979)	350							
50	PRODUCTION MAINTENANCE									7
7	Steam Operations									8
8	SUB-TOTAL									
43	TRANSMISSION OPERATION									9
9	Research and Development									10
10	System & Transmission Operations				543	880				11
11	EH&S - Climate Registry									12
12	EH&S - NYSDEC SPDES Fees									13
13	Interdepartmental Rents									14
14	Substation Operations					2,692				15
15	SUB-TOTAL				543	3,572				
53	TRANSMISSION MAINTENANCE									16
16	System & Transmission Operations					3,185				17
17	Substation Operations					1,220				18
18	SUB-TOTAL					4,405				
44	DISTRIBUTION OPERATION									19
19	Non-Network									20
20	Research and Development									21
21	Public Safety					10,318		200		22
22	Engineering & Other Services					6,619				23
23	Storm Reserve									24
24	Substation Operations				216	2,519				25
25	Load Diversity & Profiling									26
26	Central Engineering									27
27	EH&S - Climate Registry									28
28	EH&S - NYSDEC SPDES Fees									29
29	SUB-TOTAL				216	19,456		200		
54	DISTRIBUTION MAINTENANCE									30
30	Network					2,637				31
31	Non-Network					845				32
32	Engineering & Other Services					1,637				33
33	Interference					1,306				34
34	Interference - Lower Manhattan (WTC)									35
35	Substation Operations					743				36
36	SUB-TOTAL					7,168				
47	CUSTOMER ACCOUNTS									37
37	Uncollectibles									38
38	Customer Operations				316	1,762				39
39	Research and Development						(722)			40
40	AMR Savings									41
41	Postage									42
42	SUB-TOTAL				316	1,762	(722)			
48	CUSTOMER SERVICE									43
43	Emergency Response							221		44
44	Energy Services					1,124		1,022		45
45	Energy Efficiency					1,122				46
46	SUB-TOTAL					2,246		1,243		
49	ADMINISTRATIVE & GENERAL									47
47	Injuries & Damages									48
48	Insurance									49
49	Employee Welfare Expenses									50
50	Fringe Benefits - New Employees									51
51	Financial Services									52
52	Employee Pensions / OPEBS									53
53	Electricity & Gas Used									54
54	Regulatory Commission							(160)		55
55	PricewaterhouseCoopers									56
56	DSM									57
57	Security - Central Monitoring System					146				58
58	SBC / RPS									59
59	Facilities Programs			10,389						60
60	Human Resources					2,859		379	311	61
61	Purchasing - Single Entry Point Ordering System									62
62	Information Resources Programs					551				63
63	Audit Report Implementation Plan (EM)					1,173		203		64
64	Load Diversity & Profiling (RE)				60					65
65	VMS Fuel Cost									66
66	Research and Development							615		67
67	Finance					406				68
68	Law					654				69
69	A&S Transfer Credit					(3,767)				70
70	SUB-TOTAL			10,389	60	2,022		1,037	311	
71	TOTAL	\$ (71,979)	\$ 350	\$ 10,389	\$ 1,135	\$ 40,631	\$ (722)	\$ 2,480	\$ 311	71
72	SUMMARY									72
73	40 PRODUCTION OPERATION	\$ (71,979)	\$ 350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	73
74	50 PRODUCTION MAINTENANCE	-	-	-	-	-	-	-	-	74
75	43 TRANSMISSION OPERATION	-	-	-	543	3,572	-	-	-	75
76	53 TRANSMISSION MAINTENANCE	-	-	-	-	4,405	-	-	-	76
77	44 DISTRIBUTION OPERATION	-	-	-	216	19,456	-	200	-	77
78	54 DISTRIBUTION MAINTENANCE	-	-	-	-	7,168	-	-	-	78
79	47 CUSTOMER ACCOUNTS	-	-	-	316	1,762	(722)	-	-	79
80	48 CUSTOMER SERVICE	-	-	-	-	2,246	-	1,243	-	80
81	49 ADMINISTRATIVE & GENERAL	-	-	10,389	60	2,022	-	1,037	311	81
81	TOTAL	\$ (71,979)	\$ 350	\$ 10,389	\$ 1,135	\$ 40,631	\$ (722)	\$ 2,480	\$ 311	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 SUMMARY OF ELECTRIC PROGRAM CHANGES BY ELEMENT OF EXPENSE IN THE RATE YEAR
 (Thousands of Dollars)

LINE NO.	MAJOR ACCOUNT GROUP	DSM	ELECTRICITY & GAS USED	EMPLOYEE PENSIONS	EMPLOYEE WELFARE EXPENSE	ENVIRONMENTAL EXPENSES	ERRP	FACILITIES MAINTENANCE	FINANCIAL SERVICES	GAS TURBINES	INFORMATION RESOURCES	LINE NO.
40	PRODUCTION OPERATION											1
1	Fuel											2
2	Steam Operations											3
3	Rents - ERRP					22						4
4	EH&S Climate Registry					9						5
5	EH&S - NYSDEC SPDES Fees					31						6
6	SUB-TOTAL											7
50	PRODUCTION MAINTENANCE						2,600	2,940		2,244		8
7	Steam Operations						2,600	2,940		2,244		8
8	SUB-TOTAL											9
43	TRANSMISSION OPERATION											10
9	Research and Development											10
10	System & Transmission Operations					10						11
11	EH&S Climate Registry					8						12
12	EH&S - NYSDEC SPDES Fees											13
13	Interdepartmental Rents											14
14	Substation Operations					18						15
15	SUB-TOTAL											16
53	TRANSMISSION MAINTENANCE					480						17
16	System & Transmission Operations					480						17
17	Substation Operations											18
18	SUB-TOTAL											19
44	DISTRIBUTION OPERATION											20
19	Non-Network											20
20	Research and Development											21
21	Public Safety											22
22	Engineering & Other Services											23
23	Storm Reserve											24
24	Substation Operations											25
25	Load Diversity & Profiling											26
26	Central Engineering					12						27
27	EH&S Climate Registry					11						28
28	EH&S - NYSDEC SPDES Fees					23						29
29	SUB-TOTAL											30
54	DISTRIBUTION MAINTENANCE					6,010						31
30	Network					6,010						31
31	Non-Network											32
32	Engineering & Other Services											33
33	Interference											34
34	Interference - Lower Manhattan (WTC)											35
35	Substation Operations											36
36	SUB-TOTAL											37
47	CUSTOMER ACCOUNTS											38
37	Uncollectibles										629	38
38	Customer Operations											39
39	Research and Development											40
40	AMR Savings											41
41	Postage										629	42
42	SUB-TOTAL											43
48	CUSTOMER SERVICE											44
43	Emergency Response											44
44	Energy Services											45
45	Energy Efficiency											46
46	SUB-TOTAL											47
49	ADMINISTRATIVE & GENERAL											48
47	Injuries & Damages											48
48	Insurance				16,527							49
49	Employee Welfare Expenses				4,460							50
50	Fringe Benefits - New Employees			2,093					1,419			51
51	Financial Services											52
52	Employee Pensions / OPEBS			15,590								53
53	Electricity & Gas Used		64									54
54	Regulatory Commission											55
55	PricewaterhouseCoopers											56
56	DSM	(68,850)										57
57	Security - Central Monitoring System											58
58	SBC / RPS							701				59
59	Facilities Programs										490	60
60	Human Resources											61
61	Purchasing - Single Entry Point Ordering System										281	62
62	Information Resources Programs											63
63	Audit Report Implementation Plan (EM)											64
64	Load Diversity & Profiling (RE)											65
65	VMS Fuel Cost											66
66	Research and Development											67
67	Finance											68
68	Law											69
69	A&S Transfer Credit							701	1,419			70
70	SUB-TOTAL	(68,850)	64	17,683	20,987			701	1,419			71
71	TOTAL	\$ (68,850)	\$ 64	\$ 17,683	\$ 20,987	\$ 6,562	\$ 2,600	\$ 3,641	\$ 1,419	\$ 2,244	\$ 1,400	71
	SUMMARY											72
72	40 PRODUCTION OPERATION	\$ -	\$ -	\$ -	\$ -	31	\$ -	\$ -	\$ -	\$ -	\$ -	72
73	50 PRODUCTION MAINTENANCE					18	2,600	2,940		2,244		73
74	43 TRANSMISSION OPERATION											74
75	53 TRANSMISSION MAINTENANCE					480						75
76	44 DISTRIBUTION OPERATION					23						76
77	54 DISTRIBUTION MAINTENANCE					6,010						77
78	47 CUSTOMER ACCOUNTS										629	78
79	48 CUSTOMER SERVICE											79
80	49 ADMINISTRATIVE & GENERAL	(68,850)	64	17,683	20,987			701	1,419			80
81	TOTAL	\$ (68,850)	\$ 64	\$ 17,683	\$ 20,987	\$ 6,562	\$ 2,600	\$ 3,641	\$ 1,419	\$ 2,244	\$ 1,400	81

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 SUMMARY OF ELECTRIC PROGRAM CHANGES BY ELEMENT OF EXPENSE IN THE RATE YEAR
 (Thousands of Dollars)

LINE NO.	MAJOR ACCOUNT GROUP	INJURIES & DAMAGES RESERVE	INSURANCE PREMIUMS	INTERFERENCE	MAN-HOUR EXPENSE	MATERIALS & SUPPLIES	POSTAGE	PREVENTIVE MAINTENANCE	LINE NO.
40	PRODUCTION OPERATION								1
1	Fuel								2
2	Steam Operations								3
3	Rents - ERRP								4
4	EH&S Climate Registry								5
5	EH&S - NYSDEC SPDES Fees								6
6	SUB-TOTAL	-	-	-	-	-	-	-	6
50	PRODUCTION MAINTENANCE								7
7	Steam Operations								8
8	SUB-TOTAL	-	-	-	-	-	-	-	8
43	TRANSMISSION OPERATION								9
9	Research and Development					82		(2)	10
10	System & Transmission Operations								11
11	EH&S Climate Registry								12
12	EH&S - NYSDEC SPDES Fees								13
13	Interdepartmental Rents								14
14	Substation Operations					82		(2)	15
15	SUB-TOTAL	-	-	-	-	82	-	(2)	15
53	TRANSMISSION MAINTENANCE								16
16	System & Transmission Operations					470		305	16
17	Substation Operations					470		305	17
18	SUB-TOTAL	-	-	-	-	470	-	305	18
44	DISTRIBUTION OPERATION								19
19	Non-Network					634			20
20	Research and Development					200			21
21	Public Safety					50			22
22	Engineering & Other Services								23
23	Storm Reserve								24
24	Substation Operations				34				25
25	Load Diversity & Profiling								26
26	Central Engineering								27
27	EH&S Climate Registry								28
28	EH&S - NYSDEC SPDES Fees				34	884			29
29	SUB-TOTAL	-	-	-	34	884	-	-	29
54	DISTRIBUTION MAINTENANCE								30
30	Network					740			30
31	Non-Network								31
32	Engineering & Other Services								32
33	Interference			26,152					33
34	Interference - Lower Manhattan (WTC)			13,849					34
35	Substation Operations					740			35
36	SUB-TOTAL	-	-	40,001	-	740	-	-	36
47	CUSTOMER ACCOUNTS								37
37	Uncollectibles					891			38
38	Customer Operations								39
39	Research and Development								40
40	AMR Savings						813		41
41	Postage						813		42
42	SUB-TOTAL	-	-	-	-	891	813	-	42
48	CUSTOMER SERVICE								43
43	Emergency Response								44
44	Energy Services								45
45	Energy Efficiency								46
46	SUB-TOTAL	-	-	-	-	-	-	-	46
49	ADMINISTRATIVE & GENERAL								47
47	Injuries & Damages	(6,985)							48
48	Insurance		8,975						49
49	Employee Welfare Expenses								50
50	Fringe Benefits - New Employees								51
51	Financial Services								52
52	Employee Pensions / OPEBS								53
53	Electricity & Gas Used								54
54	Regulatory Commission								55
55	PricewaterhouseCoopers								56
56	DSM								57
57	Security - Central Monitoring System								58
58	SBC / RPS								59
59	Facilities Programs								60
60	Human Resources					32			61
61	Purchasing - Single Entry Point Ordering System								62
62	Information Resources Programs								63
63	Audit Report Implementation Plan (EM)					13			64
64	Load Diversity & Profiling (RE)								65
65	VMS Fuel Cost								66
66	Research and Development								67
67	Finance								68
68	Law								69
69	A&S Transfer Credit								70
70	SUB-TOTAL	(6,985)	8,975	-	-	45	-	-	70
71	TOTAL	\$ (6,985)	\$ 8,975	\$ 40,001	\$ 34	\$ 3,112	\$ 813	\$ 303	71
72	SUMMARY								72
72	40 PRODUCTION OPERATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	72
73	50 PRODUCTION MAINTENANCE	-	-	-	-	-	-	-	73
74	43 TRANSMISSION OPERATION	-	-	-	-	82	-	(2)	74
75	53 TRANSMISSION MAINTENANCE	-	-	-	-	470	-	305	75
76	44 DISTRIBUTION OPERATION	-	-	-	34	884	-	-	76
77	54 DISTRIBUTION MAINTENANCE	-	-	40,001	-	740	-	-	77
78	47 CUSTOMER ACCOUNTS	-	-	-	-	891	813	-	78
79	48 CUSTOMER SERVICE	-	-	-	-	-	-	-	79
80	49 ADMINISTRATIVE & GENERAL	(6,985)	8,975	-	-	45	-	-	80
81	TOTAL	\$ (6,985)	\$ 8,975	\$ 40,001	\$ 34	\$ 3,112	\$ 813	\$ 303	81

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC PROGRAM CHANGES BY ELEMENT OF EXPENSE IN THE RATE YEAR
(Thousands of Dollars)

LINE NO.	MAJOR ACCOUNT GROUP	SYSTEM BENEFIT CHARGE	REG. COMM. EXP.	RENTS (ERRP)	RENTS (INTERDEPT)	R & D	STRAY VOLTAGE	SCHEDULED OVERHAULS	SECURITY	STORM RESERVE	TREE TRIMMING	TRENCHING	AMR UNCOLLECTIBLE	WATER	OTHER	TOTAL	LINE NO.					
40	PRODUCTION OPERATION															\$ (71,979)	1					
1	Fuel															264	614	2				
2	Steam Operations																(2,284)	3				
3	Rents - ERRP			(2,284)													22	4				
4	EH&S Climate Registry																9	5				
5	EH&S - NYSDEC SPDES Fees															264	(73,618)	6				
6	SUB-TOTAL			(2,284)																		
50	PRODUCTION MAINTENANCE							2,500									10,284	7				
7	Steam Operations							2,500									10,284	8				
8	SUB-TOTAL							2,500														
43	TRANSMISSION OPERATION					1,720											1,720	9				
9	Research and Development					1,720											1,372	2,875	10			
10	System & Transmission Operations																10	11				
11	EH&S Climate Registry																8	12				
12	EH&S - NYSDEC SPDES Fees																458	13				
13	Interdepartmental Rents				458												184	2,876	14			
14	Substation Operations																1,558	7,947	15			
15	SUB-TOTAL					458	1,720															
53	TRANSMISSION MAINTENANCE												600			1,280	8,400	16				
16	System & Transmission Operations												600			3,189	4,409	17				
17	Substation Operations												600			4,549	10,809	18				
18	SUB-TOTAL												600			4,549	10,809					
44	DISTRIBUTION OPERATION					5,164	10,337										540	1,174	19			
19	Non-Network					5,164	10,337										9,542	30,597	20			
20	Research and Development																334	7,003	21			
21	Public Safety																	8	22			
22	Engineering & Other Services									(3,191)								(3,191)	23			
23	Storm Reserve																3,196	34	24			
24	Substation Operations																3,000	3,000	25			
25	Load Diversity & Profiling																12	27				
26	Central Engineering																11	28				
27	EH&S Climate Registry																	13,877	47,000	29		
28	EH&S - NYSDEC SPDES Fees									(3,191)												
29	SUB-TOTAL					5,164	10,337			(3,191)												
54	DISTRIBUTION MAINTENANCE															628	10,215	30				
30	Network															634	2,286	3,775	31			
31	Non-Network																	1,637	32			
32	Engineering & Other Services																	27,456	33			
33	Interference																	19,849	34			
34	Interference - Lower Manhattan (WTC)																	88	831	35		
35	Substation Operations																	3,212	57,765	36		
36	SUB-TOTAL																					
47	CUSTOMER ACCOUNTS													2,149			2,149	37				
37	Uncollectibles													2,149			3,789	38				
38	Customer Operations														191		519	39				
39	Research and Development					519												(722)	40			
40	AMR Savings																	813	41			
41	Postage																		6,548	42		
42	SUB-TOTAL					519								2,149		191						
48	CUSTOMER SERVICE																	0	43			
43	Emergency Response																	275	1,630	44		
44	Energy Services																	87	2,201	45		
45	Energy Efficiency																	332	3,821	46		
46	SUB-TOTAL																					
49	ADMINISTRATIVE & GENERAL																		68,985	47		
47	Injuries & Damages																		8,975	48		
48	Insurance																		16,527	49		
49	Employee Welfare Expenses																		6,553	50		
50	Fringe Benefits - New Employees																		1,419	51		
51	Financial Services																		15,590	52		
52	Employee Pensions / OPEBS																		64	53		
53	Electricity & Gas Used																		(1,832)	54		
54	Regulatory Commission		(1,832)																(160)	55		
55	PricewaterhouseCoopers																		(68,850)	56		
56	DSM								499										645	57		
57	Security - Central Monitoring System																		18,608	58		
58	SBC / RPS	18,608																	18,853	59		
59	Facilities Programs			7,763															533	60		
60	Human Resources																		122	61		
61	Purchasing - Single Entry Point Ordering System																			832	62	
62	Information Resources Programs																		570	1,959	63	
63	Audit Report Implementation Plan (EM)																			719	719	65
64	Load Diversity & Profiling (RE)																			793	66	
65	UNIS Fuel Cost					793														1,021	67	
66	Research and Development																			654	68	
67	Finance																			(3,787)	69	
68	Law																			18,408	70	
69	A&S Transfer Credit																			1,944	71	
70	SUB-TOTAL	18,608	(1,832)	7,763		793			499													
71	TOTAL	\$ 18,608	\$ (1,832)	\$ 7,763	\$ (2,284)	\$ 458	\$ 8,196	\$ 10,337	\$ 2,500	\$ 499	\$ (3,191)	\$ 634	\$ 600	\$ 2,149	\$ 264	\$ 25,661	\$ 86,980	71				
72	SUMMARY																			(73,618)	72	
73	40 PRODUCTION OPERATION				(2,284)															10,284	73	
74	50 PRODUCTION MAINTENANCE							2,500												1,558	74	
75	43 TRANSMISSION OPERATION					458	1,720													4,549	75	
76	53 TRANSMISSION MAINTENANCE												600							13,877	76	
77	44 DISTRIBUTION OPERATION					5,164	10,337			(3,191)										3,212	77	
78	54 DISTRIBUTION MAINTENANCE											634								2,149	78	
79	47 CUSTOMER ACCOUNTS													2,149						332	79	
80	48 CUSTOMER SERVICE																			1,944	80	
81	49 ADMINISTRATIVE & GENERAL																				18,408	81
81	TOTAL	\$ 18,608	\$ (1,832)	\$ 7,763	\$ (2,284)	\$ 458	\$ 8,196	\$ 10,337	\$ 2,500	\$ 499	\$ (3,191)	\$ 634	\$ 600	\$ 2,149	\$ 264	\$ 25,661	\$ 86,980	81				

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC COST ELEMENTS
SUBJECT TO GENERAL ESCALATION
(Thousands of Dollars)

LINE NO.		BASE	5.19% ESCALATION RATE	LINE NO.
1	Fuel & Purchased Power	\$ (NA)	\$ (NA)	1
2	Other Fuel Charges	(NA)	(NA)	2
3	Administrative Expenses Transferred - cr.	(NA)	(NA)	3
4	Inter-Util Agreement-Ramapo-O&R	827	43	4
5	Asbestos Removal	228	12	5
6	Bank Collection Fees	253	13	6
7	Benefit Cost - Program Change Labor	(NA)	(NA)	7
8	Betterment Program	1,835	95	8
9	Boiler Cleaning	474	25	9
10	Building Service/Facilities	19,668	1,021	10
11	Central Engineering-Administrative	24	1	11
12	Central Engineering-Distribution	499	28	12
13	Collection Agency Fees	1,944	101	13
14	Communications - Telephone	11,957	621	14
15	Other Compensation	5,724	297	15
16	Company Labor	(NA)	(NA)	16
17	AMR/AMI Saturation Savings	(NA)	(NA)	17
18	Consultants	12,811	665	18
19	Contract Labor	6,359	330	19
20	Corrective Maintenance	3,830	199	20
21	DC Incentive Program	(NA)	(NA)	21
22	Disposal of Obsolete M&S	5,772	300	22
23	DSM	(NA)	(NA)	23
24	Duplicate Misc. Charges	(NA)	(NA)	24
25	EDP Equipment Rentals & Mtce.	3,978	206	25
26	Electricity & Gas Used	(NA)	(NA)	26
27	Employee Pensions / OPEBS	(NA)	(NA)	27
28	Employee Welfare Expense - Net	(NA)	(NA)	28
29	Environmental Expenses	17,152	890	29
30	ERRP - Major Maintenance	(NA)	(NA)	30
31	Executive Incentive Plan	(NA)	(NA)	31
32	Facilities Maintenance	4,919	255	32
33	Financial Services	(NA)	(NA)	33
34	Gas Turbines	2,889	150	34
35	Information Resources	22,400	1,163	35
36	Informational Advertising	16,706	867	36
37	Injuries & Damages Reserve	39,869	2,069	37
38	Instit. Dues & Subscriptions	1,579	82	38
39	Insurance Premiums	(NA)	(NA)	39
40	Interference	91,483	4,748	40
41	Reserve for Contingencies	(NA)	(NA)	41
42	Corporate and Fiscal Expenses	4,114	214	42
43	Mobile Diesel Generators	6,201	322	43
44	Manhour Expense	46,230	2,399	44
45	Marshall's Fees	1,045	54	45
46	Materials & Supplies	25,769	1,337	46
47	RCA- MGP / Superfund	(NA)	(NA)	47
48	Outreach and Education	4,381	227	48
49	Other (Fossil)	1,708	89	49
50	Outside Legal Services	1,612	84	50
51	Paving	1,833	95	51
52	Plant Component Upgrade	407	21	52
53	Power Your Way	(NA)	(NA)	53
54	Postage	(NA)	(NA)	54
55	Preventive Maintenance	1,394	72	55
56	RCA - Pension	(NA)	(NA)	56
57	RCA-Amort. of Hudson-Farragut	(NA)	(NA)	57
58	System Benefit Charge/Renewable Portfolio Standard	(NA)	(NA)	58
59	Real Estate Expense	986	51	59
60	Regulatory Commission Expense	28,783	1,494	60
61	Rents	61,047	3,167	61
62	Rents (ERRP)	(NA)	(NA)	62
63	Rents (Interdepartmental)	(NA)	(NA)	63
64	Research & Development	17,479	907	64
65	Stray Voltage	23,538	1,222	65
66	Scheduled Overhauls	4,225	219	66
67	Security	2,533	131	67
68	Shared Services	(8,484)	(440)	68
69	Steam Incident	(NA)	(NA)	69
70	Storm Reserve	(NA)	(NA)	70
71	Transformer Installations	91	5	71
72	Tree Trimming	15,574	808	72
73	Trenching	9,360	486	73
74	Uncollectible	(NA)	(NA)	74
75	Water	(NA)	(NA)	75
76	Water Chemicals	146	8	76
77	Other	69,066	3,585	77
	Total Operation & Maintenance Expenses	\$ 592,218	\$ 30,736	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
SUMMARY OF ELECTRIC COST ELEMENTS
WITNESS AND PLANNED UPDATE

<u>Line No.</u>		<u>Witness</u>	<u>Planned Update</u>
1	Fuel & Purchased Power	Holtman	Y
2	Other Fuel Charges		
3	Administrative Expenses Transferred - cr.	Accounting Panel	Y
4	Inter-Util Agreement-Ramapo-O&R		
5	Asbestos Removal		
6	Bank Collection Fees	Accounting Panel	Y
7	Benefit Cost - Program Change Labor		
8	Betterment Program		
9	Boiler Cleaning	Various	Y
10	Building Service/Facilities		
11	Central Engineering-Administrative		
12	Central Engineering-Distribution		
13	Collection Agency Fees		
14	Communications - Telephone		
15	Other Compensation	Various	Y
16	Company Labor		
17	AMR/AMI Saturation Savings	Various	Y
18	Consultants		
19	Contract Labor		
20	Corrective Maintenance		
21	DC Incentive Program		
22	Disposal of Obsolete M&S		
23	DSM		
24	Duplicate Misc. Charges		
25	EDP Equipment Rentals & Mtce.		
26	Electricity & Gas Used	Accounting Panel	Y
27	Employee Pensions / OPEBS	Reyes	Y
28	Employee Welfare Expense - Net	Various	Y
29	Environmental Expenses	Accounting Panel	Y
30	ERRP - Major Maintenance		
31	Executive Incentive Plan	Shared Services Panel	Y
32	Facilities Maintenance	Accounting Panel	Y
33	Financial Services		
34	Gas Turbines		
35	Information Resources		
36	Informational Advertising	Accounting Panel	Y
37	Injuries & Damages Reserve		
38	Instit. Dues & Subscriptions	Accounting Panel	Y
39	Insurance Premiums	Municipal Infrastructure Panel	Y
40	Interference		
41	Reserve for Contingencies		
42	Corporate and Fiscal Expenses		
43	Mobile Diesel Generators		
44	Manhour Expense		
45	Marshall's Fees	Various	Y
46	Materials & Supplies	Price	Y
47	RCA- MGP / Superfund		
48	Outreach and Education		
49	Other (Fossil)		
50	Outside Legal Services		
51	Paving		
52	Plant Component Upgrade		
53	Power Your Way		
54	Postage		
55	Preventive Maintenance		
56	RCA - Pension		
57	RCA-Amort. of Hudson-Farragut		
58	System Benefit Charge/Renewable Portfolio Standard		
59	Real Estate Expense	Accounting Panel	Y
60	Regulatory Commission Expense	Accounting Panel	Y
61	Rents	Accounting Panel	Y
62	Rents (ERRP)	Accounting Panel	Y
63	Rents (Interdepartmental)	Accounting Panel	Y
64	Research & Development	Kressner	Y
65	Stray Voltage	T&D Panel	Y
66	Scheduled Overhauls		
67	Security		
68	Shared Services		
69	Steam Incident		
70	Storm Reserve		
71	Transformer Installations		
72	Tree Trimming		
73	Trenching	Accounting Panel	Y
74	Uncollectible	Electric Production Panel	Y
75	Water	Electric Production Panel	Y
76	Water Chemicals	Various	Y
77	Other	Accounting Panel	Y
78	Property Taxes	Accounting Panel	Y
79	Payroll Taxes	Accounting Panel	Y
80	Rate Case Amortizations	Accounting Panel	Y

EXHIBIT __ (AP-6)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ESTIMATED NET PLANT

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ESTIMATED NET PLANT - ELECTRIC **
TWELVE MONTH AVERAGE ENDING MARCH 31, 2010
(\$000)

	<u>BOOKCOST OF PLANT</u>	<u>ACCRUED DEPRECIATION</u>	<u>NET PLANT</u>
MARCH 31, 2009 *	\$ 9,098,095	\$ 1,871,425	\$ 7,226,670
APRIL 30, 2009	18,310,477	3,756,697	14,553,780
MAY 31, 2009	18,444,664	3,770,811	14,673,853
JUNE 30, 2009	18,551,324	3,785,238	14,766,086
JULY 31, 2009	18,635,045	3,793,097	14,841,948
AUGUST 31, 2009	18,727,924	3,801,150	14,926,774
SEPTEMBER 30, 2009	18,814,416	3,809,425	15,004,991
OCTOBER 31, 2009	18,931,886	3,817,918	15,113,967
NOVEMBER 30, 2009	19,046,452	3,826,704	15,219,748
DECEMBER 31, 2009	19,238,437	3,835,744	15,402,694
JANUARY 31, 2010	19,317,884	3,854,314	15,463,569
FEBRUARY 29, 2010	19,391,299	3,873,068	15,518,231
MARCH 31, 2010*	9,746,640	1,945,993	7,800,647
TOTAL	\$ 226,254,543	\$ 45,741,585	\$ 180,512,958
AVERAGE	\$ 18,854,545	\$ 3,811,799	\$ 15,042,746

*ONE HALF OF ENDING BALANCE
**INCLUDES COMMON ALLOCATED

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ESTIMATED NET PLANT - ELECTRIC
December 31, 2007 - MARCH 31, 2009
(\$000)

	<u>BOOKCOST OF PLANT</u>	<u>ACCRUED DEPRECIATION</u>	<u>NET PLANT</u>
DECEMBER 31, 2007	\$ 16,306,190	\$ 3,597,351	\$ 12,708,840
JANUARY 31, 2008	16,384,294	3,608,172	12,776,122
FEBRUARY 28, 2008	16,458,841	3,619,168	12,839,673
MARCH 31, 2008	16,558,980	3,630,337	12,928,643
APRIL 30, 2008	16,670,458	3,644,436	13,026,022
MAY 31, 2008	17,010,237	3,658,829	13,351,408
JUNE 30, 2008	17,123,239	3,674,040	13,449,199
JULY 31, 2008	17,214,238	3,681,641	13,532,597
AUGUST 31, 2008	17,328,806	3,687,804	13,641,001
SEPTEMBER 30, 2008	17,433,154	3,692,663	13,740,491
OCTOBER 31, 2008	17,564,082	3,697,827	13,866,255
NOVEMBER 30, 2008	17,679,977	3,700,004	13,979,973
DECEMBER 31, 2008	17,939,805	3,702,512	14,237,293
JANUARY 31, 2009	18,018,597	3,715,791	14,302,806
FEBRUARY 28, 2009	18,092,989	3,729,238	14,363,751
MARCH 31, 2009	\$ 18,196,191	\$ 3,742,851	\$ 14,453,340

EXHIBIT __ (AP- 7)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ESTIMATED CONSTRUCTION WORK IN PROGRESS

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ESTIMATED CONSTRUCTION WORK IN PROGRESS - ELECTRIC **
TWELVE MONTH AVERAGE ENDING MARCH 31, 2010
(\$000s)

	<u>TOTAL</u>	<u>INTEREST BEARING</u>	<u>NON-INTEREST BEARING</u>
MARCH 31, 2009 *	\$ 455,419	\$ 200,675	\$ 254,744
APRIL 30, 2009	970,020	441,305	528,716
MAY 31, 2009	982,724	466,115	516,609
JUNE 30, 2009	1,023,603	497,018	526,585
JULY 31, 2009	1,063,089	524,618	538,471
AUGUST 31, 2009	1,105,782	554,338	551,444
SEPTEMBER 30, 2009	1,140,761	578,026	562,735
OCTOBER 31, 2009	1,190,928	612,968	577,960
NOVEMBER 30, 2009	1,244,446	648,339	596,107
DECEMBER 31, 2009	1,261,432	690,600	570,833
JANUARY 31, 2010	1,292,571	712,231	580,340
FEBRUARY 29, 2010	1,325,678	734,369	591,308
MARCH 31, 2010*	681,600	380,334	301,266
TOTAL	\$ 13,738,053	\$ 7,040,936	\$ 6,697,117
AVERAGE	\$ 1,144,838	\$ 586,745	\$ 558,093

* ONE HALF OF ENDING BALANCE
**INCLUDES COMMON ALLOCATED

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ESTIMATED CONSTRUCTION WORK IN PROGRESS - ELECTRIC
DECEMBER 31, 2007 - MARCH 31, 2009
(\$000s)

	<u>TOTAL</u>	<u>INTEREST BEARING</u>	<u>NON-INTEREST BEARING</u>
DECEMBER 31, 2007	\$ 716,850	\$ 244,632	\$ 472,217
JANUARY 31, 2008	757,522	281,654	475,869
FEBRUARY 28, 2008	797,111	308,694	488,417
MARCH 31, 2008	845,476	344,244	501,232
APRIL 30, 2008	900,178	382,546	517,632
MAY 31, 2008	701,815	238,051	463,764
JUNE 30, 2008	730,843	259,230	471,613
JULY 31, 2008	757,367	277,216	480,150
AUGUST 31, 2008	770,591	285,093	485,498
SEPTEMBER 30, 2008	779,510	301,871	477,639
OCTOBER 31, 2008	804,730	327,980	476,749
NOVEMBER 30, 2008	841,947	354,121	487,826
DECEMBER 31, 2008	776,552	308,600	467,953
JANUARY 31, 2009	818,983	337,545	481,438
FEBRUARY 28, 2009	861,210	365,831	495,379
MARCH 31, 2009	\$ 910,837	\$ 401,350	\$ 509,487

EXHIBIT __ (AP- 8)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
RATE INCREASE WITHOUT MITIGATION

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

OPERATING INCOME, RATE BASE AND RATE OF RETURN FOR ELECTRIC OPERATIONS
SHOWING THE EFFECT OF THE PROPOSED INCREASE IN RATES
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

	Twelve Months Ending March 31, 2010 As Reflected in Exhibit (AP-5) <u>(Column 1)</u>	Rate Case Adjustments (Schedule 3) <u>(Column 2)</u>	Rate Year As Adjusted <u>(Column 3)</u>	Proposed Rate Increase <u>(Column 4)</u>	Rate Year As Adjusted For Proposed Rate Increase <u>(Column 5)</u>
<u>OPERATING REVENUES</u>					
SALES REVENUES	\$7,368,441	(\$1,496)	\$7,366,945	\$1,081,832	\$8,448,777
OTHER OPERATING REVENUES	<u>250,392</u>	<u>(145,500)</u>	<u>104,892</u>	<u>3,781</u>	<u>108,673</u>
TOTAL OPERATING REVENUES	<u>7,618,833</u>	<u>(146,996)</u>	<u>7,471,837</u>	<u>1,085,613</u>	<u>8,557,450</u>
<u>OPERATING REVENUE DEDUCTIONS</u>					
FUEL AND PURCHASED POWER	3,251,081	0	3,251,081	0	3,251,081
OTHER OPERATION AND MAINTENANCE	1,738,581	0	1,738,581	6,756	1,745,337
DEPRECIATION AND AMORTIZATION	595,837	33,432	629,269	0	629,269
TAXES OTHER THAN INCOME TAXES	1,205,329	(44)	1,205,285	28,227	1,233,512
GAINS FROM DISPOSITION OF UTILITY PLANT	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OPERATING REVENUE DEDUCTIONS	<u>6,790,828</u>	<u>33,388</u>	<u>6,824,216</u>	<u>34,983</u>	<u>6,859,199</u>
OPERATING INCOME BEFORE INCOME TAXES	828,005	(180,384)	647,621	1,050,630	1,698,251
NEW YORK STATE INCOME TAX (Schedule 2, Page 1)	24,830	(12,788)	12,042	74,595	86,637
FEDERAL INCOME TAX (Schedule 2, Page 2)	<u>61,631</u>	<u>(46,235)</u>	<u>15,396</u>	<u>341,613</u>	<u>357,009</u>
OPERATING INCOME AFTER INCOME TAXES	<u>\$741,544</u>	<u>(\$121,361)</u>	<u>\$620,183</u>	<u>\$634,422</u>	<u>\$1,254,605</u>
AVERAGE RATE BASE (Schedule 5)	<u>\$14,849,693</u>	<u>(\$68,760)</u>	<u>\$14,780,933</u>		<u>\$14,780,933</u>
RATE OF RETURN	<u>4.99%</u>		<u>4.20%</u>		<u>8.49%</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

NEW YORK STATE INCOME TAX - ELECTRIC
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

Line No.		Twelve Months Ending March 31, 2009 As Reflected in Exhibit (AP-5) (Column 1)	Rate Case Adjustments (Schedule 3) (Column 2)	Rate Year As Adjusted (Column 3)	Proposed Rate Increase (Column 4)	Rate Year As Adjusted For Proposed Rate Increase (Column 5)
1	Book Operating Income Before Income Taxes	\$828,005	(\$180,384)	\$647,621	\$1,050,630	\$1,698,251
	FLOW THROUGH ITEMS					
	Deduct: Non-Taxable Income and Additional Deductions					
2	Interest expense	462,939	(2,062)	460,877	0	460,877
3	Medicare Part D Subsidy - Post Employment Benefits	15,347	0	15,347	0	15,347
4	Total Deductions	478,286	(2,062)	476,224	0	476,224
	NORMALIZED ITEMS					
	Add: Additional Income and Unallowable Deductions					
5	Book Depreciation	595,837	33,432	629,269	0	629,269
6	Contributions in Aid of Construction	672	0	672	0	672
7	Capitalized Interest	17,902	0	17,902	0	17,902
8	Pensions / OPEB expense - Per Books	110,086	6,428	116,514	0	116,514
9	Total Additions	724,497	39,860	764,357	0	764,357
	Deduct: Non-Taxable Income and Additional Deductions					
10	NYS Depreciation	537,748	0	537,748	0	537,748
11	263A Capitalized Overheads	61,925	0	61,925	0	61,925
12	Removal Costs	201,862	0	201,862	0	201,862
13	Repair Allowance	47,326	0	47,326	0	47,326
14	Amortization of Capitalized Interest	3,929	0	3,929	0	3,929
15	Loss on MACRS Retirements	44,986	0	44,986	0	44,986
16	Pensions / OPEB expense - Funding	152,835	0	152,835	0	152,835
17	Westchester Property Tax adjustment	1,416	0	1,416	0	1,416
18	Credits from Case 07-E-0523	0	49,435	49,435	0	49,435
19	Stony Point Property Tax Refund	0	467	467	0	467
20	SO2 Credits	0	1,900	1,900	0	1,900
21	WTC expenses	0	(34,110)	(34,110)	0	(34,110)
22	Deferrals from Case 04-E-0572 RY3	0	(5,592)	(5,592)	0	(5,592)
23	Interest on Deferrals from Case 04-E-0572 RY3	0	(186)	(186)	0	(186)
24	Management Audit	0	(833)	(833)	0	(833)
25	T&D Deferral from Case 07-E-0523	0	(61,932)	(61,932)	0	(61,932)
26	SIR deferral - April 2008 - March 2010	0	(60,321)	(60,321)	0	(60,321)
27	Property Tax Increase deferral - April 2008 - March 2009	0	(15,333)	(15,333)	0	(15,333)
28	Miscellaneous	0	0	0	0	0
29	Total Deductions	1,052,027	(126,505)	925,522	0	925,522
30	Taxable Income - New York State	\$22,189	(\$11,957)	\$10,232	\$1,050,630	\$1,060,862
	Tax Computation					
31	Current New York State Income Tax @ 7.10%	\$1,575	(\$849)	\$726	\$74,595	\$75,321
32	Deferred New York State Income Tax @ 7.10%	23,255	(11,812)	11,443	0	11,443
33	Sub-total New York State Income Tax	24,830	(12,661)	12,169	74,595	86,764
34	Brownfield Credit	0	(127)	(127)	0	(127)
35	Total New York State Income Tax	\$24,830	(\$12,788)	\$12,042	\$74,595	\$86,637

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

FEDERAL INCOME TAX - ELECTRIC
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

Line No.		Twelve Months Ending March 31, 2009 As Reflected in Exhibit (AP-5) (Column 1)	Rate Case Adjustments (Schedule 3) (Column 2)	Rate Year As Adjusted (Column 3)	Proposed Rate Increase (Column 4)	Rate Year As Adjusted For Proposed Rate Increase (Column 5)
1	Book Operating Income Before Income Taxes	\$828,005	(\$180,384)	\$647,621	\$1,050,630	\$1,698,251
2	New York State Income Tax	24,830	(12,788)	12,042	74,595	86,637
3	Book Operating Income Before Federal Income Tax	803,175	(167,596)	635,579	976,035	1,611,614
FLOW THROUGH ITEMS						
<u>Add: Additional Income and Unallowable Deductions</u>						
4	Book Depreciation	595,837	33,432	629,269	0	629,269
5	Hudson-Farragut Amortization - Per Books	477	0	477	0	477
6	Capitalized Interest	17,902	0	17,902	0	17,902
7	Total Additions	614,216	33,432	647,648	0	647,648
<u>Deduct: Non-Taxable Income and Additional Deductions</u>						
8	Interest expense	462,939	(2,062)	460,877	0	460,877
9	Statutory Depreciation - at current book rates	342,105	0	342,105	0	342,105
10	Statutory Depreciation - change at proposed book rates	0	0	0	0	0
11	Statutory Depreciation - change with reserve deficiency	0	0	0	0	0
12	Removal Costs	201,862	0	201,862	0	201,862
13	Medicare Part D Subsidy - Post Employment Benefits	15,347	0	15,347	0	15,347
14	Amortization of Capitalized Interest	2,073	0	2,073	0	2,073
15	Westchester Property Tax adjustment	1,416	0	1,416	0	1,416
16	Dividends Paid on \$5 Cumulative Preferred Stock	3,327	0	3,327	0	3,327
17	Total Deductions	1,029,069	(2,062)	1,027,007	0	1,027,007
NORMALIZED ITEMS						
<u>Add: Additional Income and Unallowable Deductions</u>						
18	Contributions in Aid of Construction	672	0	672	0	672
19	Pensions / OPEB Expense - Per Books	110,086	6,428	116,514	0	116,514
20	Deferred State Income Tax	23,255	(11,812)	11,443	0	11,443
21	Total Additions	134,013	(5,384)	128,629	0	128,629
<u>Deduct: Non-Taxable Income and Additional Deductions</u>						
22	Statutory Depreciation - at current book rates	251,857	0	251,857	0	251,857
23	263A Capitalized Overheads	61,925	0	61,925	0	61,925
24	Statutory Depreciation - change at proposed book rates	0	0	0	0	0
25	Statutory Depreciation - change with reserve deficiency	0	0	0	0	0
26	Repair Allowance	47,326	0	47,326	0	47,326
27	Loss on MACRS Retirements	40,173	0	40,173	0	40,173
28	Amortization of Capitalized Interest	1,856	0	1,856	0	1,856
29	Pensions / OPEB expense - Funding	152,835	0	152,835	0	152,835
30	Credits from Case 07-E-0523	0	49,435	49,435	0	49,435
31	Stony Point Property Tax Refund	0	467	467	0	467
32	SO2 Credits	0	1,900	1,900	0	1,900
33	WTC expenses	0	(34,110)	(34,110)	0	(34,110)
34	Deferrals from Case 04-E-0572 RY3	0	(5,592)	(5,592)	0	(5,592)
35	Interest on Deferrals from Case 04-E-0572 RY3	0	(186)	(186)	0	(186)
36	Management Audit	0	(833)	(833)	0	(833)
37	T&D Deferral from Case 07-E-0523	0	(61,932)	(61,932)	0	(61,932)
38	SIR deferral - April 2008 - March 2010	0	(60,321)	(60,321)	0	(60,321)
39	Property Tax Increase deferral - April 2008 - March 2009	0	(15,333)	(15,333)	0	(15,333)
40	Miscellaneous	0	0	0	0	0
41	Total Deductions	555,972	(126,505)	429,467	0	429,467
42	Taxable Income - Federal	(\$33,637)	(\$10,981)	(\$44,618)	\$976,035	\$931,417
<u>Tax Computation</u>						
43	Current Federal Income Tax @ 35%	(\$11,773)	(\$3,843)	(\$15,616)	\$341,612	\$325,996
44	Deferred Federal Income Tax @ 35%	147,686	(42,392)	105,294	0	105,294
<u>Amortization of Previously Deferred Federal Income Tax</u>						
45	Depreciation - ADR / ACRS / MACRS - at current book rates	(45,055)	0	(45,055)	0	(45,055)
46	Depreciation - ADR / ACRS / MACRS - proposed book rates	0	0	0	0	0
47	Depreciation - ADR / ACRS / MACRS - reserve deficiency	0	0	0	0	0
48	Loss on MACRS Retirements	(5,558)	0	(5,558)	0	(5,558)
49	Repair Allowance	(9,844)	0	(9,844)	0	(9,844)
50	Capitalized Overheads	(10,296)	0	(10,296)	0	(10,296)
51	Depreciation on Capitalized Maintenance / Computer Software	1,223	0	1,223	1	1,224
52	Investment Tax Credit	(4,752)	0	(4,752)	0	(4,752)
53	Total Federal Income Tax	\$61,631	(\$46,235)	\$15,396	\$341,613	\$357,009

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

ADJUSTMENTS TO OPERATING INCOME - ELECTRIC
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

	<u>Amount</u>
<u>SALES REVENUES</u>	
1. Decrease in base revenues to reflect 365.25 billing days during the rate year	(\$1,496)
Total Adjustments to Sales Revenues	(\$1,496)
<u>OTHER OPERATING REVENUES</u>	
1. To refund previously deferred amounts:	
a. Credits from Case 07-E-0523	\$49,435
b. Stony Point Property Tax Refund	467
c. SO2 Credits	1,900
d. Verizon pole reimbursements	4,833
2. To recover previously deferred amounts:	
a. WTC expenses	(34,110)
b. Deferrals from Case 04-E-0572 RY3	(5,592)
c. Interest on Deferrals from Case 04-E-0572 RY3	(186)
d. Management Audit	(833)
e. T&D Deferral from Case 07-E-0523	(61,932)
f. Pension deferral -- April 2008 - March 2009	(6,428)
g. SIR deferral -- April 2008 - March 2010	(60,321)
h. Property Tax Increase deferral - April 2008 - March 2009	(15,333)
3. Continuation of the Low Income Discount Program at the current authorized level	(17,400)
Total Adjustments to Other Operating Revenues	(\$145,500)
<u>FUEL AND PURCHASED POWER</u>	<u>\$0</u>
<u>OPERATION AND MAINTENANCE EXPENSES</u>	<u>\$0</u>
<u>DEPRECIATION AND AMORTIZATION EXPENSES</u>	
1. Increase in depreciation expense resulting from:	
a. Proposed changes in book depreciation rates	\$0
b. Amortization of the reserve deficiency over 15 years	33,432
Total Adjustments to Depreciation and Amortization Expenses	\$33,432
<u>TAXES OTHER THAN INCOME TAXES</u>	
1. Adjustment to revenue taxes related to billing day adjustment	(\$44)
2. Adjustment to revenue taxes related to unbilled revenues during the rate year	\$0
Total Adjustments to Taxes Other Than Income Taxes	(\$44)
<u>GAINS FROM DISPOSITION OF UTILITY PLANT</u>	
1. To refund previously deferred amounts over a three-year period:	
a.	\$0
Total Adjustments to Gain on Disposition of Utility Plant	\$0

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CUSTOMER CREDITS AND DEBITS - ELECTRIC
(Thousands of Dollars)

	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>	<u>Total</u>
<u>Customer Credits</u>				
<u>Regulatory Liabilities</u>				
1 Credits from Case 07-E-0523	\$49,435	\$49,435	\$49,435	\$148,305
2 Stony Point Property Tax Refund	467	467	467	1,401
3 SO2 Credits	1,900	1,900	1,900	5,700
4 Verizon Joint Use Poles -- maintenance reimbursement	<u>4,833</u>	<u>4,833</u>	<u>4,833</u>	<u>14,499</u>
Total	<u>\$56,635</u>	<u>\$56,635</u>	<u>\$56,635</u>	<u>\$169,905</u>
<u>Customer Debits</u>				
<u>Regulatory Assets</u>				
1 WTC expenses	\$34,110	\$34,110	\$34,110	\$102,330
2 Deferrals from Case 04-E-0572 RY3	5,592	5,592	5,592	16,776
3 Interest on Deferrals from Case 04-E-0572 RY3	186	186	186	558
4 Management Audit	833	833	833	2,499
5 T&D Deferral from Case 07-E-0523	61,932	61,932	61,932	185,796
6 Pension deferral -- April 2008 - March 2009	6,428	6,428	6,428	19,284
7 SIR deferral -- April 2008 - March 2010	60,321	60,321	60,321	180,963
8 Property Tax Increase deferral - April 2008 - March 2009	<u>15,333</u>	<u>15,333</u>	<u>15,333</u>	<u>45,999</u>
Total	<u>\$184,735</u>	<u>\$184,735</u>	<u>\$184,735</u>	<u>\$554,205</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
RATE BASE - ELECTRIC
AVERAGE TWELVE MONTHS ENDED DECEMBER 31, 2007 AND
AVERAGE TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

LINE	NO.	UTILITY PLANT	AVERAGE ACTUAL TWELVE MONTHS ENDED DECEMBER 31, 2007 (COL. 1)	ADJUSTMENTS TO REFLECT CONDITIONS IN RATE YEAR (COL. 2)	AVERAGE TWELVE MONTHS ENDING MARCH 31, 2010 (COL. 3)	ADJUSTMENTS TO RATE BASE TWELVE MONTHS ENDING MARCH 31, 2010 (COL. 4)	RATE YEAR RATE BASE FULLY ADJUSTED FOR PROPOSED RATE INCREASE (COL. 5)
	1.	BOOK COST OF PLANT	\$ 15,685,334	\$ 3,169,211	\$ 18,854,545	\$ (40,000)	\$ 18,814,545
	2.	ACCUMULATED RESERVE FOR DEPRECIATION	(3,579,932)	(231,867)	(3,811,799)	16,716	(3,795,083)
	3.	NET PLANT	12,105,402	2,937,344	15,042,746	(23,284)	15,019,462
	4.	NON-INTEREST BEARING CWIP	413,151	144,942	558,093	-	558,093
	5.	PREFERRED STOCK EXPENSE	2,392	22	2,414	-	2,414
	6.	UNAMORTIZED DEBT DISCOUNT PREMIUM AND EXPENSE	133,463	2,828	136,291	-	136,291
	7.	DEFERRED FUEL - NET OF TAX	81,810	(55,307)	26,503	-	26,503
	8.	F.I.T. REFUND DEFICIENCY- INCL. INTEREST - NET OF TAX	13,038	(13,038)	-	-	-
	9.	UNAMORTIZED BALANCE - HUDSON FARRAGUT	2,396	(1,073)	1,323	-	1,323
	10.	CUSTOMER ADVANCES FOR CONSTRUCTION	(201)	(68)	(269)	-	(269)
	11.	M.T.A. SURTAX - NET OF TAX	2,874	189	3,063	-	3,063
	12.	WORKING CAPITAL	517,272	80,724	597,996	-	597,996
	13.	EXCESS RATE BASE OVER CAPITALIZATION ADJUSTMENT	387,666	-	387,666	-	387,666
	14.	EARLY RETIREMENT TERMINATION BENEFIT (1993) - NET OF TAX	1,020	(1,020)	-	-	-
	15.	EARLY RETIREMENT TERMINATION BENEFIT (1999) - NET OF TAX	10,725	(2,930)	7,795	-	7,795
	16.	LOW INCOME FUND - NET OF TAX	(143)	143	-	-	-
	17.	ARREARS AVOIDANCE PROGRAM - NET OF TAX	(45)	45	-	-	-
	18.	DC SERVICE INCENTIVE - NET OF TAX	(7,350)	4,443	(2,907)	-	(2,907)
	19.	SYSTEM BENEFITS CHARGE/RETAIL PORTFOLIO STANDARD - NET OF TAX	(1,058)	5,270	4,212	-	4,212
	20.	AMOUNTS BILLED IN ADVANCE OF CONSTRUCTION - NET OF TAX	(5,427)	(282)	(5,709)	-	(5,709)
	21.	B I R DISCOUNTS - RECOVERY - NET OF TAX	3,339	-	3,339	-	3,339
	22.	EMERGENCY DEMAND RESPONSE PROGRAM - INITIAL COSTS - NET OF TAX	121	(121)	-	-	-
	23.	DIRECT LOAD CONTROL PROGRAM - NET OF TAX	152	(152)	-	-	-
	24.	NOX EMISSIONS ALLOWANCES - NET OF TAX	(697)	697	-	-	-
	25.	SALE OF NOX EMISSIONS ALLOWANCES - NET OF TAX	(64)	64	-	-	-
	26.	COGEN TECHNOLOGIES - REIMB. FOR O&M - NET OF TAX	(458)	458	-	-	-
	27.	SALE / APPROPRIATION OF PROPERTY	(20,648)	20,648	-	-	-
	28.	CATV POLE ATTACHMENT REVENUE - NET OF TAX	(394)	394	-	-	-
	29.	WASHINGTON HEIGHTS & WTC SECURITY INITIATIVE - NET OF TAX	(490)	490	-	-	-
	30.	CUSTOMER REFUND ASSOCIATED WITH DIVESTED PLANTS - NET OF TAX	(991)	991	-	-	-
	31.	CONDEMNATION OF EASEMENTS - NET OF TAX	(309)	309	-	-	-
	32.	RATE CASE PENSION DEFERRAL - NET OF TAX	21,107	(21,107)	-	-	-
	33.	RATE CASE OPEB DEFERRAL - NET OF TAX	7,346	(7,346)	-	-	-
	34.	EXPIRING AMORTIZATION OF DEFERRED COSTS - NET OF TAX	(56,864)	56,864	-	-	-
	35.	FORGOING RENTAL INCOME-W 24TH STREET - NET OF TAX	(392)	392	-	-	-
		<u>RATE CASE RECONCILIATIONS - NET OF F.I.T.</u>					
	36.	RECOVERY OF WTC COSTS	-	102,587	102,587	(17,098)	85,489
	37.	RECOVERY OF DEFERRALS FROM CASE 04-E-0572 RY3	-	10,465	10,465	(1,744)	8,721
	38.	RECOVERY OF MANAGEMENT AUDIT	-	1,510	1,510	(252)	1,258
	39.	RECOVERY OF VARIOUS DEFERRALS FROM CASE 07-E-0523	-	112,193	112,193	(18,699)	93,494
	40.	RECOVERY OF PENSION DEFERRALS FROM CASE 07-E-0523	-	11,645	11,645	(1,941)	9,704
	41.	RECOVERY OF SIR DEFERRALS FROM CASE 07-E-0523	-	109,274	109,274	(18,212)	91,062
	42.	RECOVERY OF 2008/2009 PROPERTY TAX INCREASE	-	27,778	27,778	(4,630)	23,148
	43.	REFUND OF CREDITS FROM CASE 07-E-0523	-	(89,554)	(89,554)	14,926	(74,628)
	44.	REFUND OF STONY POINT PROPERTY TAX REFUND	-	(845)	(845)	141	(704)
	45.	REFUND OF SO2 CREDITS	-	(3,442)	(3,442)	574	(2,868)
	46.	VERIZON POLE MAINTENANCE - REIMBURSEMENT	-	(8,756)	(8,756)	1,459	(7,297)
		<u>ACCUMULATED DEFERRED INCOME TAXES</u>					
	47.	ADR / ACRS / MACRS DEDUCTIONS	(1,563,682)	(182,306)	(1,745,988)	-	(1,745,988)
	48.	CHANGE OF ACCOUNTING SECTION 263A	(277,671)	(3,118)	(280,789)	-	(280,789)
	49.	VESTED VACATION	12,063	(534)	11,529	-	11,529
	50.	PREPAID INSURANCE EXPENSES	(1,974)	(1,843)	(3,817)	-	(3,817)
	51.	UNBILLED REVENUES	93,828	16,612	110,440	-	110,440
	52.	CONTRIBUTIONS IN AID OF CONSTRUCTION	12,561	(266)	12,295	-	12,295
	53.	CAPITALIZED INTEREST	6,057	(1,465)	4,592	-	4,592
	54.	ADVANCE REFUNDING OF MORTGAGE BONDS	(23)	23	-	-	-
	55.	REPAIR & MAINTENANCE ALLOWANCE - 02 - 06 IRS AUDIT	3,869	638	4,507	-	4,507
	56.	FIN 48 - DISALLOWED SSCM	(47,863)	(9,612)	(57,475)	-	(57,475)
	57.	MTA	(1,158)	(11,201)	(12,359)	-	(12,359)
	58.	AMORTIZATION OF COMPUTER SOFTWARE	(3,749)	(39,298)	(43,047)	-	(43,047)
	59.	CUSTOMER DEPOSITS	25,571	(5,293)	20,278	-	20,278
	60.	CALL PREMIUM	(22,736)	3,184	(19,552)	-	(19,552)
	61.	EXCESS DEFERRED SIT (2000/2001)	(7,237)	7,237	-	-	-
	62.	DEFERRED S.I.T.	(169,879)	(16,452)	(186,331)	-	(186,331)
	63.	TOTAL RATE BASE	\$ 11,665,720	\$ 3,183,973	\$ 14,849,693	\$ (68,760)	\$ 14,780,933

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
WORKING CAPITAL - ELECTRIC
AVERAGE TWELVE MONTHS ENDED DECEMBER 31, 2007 AND
AVERAGE TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

LINE NO.	AVERAGE ACTUAL TWELVE MONTHS ENDED DECEMBER 31, 2007 (COL. 1)	ADJUSTMENTS TO REFLECT CONDITIONS IN RATE YEAR (COL. 2)	AVERAGE TWELVE MONTHS ENDING MARCH 31, 2010 (COL. 3)	ADJUSTMENTS TO RATE BASE TWELVE MONTHS ENDING MARCH 31, 2010 (COL. 4)	RATE YEAR RATE BASE FULLY ADJUSTED FOR PROPOSED RATE INCREASE (COL. 5)
MATERIALS AND SUPPLIES					
1.	LIQUID FUEL INVENTORY	\$ 7,178	\$ 81	\$ 7,259	\$ - \$ 7,259
2	MATERIALS AND SUPPLIES, EXCLUDING FUEL	83,534	5,136	88,670	- 88,670
3	TOTAL MATERIALS AND SUPPLIES	90,712	5,217	95,929	- 95,929
PREPAYMENTS					
4	INSURANCE	10,805	3,100	13,905	- 13,905
5	RENTS	14,495	1,024	15,519	- 15,519
6	PROPERTY TAXES	147,915	52,291	200,206	- 200,206
7	P.S.C. ASSESSMENT	7,488	405	7,893	- 7,893
8	INTERFERENCE	7,630	397	8,027	- 8,027
9	EPRI	121	143	264	- 264
10	OTHER	10,677	545	11,222	- 11,222
11	TOTAL PREPAYMENTS	199,131	57,904	257,035	- 257,035
CASH WORKING CAPITAL					
12	TOTAL ELECTRIC OPERATION AND MAINTENANCE EXPENSES	4,736,708	252,954	4,989,662	6,755 4,996,417
13	LESS: PURCHASED POWER EXPENSES	2,980,916	(82,082)	2,898,834	- 2,898,834
14	GAS PORTION OF FUEL	281,292	52,895	334,187	- 334,187
15	RECOVERABLE FUEL COSTS	(7,208)	29,475	22,267	- 22,267
16	INTERDEPARTMENTAL RENTS	4,581	458	5,039	- 5,039
17	UNCOLLECTIBLES	49,923	2,149	52,072	6,755 58,827
18	PENSIONS	(5,949)	118,128	112,179	- 112,179
19	CASH WORKING CAPITAL SUBJECT TO 1/8TH ALLOWANCE	1,433,153	131,931	1,565,084	- 1,565,084
20	CASH WORKING CAPITAL @ 1/8TH	179,143	16,491	195,637	- 195,637
21	ADD: CASH WORKING CAPITAL @ 1/12 ON RECOVERABLE FUEL COSTS	(601)	2,456	1,857	- 1,857
22	TOTAL CASH WORKING CAPITAL	178,542	18,947	197,492	- 197,492
23	TOTAL	\$ 468,385	82,070	\$ 550,455	\$ - \$ 550,455
24	ADD: WORKING CAPITAL RELATED TO PURCHASED POWER (\$2,781,137 X 1.64%)	48,887	(1,346)	47,541	- 47,541
25	TOTAL WORKING CAPITAL	\$ 517,272	\$ 80,724	\$ 597,996	0 \$ 597,996

EXHIBIT __ (AP-9)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
RATE INCREASE WITH MITIGATION

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

OPERATING INCOME, RATE BASE AND RATE OF RETURN FOR ELECTRIC OPERATIONS
SHOWING THE EFFECT OF THE PROPOSED INCREASE IN RATES
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

	Twelve Months Ending March 31, 2010 As Reflected in Exhibit (AP-5) (Column 1)	Rate Case Adjustments (Schedule 3) (Column 2)	Rate Year As Adjusted (Column 3)	Proposed Rate Increase (Column 4)	Rate Year As Adjusted For Proposed Rate Increase (Column 5)
OPERATING REVENUES					
SALES REVENUES	\$7,368,441	\$43,774	\$7,412,215	\$654,082	\$8,066,297
OTHER OPERATING REVENUES	<u>250,392</u>	<u>(2,759)</u>	<u>247,633</u>	<u>2,286</u>	<u>249,919</u>
TOTAL OPERATING REVENUES	<u>7,618,833</u>	<u>41,015</u>	<u>7,659,848</u>	<u>656,368</u>	<u>8,316,216</u>
OPERATING REVENUE DEDUCTIONS					
FUEL AND PURCHASED POWER	3,251,081	0	3,251,081	0	3,251,081
OTHER OPERATION AND MAINTENANCE	1,738,581	0	1,738,581	4,085	1,742,666
DEPRECIATION AND AMORTIZATION	595,837	0	595,837	0	595,837
TAXES OTHER THAN INCOME TAXES	1,205,329	(44)	1,205,285	17,066	1,222,351
GAINS FROM DISPOSITION OF UTILITY PLANT	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OPERATING REVENUE DEDUCTIONS	<u>6,790,828</u>	<u>(44)</u>	<u>6,790,784</u>	<u>21,151</u>	<u>6,811,935</u>
OPERATING INCOME BEFORE INCOME TAXES	828,005	41,059	869,064	635,217	1,504,281
NEW YORK STATE INCOME TAX (Schedule 2, Page 1)	24,830	3,338	28,168	45,100	73,268
FEDERAL INCOME TAX (Schedule 2, Page 2)	<u>61,631</u>	<u>15,912</u>	<u>77,543</u>	<u>206,541</u>	<u>284,084</u>
OPERATING INCOME AFTER INCOME TAXES	<u>\$741,544</u>	<u>\$21,809</u>	<u>\$763,353</u>	<u>\$383,576</u>	<u>\$1,146,929</u>
AVERAGE RATE BASE (Schedule 5)	<u>\$14,849,693</u>	<u>(\$258,090)</u>	<u>\$14,591,603</u>		<u>\$14,591,603</u>
RATE OF RETURN	<u>4.99%</u>		<u>5.23%</u>		<u>7.86%</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

NEW YORK STATE INCOME TAX - ELECTRIC
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

Line No.		Twelve Months Ending March 31, 2009 As Reflected in Exhibit (AP-5) (Column 1)	Rate Case Adjustments (Schedule 3) (Column 2)	Rate Year As Adjusted (Column 3)	Proposed Rate Increase (Column 4)	Rate Year As Adjusted For Proposed Rate Increase (Column 5)
1	Book Operating Income Before Income Taxes	<u>\$828,005</u>	<u>\$41,059</u>	<u>\$869,064</u>	<u>\$635,217</u>	<u>\$1,504,281</u>
	FLOW THROUGH ITEMS					
	Deduct: Non-Taxable Income and Additional Deductions					
2	Interest expense	462,939	(7,740)	455,199	0	455,199
3	Medicare Part D Subsidy - Post Employment Benefits	<u>15,347</u>	<u>0</u>	<u>15,347</u>	<u>0</u>	<u>15,347</u>
4	Total Deductions	<u>478,286</u>	<u>(7,740)</u>	<u>470,546</u>	<u>0</u>	<u>470,546</u>
	NORMALIZED ITEMS					
	Add: Additional Income and Unallowable Deductions					
5	Book Depreciation	595,837	0	595,837	0	595,837
6	Contributions in Aid of Construction	672	0	672	0	672
7	Capitalized Interest	17,902	0	17,902	0	17,902
8	Pensions / OPEB expense - Per Books	<u>110,086</u>	<u>6,428</u>	<u>116,514</u>	<u>0</u>	<u>116,514</u>
9	Total Additions	<u>724,497</u>	<u>6,428</u>	<u>730,925</u>	<u>0</u>	<u>730,925</u>
	Deduct: Non-Taxable Income and Additional Deductions					
10	NYS Depreciation	537,748	0	537,748	0	537,748
11	263A Capitalized Overheads	61,925	0	61,925	0	61,925
12	Removal Costs	201,862	0	201,862	0	201,862
13	Repair Allowance	47,326	0	47,326	0	47,326
14	Amortization of Capitalized Interest	3,929	0	3,929	0	3,929
15	Loss on MACRS Retirements	44,986	0	44,986	0	44,986
16	Pensions / OPEB expense - Funding	152,835	0	152,835	0	152,835
17	Westchester Property Tax adjustment	1,416	0	1,416	0	1,416
18	Credits from Case 07-E-0523	0	74,153	74,153	0	74,153
19	Stony Point Property Tax Refund	0	1,400	1,400	0	1,400
20	SO2 Credits	0	5,700	5,700	0	5,700
21	WTC expenses	0	(14,000)	(14,000)	0	(14,000)
22	Deferrals from Case 04-E-0572 RY3	0	(5,592)	(5,592)	0	(5,592)
23	Interest on Deferrals from Case 04-E-0572 RY3	0	(186)	(186)	0	(186)
24	Management Audit	0	(833)	(833)	0	(833)
25	T&D Deferral from Case 07-E-0523	0	(20,644)	(20,644)	0	(20,644)
26	SIR deferral - April 2008 - March 2010	0	(18,096)	(18,096)	0	(18,096)
27	Property Tax Increase deferral - April 2008 - March 2009	0	(15,333)	(15,333)	0	(15,333)
28	Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
29	Total Deductions	<u>1,052,027</u>	<u>6,569</u>	<u>1,058,596</u>	<u>0</u>	<u>1,058,596</u>
30	Taxable Income - New York State	<u>\$22,189</u>	<u>\$48,658</u>	<u>\$70,847</u>	<u>\$635,217</u>	<u>\$706,064</u>
	Tax Computation					
31	Current New York State Income Tax @ 7.10%	\$1,575	\$3,455	\$5,030	\$45,100	\$50,130
32	Deferred New York State Income Tax @ 7.10%	<u>23,255</u>	<u>10</u>	<u>23,265</u>	<u>0</u>	<u>23,265</u>
33	Sub-total New York State Income Tax	24,830	3,465	28,295	45,100	73,395
34	Brownfield Credit	0	(127)	(127)	0	(127)
35	Total New York State Income Tax	<u>\$24,830</u>	<u>\$3,338</u>	<u>\$28,168</u>	<u>\$45,100</u>	<u>\$73,268</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

FEDERAL INCOME TAX - ELECTRIC
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

Line No.		Twelve Months Ending March 31, 2009 As Reflected in Exhibit (AP-5) (Column 1)	Rate Case Adjustments (Schedule 3) (Column 2)	Rate Year As Adjusted (Column 3)	Proposed Rate Increase (Column 4)	Rate Year As Adjusted For Proposed Rate Increase (Column 5)
1	Book Operating Income Before Income Taxes	\$828,005	\$41,059	\$869,064	\$635,217	\$1,504,281
2	New York State Income Tax	<u>24,830</u>	<u>3,338</u>	<u>28,168</u>	<u>45,100</u>	<u>73,268</u>
3	Book Operating Income Before Federal Income Tax	<u>803,175</u>	<u>37,721</u>	<u>840,896</u>	<u>590,117</u>	<u>1,431,013</u>
FLOW THROUGH ITEMS						
Add: Additional Income and Unallowable Deductions						
4	Book Depreciation	595,837	0	595,837	0	595,837
5	Hudson-Farragut Amortization - Per Books	477	0	477	0	477
6	Capitalized Interest	<u>17,902</u>	<u>0</u>	<u>17,902</u>	<u>0</u>	<u>17,902</u>
7	Total Additions	<u>614,216</u>	<u>0</u>	<u>614,216</u>	<u>0</u>	<u>614,216</u>
Deduct: Non-Taxable Income and Additional Deductions						
8	Interest expense	462,939	(7,740)	455,199	0	455,199
9	Statutory Depreciation - at current book rates	342,105	0	342,105	0	342,105
10	Statutory Depreciation - change at proposed book rates	0	0	0	0	0
11	Statutory Depreciation - change with reserve deficiency	0	0	0	0	0
12	Removal Costs	201,862	0	201,862	0	201,862
13	Medicare Part D Subsidy - Post Employment Benefits	15,347	0	15,347	0	15,347
14	Amortization of Capitalized Interest	2,073	0	2,073	0	2,073
15	Westchester Property Tax adjustment	1,416	0	1,416	0	1,416
16	Dividends Paid on \$5 Cumulative Preferred Stock	<u>3,327</u>	<u>0</u>	<u>3,327</u>	<u>0</u>	<u>3,327</u>
17	Total Deductions	<u>1,029,069</u>	<u>(7,740)</u>	<u>1,021,329</u>	<u>0</u>	<u>1,021,329</u>
NORMALIZED ITEMS						
Add: Additional Income and Unallowable Deductions						
18	Contributions in Aid of Construction	672	0	672	0	672
19	Pensions / OPEB Expense - Per Books	110,086	6,428	116,514	0	116,514
20	Deferred State Income Tax	<u>23,255</u>	<u>10</u>	<u>23,265</u>	<u>0</u>	<u>23,265</u>
21	Total Additions	<u>134,013</u>	<u>6,438</u>	<u>140,451</u>	<u>0</u>	<u>140,451</u>
Deduct: Non-Taxable Income and Additional Deductions						
22	Statutory Depreciation - at current book rates	251,857	0	251,857	0	251,857
23	263A Capitalized Overheads	61,925	0	61,925	0	61,925
24	Statutory Depreciation - change at proposed book rates	0	0	0	0	0
25	Statutory Depreciation - change with reserve deficiency	0	0	0	0	0
26	Repair Allowance	47,326	0	47,326	0	47,326
27	Loss on MACRS Retirements	40,173	0	40,173	0	40,173
28	Amortization of Capitalized Interest	1,856	0	1,856	0	1,856
29	Pensions / OPEB expense - Funding	152,835	0	152,835	0	152,835
30	Credits from Case 07-E-0523	0	74,153	74,153	0	74,153
31	Stony Point Property Tax Refund	0	1,400	1,400	0	1,400
32	SO2 Credits	0	5,700	5,700	0	5,700
33	WTC expenses	0	(14,000)	(14,000)	0	(14,000)
34	Deferrals from Case 04-E-0572 RY3	0	(5,592)	(5,592)	0	(5,592)
35	Interest on Deferrals from Case 04-E-0572 RY3	0	(186)	(186)	0	(186)
36	Management Audit	0	(833)	(833)	0	(833)
37	T&D Deferral from Case 07-E-0523	0	(20,644)	(20,644)	0	(20,644)
38	SIR deferral - April 2008 - March 2010	0	(18,096)	(18,096)	0	(18,096)
39	Property Tax Increase deferral - April 2008 - March 2009	0	(15,333)	(15,333)	0	(15,333)
40	Miscellaneous	0	0	0	0	0
41	Total Deductions	<u>555,972</u>	<u>6,569</u>	<u>562,541</u>	<u>0</u>	<u>562,541</u>
42	Taxable Income - Federal	<u>\$33,637</u>	<u>\$45,330</u>	<u>\$11,693</u>	<u>\$590,117</u>	<u>\$601,810</u>
Tax Computation						
43	Current Federal Income Tax @ 35%	(\$11,773)	\$15,866	\$4,093	\$206,541	\$210,634
44	Deferred Federal Income Tax @ 35%	147,686	46	147,732	0	147,732
Amortization of Previously Deferred Federal Income Tax						
45	Depreciation - ADR / ACRS / MACRS - at current book rates	(45,055)	0	(45,055)	0	(45,055)
46	Depreciation - ADR / ACRS / MACRS - proposed book rates	0	0	0	0	0
47	Depreciation - ADR / ACRS / MACRS - reserve deficiency	0	0	0	0	0
48	Loss on MACRS Retirements	(5,558)	0	(5,558)	0	(5,558)
49	Repair Allowance	(9,844)	0	(9,844)	0	(9,844)
50	Capitalized Overheads	(10,296)	0	(10,296)	0	(10,296)
	Depreciation on Capitalized Maintenance / Computer Software	1,223	0	1,223	0	1,223
51	Investment Tax Credit	<u>(4,752)</u>	<u>0</u>	<u>(4,752)</u>	<u>0</u>	<u>(4,752)</u>
52	Total Federal Income Tax	<u>\$61,631</u>	<u>\$15,912</u>	<u>\$77,543</u>	<u>\$206,541</u>	<u>\$284,084</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

ADJUSTMENTS TO OPERATING INCOME - ELECTRIC
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

	<u>Amount</u>
<u>SALES REVENUES</u>	
1. Decrease in base revenues to reflect 365.25 billing days during the rate year	(\$1,496)
2. Increase in base revenues to reflect unbilled revenues during the rate year	\$45,270
Total Adjustments to Sales Revenues	<u>\$43,774</u>
<u>OTHER OPERATING REVENUES</u>	
1. To refund previously deferred amounts:	
a. Credits from Case 07-E-0523	\$74,153
b. Stony Point Property Tax Refund	1,400
c. SO2 Credits	5,700
d. Verizon Pole Maintenance Contract	14,500
2. To recover previously deferred amounts:	
a. WTC expenses	(14,000)
b. Deferrals from Case 04-E-0572 RY3	(5,592)
c. Interest on Deferrals from Case 04-E-0572 RY3	(186)
d. Management Audit	(833)
e. T&D Deferral from Case 07-E-0523	(20,644)
f. Pension deferral -- April 2008 - March 2009	(6,428)
g. SIR deferral -- April 2008 - March 2010	(18,096)
h. Property Tax Increase deferral - April 2008 - March 2009	(15,333)
3. Continuation of the Low Income Discount Program at the current authorized level	(17,400)
Total Adjustments to Other Operating Revenues	<u>(\$2,759)</u>
<u>FUEL AND PURCHASED POWER</u>	<u>\$0</u>
<u>OPERATION AND MAINTENANCE EXPENSES</u>	<u>\$0</u>
<u>DEPRECIATION AND AMORTIZATION EXPENSES</u>	
1. Increase in depreciation expense resulting from:	
a. Proposed changes in book depreciation rates	\$0
b. Amortization of the reserve deficiency over 15 years	0
Total Adjustments to Depreciation and Amortization Expenses	<u>\$0</u>
<u>TAXES OTHER THAN INCOME TAXES</u>	
1. Adjustment to revenue taxes related to billing day adjustment	(\$44)
	0
Total Adjustments to Taxes Other Than Income Taxes	<u>(\$44)</u>
<u>GAINS FROM DISPOSITION OF UTILITY PLANT</u>	
1. To refund previously deferred amounts over a three-year period:	
a.	\$0
Total Adjustments to Gain on Disposition of Utility Plant	<u>\$0</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CUSTOMER CREDITS AND DEBITS - ELECTRIC
(Thousands of Dollars)

	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>	<u>Total</u>
<u>Customer Credits</u>				
<u>Regulatory Liabilities</u>				
1 Credits from Case 07-E-0523	\$74,153	\$37,077	\$37,077	\$148,306
2 Stony Point Property Tax Refund	1,400	0	0	1,400
3 SO2 Credits	5,700	0	0	5,700
4 Verizon Joint Use Poles -- maintenance reimbursement	14,500	0	0	14,500
Total	<u>\$95,753</u>	<u>\$37,077</u>	<u>\$37,077</u>	<u>\$169,906</u>
<u>Customer Debits</u>				
<u>Regulatory Assets</u>				
1 WTC expenses	\$14,000	\$41,000	\$41,000	\$96,000
2 Deferrals from Case 04-E-0572 RY3	5,592	5,592	5,592	16,776
3 Interest on Deferrals from Case 04-E-0572 RY3	186	186	186	558
4 Management Audit	833	833	833	2,499
5 T&D Deferral from Case 07-E-0523	20,644	20,644	20,644	61,932
6 Pension deferral -- April 2008 - March 2009	6,428	6,428	6,428	19,284
7 SIR deferral -- April 2008 - March 2010	18,096	21,488	24,880	64,464
8 Property Tax Increase deferral - April 2008 - March 2009	15,333	15,333	15,333	45,999
Total	<u>\$81,112</u>	<u>\$111,504</u>	<u>\$114,896</u>	<u>\$307,512</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
RATE BASE - ELECTRIC
AVERAGE TWELVE MONTHS ENDED DECEMBER 31, 2007 AND
AVERAGE TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

LINE		AVERAGE ACTUAL TWELVE MONTHS ENDED DECEMBER 31, 2007 (COL. 1)	ADJUSTMENTS TO REFLECT CONDITIONS IN RATE YEAR (COL. 2)	AVERAGE TWELVE MONTHS ENDING MARCH 31, 2010 (COL. 3)	ADJUSTMENTS TO RATE BASE TWELVE MONTHS ENDING MARCH 31, 2010 (COL. 4)	RATE YEAR RATE BASE FULLY ADJUSTED FOR PROPOSED RATE INCREASE (COL. 5)
NO. 1	UTILITY PLANT	\$ 15,685,334	\$ 3,169,211	\$ 18,854,545	\$ (40,000)	\$ 18,814,545
2	BOOK COST OF PLANT	(3,579,932)	(231,867)	(3,811,799)		(3,811,799)
3	ACCUMULATED RESERVE FOR DEPRECIATION					
	NET PLANT	12,105,402	2,937,344	15,042,746	(40,000)	15,002,746
4	NON-INTEREST BEARING CWP	413,151	144,942	558,093	-	558,093
5	PREFERRED STOCK EXPENSE	2,392	22	2,414	-	2,414
6	UNAMORTIZED DEBT DISCOUNT PREMIUM AND EXPENSE	133,463	2,828	136,291	-	136,291
7	DEFERRED FUEL - NET OF TAX	81,810	(55,307)	26,503	-	26,503
8	F.I.T. REFUND DEFICIENCY- INCL. INTEREST - NET OF TAX	13,038	(13,038)	-	-	-
9	UNAMORTIZED BALANCE - HUDSON FARRAGUT	2,396	(1,073)	1,323	-	1,323
10	CUSTOMER ADVANCES FOR CONSTRUCTION	(201)	(68)	(269)	-	(269)
11	M.T.A. SURTAX - NET OF TAX	2,874	189	3,063	-	3,063
12	WORKING CAPITAL	517,272	80,724	597,996	-	597,996
13	EXCESS RATE BASE OVER CAPITALIZATION ADJUSTMENT	387,666	-	387,666	(141,980)	245,686
14	EARLY RETIREMENT TERMINATION BENEFIT (1993) - NET OF TAX	1,020	(1,020)	-	-	-
15	EARLY RETIREMENT TERMINATION BENEFIT (1999) - NET OF TAX	10,725	(2,930)	7,795	-	7,795
16	LOW INCOME FUND - NET OF TAX	(143)	143	-	-	-
17	ARREARS AVOIDANCE PROGRAM - NET OF TAX	(45)	45	-	-	-
18	DC SERVICE INCENTIVE - NET OF TAX	(7,350)	4,443	(2,907)	-	(2,907)
19	SYSTEM BENEFITS CHARGE/RETAL PORTFOLIO STANDARD - NET OF TAX	(1,058)	5,270	4,212	-	4,212
20	AMOUNTS BILLED IN ADVANCE OF CONSTRUCTION - NET OF TAX	(5,427)	(282)	(5,709)	-	(5,709)
21	B I R DISCOUNTS - RECOVERY - NET OF TAX	3,339	-	3,339	-	3,339
22	EMERGENCY DEMAND RESPONSE PROGRAM - INITIAL COSTS - NET OF TAX	121	(121)	-	-	-
23	DIRECT LOAD CONTROL PROGRAM - NET OF TAX	152	(152)	-	-	-
24	NOX EMISSIONS ALLOWANCES - NET OF TAX	(697)	697	-	-	-
25	SALE OF NOX EMISSIONS ALLOWANCES - NET OF TAX	(64)	64	-	-	-
26	COGEN TECHNOLOGIES - REIMB. FOR O&M - NET OF TAX	(458)	458	-	-	-
27	SALE / APPROPRIATION OF PROPERTY	(20,648)	20,648	-	-	-
28	CATV POLE ATTACHMENT REVENUE - NET OF TAX	(394)	394	-	-	-
29	WASHINGTON HEIGHTS & WTC SECURITY INITIATIVE - NET OF TAX	(490)	490	-	-	-
30	CUSTOMER REFUND ASSOCIATED WITH DIVESTED PLANTS - NET OF TAX	(991)	991	-	-	-
31	CONDEMNATION OF EASEMENTS - NET OF TAX	(309)	309	-	-	-
32	RATE CASE PENSION DEFERRAL - NET OF TAX	21,107	(21,107)	-	-	-
33	RATE CASE OPEB DEFERRAL - NET OF TAX	7,346	(7,346)	-	-	-
34	EXPIRING AMORTIZATION OF DEFERRED COSTS - NET OF TAX	(56,864)	56,864	-	-	-
35	FORGOING RENTAL INCOME-W 24TH STREET - NET OF TAX	(392)	392	-	-	-
	<u>RATE CASE RECONCILIATIONS - NET OF F.I.T.</u>					
36	RECOVERY OF WTC COSTS	-	102,587	102,587	(102,587)	-
37	RECOVERY OF DEFERRALS FROM CASE 04-E-0572 RY3	-	10,465	10,465	(1,744)	8,721
38	RECOVERY OF MANAGEMENT AUDIT	-	1,510	1,510	(252)	1,258
39	RECOVERY OF VARIOUS DEFERRALS FROM CASE 07-E-0523	-	112,193	112,193	(6,234)	105,959
40	RECOVERY OF PENSION DEFERRALS FROM CASE 07-E-0523	-	11,645	11,645	(1,941)	9,704
41	RECOVERY OF SIR DEFERRALS FROM CASE 07-E-0523	-	109,274	109,274	(5,464)	103,810
42	RECOVERY OF 2008/2009 PROPERTY TAX INCREASE	-	27,778	27,778	(4,630)	23,148
43	REFUND OF CREDITS FROM CASE 07-E-0523	-	(89,554)	(89,554)	22,389	(67,165)
44	REFUND OF STONY POINT PROPERTY TAX REFUND	-	(845)	(845)	422	(423)
45	REFUND OF SO2 CREDITS	-	(3,442)	(3,442)	1,721	(1,721)
46	UNBILLED REVENUES	-	(8,756)	(8,756)	42,709	33,953
47	VERIZON POLE MAINTENANCE - REIMBURSEMENT	-	-	-	(4,378)	(4,378)
	<u>ACCUMULATED DEFERRED INCOME TAXES</u>					
48	ADR / ACRS / MACRS DEDUCTIONS	(1,563,682)	(182,306)	(1,745,988)	-	(1,745,988)
49	CHANGE OF ACCOUNTING SECTION 263A	(277,671)	(3,118)	(280,789)	-	(280,789)
50	VESTED VACATION	12,063	(534)	11,529	-	11,529
51	PREPAID INSURANCE EXPENSES	(1,974)	(1,843)	(3,817)	-	(3,817)
52	UNBILLED REVENUES	93,828	16,612	110,440	-	110,440
53	CONTRIBUTIONS IN AID OF CONSTRUCTION	12,561	(266)	12,295	-	12,295
54	CAPITALIZED INTEREST	6,057	(1,465)	4,592	-	4,592
55	ADVANCE REFUNDING OF MORTGAGE BONDS	(23)	23	-	-	-
56	REPAIR & MAINTENANCE ALLOWANCE - 02 - 06 IRS AUDIT	3,869	638	4,507	-	4,507
57	FIN 48 - DISALLOWED SSCM	(47,863)	(9,612)	(57,475)	-	(57,475)
58	MTA	(1,158)	(11,201)	(12,359)	-	(12,359)
59	AMORTIZATION OF COMPUTER SOFTWARE	(3,749)	(39,298)	(43,047)	-	(43,047)
60	CUSTOMER DEPOSITS	25,571	(5,293)	20,278	-	20,278
61	CALL PREMIUM	(22,736)	3,184	(19,552)	-	(19,552)
62	EXCESS DEFERRED SIT (2000/2001)	(7,237)	7,237	-	-	-
63	DEFERRED S.I.T.	(169,879)	(16,452)	(186,331)	(16,122)	(202,453)
64	TOTAL RATE BASE	\$ 11,665,720	\$ 3,183,973	\$ 14,849,693	\$ (258,090)	\$ 14,591,603

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
WORKING CAPITAL - ELECTRIC
AVERAGE TWELVE MONTHS ENDED DECEMBER 31, 2007 AND
AVERAGE TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

LINE NO.	AVERAGE ACTUAL TWELVE MONTHS ENDED <u>DECEMBER 31, 2007</u> (COL. 1)	ADJUSTMENTS TO REFLECT CONDITIONS <u>IN RATE YEAR</u> (COL. 2)	AVERAGE TWELVE MONTHS ENDING <u>MARCH 31, 2010</u> (COL. 3)	ADJUSTMENTS TO RATE BASE TWELVE MONTHS ENDING <u>MARCH 31, 2010</u> (COL. 4)	RATE YEAR RATE BASE FULLY ADJUSTED FOR PROPOSED <u>RATE INCREASE</u> (COL. 5)
<u>MATERIALS AND SUPPLIES</u>					
1.	\$ 7,178	\$ 81	\$ 7,259	\$ -	\$ 7,259
2	<u>83,534</u>	<u>5,136</u>	<u>88,670</u>	<u>-</u>	<u>88,670</u>
3	90,712	5,217	95,929	-	95,929
<u>PREPAYMENTS</u>					
4	10,805	3,100	13,905	-	13,905
5	14,495	1,024	15,519	-	15,519
6	147,915	52,291	200,206	-	200,206
7	7,488	405	7,893	-	7,893
8	7,630	397	8,027	-	8,027
9	121	143	264	-	264
10	<u>10,677</u>	<u>545</u>	<u>11,222</u>	<u>-</u>	<u>11,222</u>
11	199,131	57,904	257,035	-	257,035
<u>CASH WORKING CAPITAL</u>					
12	4,736,708	252,954	4,989,662	4,085	4,993,747
13	2,980,916	(82,082)	2,898,834	-	2,898,834
14	281,292	52,895	334,187	-	334,187
15	(7,208)	29,475	22,267	-	22,267
16	4,581	458	5,039	-	5,039
17	49,923	2,149	52,072	4,085	56,157
18	<u>(5,949)</u>	<u>118,128</u>	<u>112,179</u>	<u>-</u>	<u>112,179</u>
19	1,433,153	131,931	1,565,084	-	1,565,084
20	179,143	16,491	195,637	-	195,637
21	<u>(601)</u>	<u>2,456</u>	<u>1,857</u>	<u>-</u>	<u>1,857</u>
22	178,542	18,947	197,492	-	197,492
23	<u>\$ 468,385</u>	<u>82,070</u>	<u>\$ 550,455</u>	<u>\$ -</u>	<u>\$ 550,455</u>
24	48,887	(1,346)	47,541	-	47,541
25	<u>\$ 517,272</u>	<u>\$ 80,724</u>	<u>\$ 597,996</u>	<u>\$ 0</u>	<u>\$ 597,996</u>

EXHIBIT __ (AP- 10)

**CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ALLOCATION OF RATE INCREASES BETWEEN MAC AND T&D**

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

SUMMARY OF RATE INCREASE FOR ELECTRIC OPERATIONS
SHOWING THE EFFECT OF THE PROPOSED INCREASE IN RATES
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

	TOTAL PROPOSED RATE INCREASE <u>(Column 1)</u>	MAC PROPOSED RATE INCREASE <u>(Column 2)</u>	T&D PROPOSED RATE INCREASE <u>(Column 3)</u>
<u>OPERATING REVENUES</u>			
SALES REVENUES	\$654,082	\$20,176	\$633,906
OTHER OPERATING REVENUES	<u>2,286</u>	<u>71</u>	<u>2,215</u>
TOTAL OPERATING REVENUES	<u>656,368</u>	<u>20,247</u>	<u>636,121</u>
<u>OPERATING REVENUE DEDUCTIONS</u>			
FUEL AND PURCHASED POWER	0	0	0
OTHER OPERATION AND MAINTENANCE	4,085	126	3,959
DEPRECIATION AND AMORTIZATION	0	0	0
TAXES OTHER THAN INCOME TAXES	17,066	526	16,540
GAINS FROM DISPOSITION OF UTILITY PLANT	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OPERATING REVENUE DEDUCTIONS	<u>21,151</u>	<u>652</u>	<u>20,499</u>
OPERATING INCOME BEFORE INCOME TAXES	635,217	19,595	615,622
NEW YORK STATE INCOME TAX (Schedule 2, Page 1)	45,100	1,391	43,709
FEDERAL INCOME TAX (Schedule 2, Page 2)	<u>206,541</u>	<u>6,371</u>	<u>200,170</u>
OPERATING INCOME AFTER INCOME TAXES	<u>\$383,576</u>	<u>\$11,833</u>	<u>\$371,743</u>
AVERAGE RATE BASE (Exhibit (AP-8))	<u>\$14,591,603</u>	<u>\$628,077</u>	<u>\$13,963,526</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

OPERATING INCOME, RATE BASE AND RATE OF RETURN FOR ELECTRIC PRODUCTION OPERATIONS
SHOWING THE EFFECT OF THE PROPOSED INCREASE IN RATES
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

	Twelve Months Ending March 31, 2009 As Reflected in Exhibit (AP-9) <u>(Column 1)</u>	Rate Case Adjustments (Schedule 3) <u>(Column 2)</u>	Rate Year As Adjusted <u>(Column 3)</u>	Proposed Rate Increase <u>(Column 4)</u>	Rate Year As Adjusted For Proposed Rate Increase <u>(Column 5)</u>
<u>OPERATING REVENUES</u>					
SALES REVENUES	518,388	\$0	\$518,388	\$20,176	\$538,564
OTHER OPERATING REVENUES	<u>5,919</u>	<u>0</u>	<u>5,919</u>	<u>71</u>	<u>5,990</u>
TOTAL OPERATING REVENUES	<u>524,307</u>	<u>0</u>	<u>524,307</u>	<u>20,247</u>	<u>544,554</u>
<u>OPERATING REVENUE DEDUCTIONS</u>					
FUEL AND PURCHASED POWER	205,731	0	205,731	0	205,731
OTHER OPERATION AND MAINTENANCE	196,530	0	196,530	126	196,656
DEPRECIATION AND AMORTIZATION	20,606	0	20,606	0	20,606
TAXES OTHER THAN INCOME TAXES	46,855	0	46,855	526	47,381
GAINS FROM DISPOSITION OF UTILITY PLANT	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OPERATING REVENUE DEDUCTIONS	<u>469,722</u>	<u>0</u>	<u>469,722</u>	<u>652</u>	<u>470,374</u>
OPERATING INCOME BEFORE INCOME TAXES	54,585	0	54,585	19,595	74,180
NEW YORK STATE INCOME TAX (Schedule 2, Page 1)	2,505	0	2,505	1,391	3,896
FEDERAL INCOME TAX (Schedule 2, Page 2)	<u>14,544</u>	<u>0</u>	<u>14,544</u>	<u>6,371</u>	<u>20,915</u>
OPERATING INCOME AFTER INCOME TAXES	<u>\$37,536</u>	<u>\$0</u>	<u>\$37,536</u>	<u>\$11,833</u>	<u>\$49,369</u>
AVERAGE RATE BASE (Exhibit (AP-8))	<u>\$628,077</u>	<u>\$0</u>	<u>\$628,077</u>		<u>\$628,077</u>
RATE OF RETURN	<u>5.98%</u>		<u>5.98%</u>		<u>7.86%</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

NEW YORK STATE INCOME TAX - ELECTRIC PRODUCTION
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

Line No.		Twelve Months Ending March 31, 2009 As Reflected in Exhibit (AP-9) (Column 1)	Rate Case Adjustments (Schedule 3) (Column 2)	Rate Year As Adjusted (Column 3)	Proposed Rate Increase (Column 4)	Rate Year As Adjusted For Proposed Rate Increase (Column 5)
1	Book Operating Income Before Income Taxes	<u>\$54,585</u>	<u>\$0</u>	<u>\$54,585</u>	<u>\$19,595</u>	<u>\$74,180</u>
	FLOW THROUGH ITEMS					
	Deduct: Non-Taxable Income and Additional Deductions					
2	Interest expense	<u>19,299</u>	<u>0</u>	<u>19,299</u>	<u>0</u>	<u>19,299</u>
3	Total Deductions	<u>19,299</u>	<u>0</u>	<u>19,299</u>	<u>0</u>	<u>19,299</u>
	NORMALIZED ITEMS					
	Add: Additional Income and Unallowable Deductions					
4	Book Depreciation	<u>20,606</u>	<u>0</u>	<u>20,606</u>	<u>0</u>	<u>20,606</u>
5	Total Additions	<u>20,606</u>	<u>0</u>	<u>20,606</u>	<u>0</u>	<u>20,606</u>
	Deduct: Non-Taxable Income and Additional Deductions					
6	NYS Depreciation	<u>20,739</u>	<u>0</u>	<u>20,739</u>	<u>0</u>	<u>20,739</u>
7	Total Deductions	<u>20,739</u>	<u>0</u>	<u>20,739</u>	<u>0</u>	<u>20,739</u>
8	Taxable Income - New York State	<u>\$35,153</u>	<u>\$0</u>	<u>\$35,153</u>	<u>\$19,595</u>	<u>\$54,748</u>
	Tax Computation					
9	Current New York State Income Tax @ 7.10%	<u>\$2,496</u>	<u>\$0</u>	<u>\$2,496</u>	<u>\$1,391</u>	<u>\$3,887</u>
10	Deferred New York State Income Tax @ 7.10%	<u>9</u>	<u>0</u>	<u>9</u>	<u>0</u>	<u>9</u>
11	Total New York State Income Tax	<u>\$2,505</u>	<u>\$0</u>	<u>\$2,505</u>	<u>\$1,391</u>	<u>\$3,896</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

FEDERAL INCOME TAX - ELECTRIC PRODUCTION
TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

Line No.		Twelve Months Ending March 31, 2009 As Reflected in Exhibit (AP-9) (Column 1)	Rate Case Adjustments (Schedule 3) (Column 2)	Rate Year As Adjusted (Column 3)	Proposed Rate Increase (Column 4)	Rate Year As Adjusted For Proposed Rate Increase (Column 5)
1	Book Operating Income Before Income Taxes	\$54,585	\$0	\$54,585	\$19,595	\$74,180
2	New York State Income Tax	2,505	0	2,505	1,391	3,896
3	Book Operating Income Before Federal Income Tax	<u>52,080</u>	<u>0</u>	<u>52,080</u>	<u>18,204</u>	<u>70,284</u>
	FLOW THROUGH ITEMS					
	Add: Additional Income and Unallowable Deductions					
4	Book Depreciation	20,606	0	20,606	0	20,606
5	Total Additions	<u>20,606</u>	<u>0</u>	<u>20,606</u>	<u>0</u>	<u>20,606</u>
	Deduct: Non-Taxable Income and Additional Deductions					
6	Interest expense	19,299	0	19,299	0	19,299
7	Statutory Depreciation - at current book rates	11,831	0	11,831	0	11,831
8	Statutory Depreciation - change at proposed book rates	0	0	0	0	0
9	Statutory Depreciation - change with reserve deficiency	0	0	0	0	0
10	Total Deductions	<u>31,130</u>	<u>0</u>	<u>31,130</u>	<u>0</u>	<u>31,130</u>
	NORMALIZED ITEMS					
	Deduct: Non-Taxable Income and Additional Deductions					
11	Statutory Depreciation - at current book rates	10,852	0	10,852	0	10,852
12	Statutory Depreciation - change at proposed book rates	0	0	0	0	0
13	Statutory Depreciation - change with reserve deficiency	0	0	0	0	0
14	Total Deductions	<u>10,852</u>	<u>0</u>	<u>10,852</u>	<u>0</u>	<u>10,852</u>
15	Taxable Income - Federal	<u>\$30,704</u>	<u>\$0</u>	<u>\$30,704</u>	<u>\$18,204</u>	<u>\$48,908</u>
	Tax Computation					
16	Current Federal Income Tax @ 35%	\$10,746	\$0	\$10,746	\$6,371	\$17,117
17	Deferred Federal Income Tax @ 35%	3,798	0	3,798	0	3,798
18	Total Federal Income Tax	<u>\$14,544</u>	<u>\$0</u>	<u>\$14,544</u>	<u>\$6,371</u>	<u>\$20,915</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
RATE BASE - ELECTRIC OPERATIONS
AVERAGE TWELVE MONTHS ENDING MARCH 31, 2010
(Thousands of Dollars)

LINE NO.	UTILITY PLANT	RATE BASE FULLY ADJUSTED FOR PROPOSED RATE INCREASE FOR ELECTRIC TOTAL (Column 1)	RATE BASE FULLY ADJUSTED FOR PROPOSED RATE INCREASE FOR ELECTRIC PRODUCTION (Column 2)	RATE BASE FULLY ADJUSTED FOR PROPOSED RATE INCREASE FOR ELECTRIC T&D (Column 3)
1.	BOOK COST OF PLANT	\$ 18,814,545	\$ 494,291	\$ 18,320,254
2	ACCUMULATED RESERVE FOR DEPRECIATION	(3,811,799)	15,684	(3,827,483)
3	NET PLANT	15,002,746	509,975	14,492,771
4	NON-INTEREST BEARING CWP	558,093	14,658	543,435
5	PREFERRED STOCK EXPENSE	2,414	87	2,327
6	UNAMORTIZED DEBT DISCOUNT PREMIUM AND EXPENSE	136,291	4,930	131,361
7	DEFERRED FUEL - NET OF TAX	26,503	26,503	-
8	F.I.T. REFUND DEFICIENCY- INCL. INTEREST - NET OF TAX	-	-	-
9	UNAMORTIZED BALANCE - HUDSON FARRAGUT	1,323	-	1,323
10	CUSTOMER ADVANCES FOR CONSTRUCTION	(269)	-	(269)
11	M.T.A. SURTAX - NET OF TAX	3,063	111	2,952
12	WORKING CAPITAL	597,996	120,138	477,859
13	EXCESS RATE BASE OVER CAPITALIZATION ADJUSTMENT	245,686	12,155	233,531
14	EARLY RETIREMENT TERMINATION BENEFIT (1993) - NET OF TAX	-	-	-
15	EARLY RETIREMENT TERMINATION BENEFIT (1999) - NET OF TAX	7,795	583	7,212
16	LOW INCOME FUND - NET OF TAX	-	-	-
17	ARREARS AVOIDANCE PROGRAM - NET OF TAX	-	-	-
18	DC SERVICE INCENTIVE - NET OF TAX	(2,907)	-	(2,907)
19	SYSTEM BENEFITS CHARGE/RETAIL PORTFOLIO STANDARD - NET OF TAX	4,212	-	4,212
20	AMOUNTS BILLED IN ADVANCE OF CONSTRUCTION - NET OF TAX	(5,709)	-	(5,709)
21	B I R DISCOUNTS - RECOVERY - NET OF TAX	3,339	-	3,339
22	EMERGENCY DEMAND RESPONSE PROGRAM - INITIAL COSTS - NET OF TAX	-	-	-
23	DIRECT LOAD CONTROL PROGRAM - NET OF TAX	-	-	-
24	NOX EMISSIONS ALLOWANCES - NET OF TAX	-	-	-
25	SALE OF NOX EMISSIONS ALLOWANCES - NET OF TAX	-	-	-
26	COGEN TECHNOLOGIES - REIMB. FOR O&M - NET OF TAX	-	-	-
27	SALE / APPROPRIATION OF PROPERTY	-	-	-
28	CATV POLE ATTACHMENT REVENUE - NET OF TAX	-	-	-
29	WASHINGTON HEIGHTS & WTC SECURITY INITIATIVE - NET OF TAX	-	-	-
30	CUSTOMER REFUND ASSOCIATED WITH DIVESTED PLANTS - NET OF TAX	-	-	-
31	CONDEMNATION OF EASTMENTS - NET OF TAX	-	-	-
32	RATE CASE PENSION DEFERRAL - NET OF TAX	-	-	-
33	RATE CASE OPEB DEFERRAL - NET OF TAX	-	-	-
34	EXPIRING AMORTIZATION OF DEFERRED COSTS - NET OF TAX	-	-	-
35	FORGOING RENTAL INCOME-W 24TH STREET - NET OF TAX	-	-	-
	RATE CASE RECONCILIATIONS - NET OF F.I.T.			
36	RECOVERY OF WTC COSTS	-	-	-
37	RECOVERY OF DEFERRALS FROM CASE 04-E-0572 RY3	8,721	-	8,721
38	RECOVERY OF MANAGEMENT AUDIT	1,258	-	1,258
39	RECOVERY OF T&D DEFERRALS FROM CASE 07-E-0523	105,959	-	105,959
40	RECOVERY OF PENSION DEFERRALS FROM CASE 07-E-0523	9,704	-	9,704
41	RECOVERY OF SIR DEFERRALS FROM CASE 07-E-0523	103,810	-	103,810
42	RECOVERY OF 2008/2009 PROPERTY TAX INCREASE	23,148	-	23,148
43	REFUND OF CREDITS FROM CASE 07-E-0523	(67,165)	-	(67,165)
44	REFUND OF STONY POINT PROPERTY TAX REFUND	(423)	-	(423)
45	REFUND OF SO2 CREDITS	(1,721)	-	(1,721)
46	UNBILLED REVENUES	33,953	-	33,953
47	VERIZON POLE MAINTENANCE - REIMBURSEMENT	(4,378)	-	(4,378)
	ACCUMULATED DEFERRED INCOME TAXES			
48	ADR / ACRS / MACRS DEDUCTIONS	(1,745,988)	(45,661)	(1,700,326)
49	CHANGE OF ACCOUNTING SECTION 263A	(280,789)	(10,156)	(270,633)
50	VESTED VACATION	11,529	863	10,666
51	PREPAID INSURANCE EXPENSES	(3,817)	(138)	(3,679)
52	UNBILLED REVENUES	110,440	3,995	106,445
53	CONTRIBUTIONS IN AID OF CONSTRUCTION	12,295	-	12,295
54	CAPITALIZED INTEREST	4,592	166	4,426
55	ADVANCE REFUNDING OF MORTGAGE BONDS	-	-	-
56	REPAIR & MAINTENANCE ALLOWANCE - 98 - 02 IRS AUDIT	4,507	-	4,507
57	FIN 48 - DISALLOWED SSCM	(57,475)	(2,079)	(55,396)
58	MTA	(12,359)	-	(12,359)
59	AMORTIZATION OF COMPUTER SOFTWARE	(43,047)	-	(43,047)
60	CUSTOMER DEPOSITS	20,278	-	20,278
61	CALL PREMIUM	(19,552)	(707)	(18,845)
62	EXCESS DEFERRED SIT (2000/2001)	-	-	-
63	DEFERRED S.I.T.	(202,453)	(7,345)	(195,108)
64	TOTAL RATE BASE	\$ 14,591,603	\$ 628,077	\$ 13,963,526

EXHIBIT __ (AP- 11)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
MULTI-YEAR RATE PLAN

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
FIVE-YEAR ELECTRIC REVENUE REQUIREMENT
(\$ millions)

	Exhibit / Schedule	Twelve Months Ending March 31,				
		2010	2011	2012	2013	2014
Base Rate Increase - RY1	AP-9, Sch 1	\$ 654.1				
Operating Revenues						
Net Operating Revenues	AP-11, Sch 2		\$ 13.9	\$ (29.3)	\$ 1.6	\$ 4.7
Other Operating Revenues	AP-11, Sch 3		1.0	1.0	1.2	1.2
Net Revenues			\$ 15.0	\$ (28.2)	\$ 2.8	\$ 6.0
Operating Expenses						
Operation & Maintenance Expense (excl. fuel)						
- Labor & General Escalations	AP-11, Sch 4		34.6	35.3	36.7	37.5
- Pension and OPEBs	AP-11, Sch 4		37.6	(15.9)	(29.3)	(35.9)
- Uncollectibles	AP-11, Sch 1		3.0	2.6	1.9	1.8
- Amortization of Regulatory Deferrals / Credits	AP-11, Sch 2,3		111.7	3.4	(6.3)	3.4
Depreciation & Amortization	AP-11, Sch 5		37.2	65.3	45.9	37.4
Taxes Other - excl. revenue taxes	AP-11, Sch 6		84.8	99.4	116.9	129.5
- revenue taxes	AP-11, Sch 6		12.6	11.8	10.5	7.4
Federal Income Taxes & Other Variations	AP-11, Sch 8		16.2	(4.1)	(10.4)	5.1
Pre Tax Return on Rate Base (Net of Interest Tax Deduction)	AP-11, Sch 9		152.0	194.5	136.3	102.4
Subtotal (2)			489.7	392.3	302.2	288.6
Annual True Up Mechanisms						
Revenue Decoupling Mechanism						
Energy Efficiency Programs						
Property Tax Expense						
Municipal Infrastructure Support (excluding Company Payroll)						
Pensions / OPEBs (Policy Statement)						
Environmental Site Investigation and Remediation						
Inflationary increases above 4 percent						
World Trade Center						
Net Rate Change	AP-11, Sch 1	\$ 654.1	\$ 474.7	\$ 420.5	\$ 299.4	\$ 282.6
Percent Increase Over Base Year		5.8%	4.2%	3.7%	2.7%	2.5%
Levelized Annual Rate Increase (RY1 -- RY3)		\$ 556.7	\$ 556.7	\$ 556.7		
Percent Increase Over Base Year		4.9%	4.9%	4.9%		

Consolidated Edison of New York, Inc.
Electric Department
Operating Income, Rate Base & Rate of Return
(\$000's)

TWELVE MONTHS ENDING MARCH 31, 2011

	Rate Year 1 Exhibit (AP-9)	Sched.	Rate Year 2 Adjustments	Rate Year 2 As Adjusted	Proposed Rate Increase	Rate Year 2 Adjusted for Proposed Increase
Operating Revenues						
Sales Revenues	\$8,066,297	[2]	(\$19,066)	\$8,047,231	\$474,689	\$8,521,920
Other Operating Revenues	249,919	[3]	(88,029)	161,890	1,659	163,549
Total Operating Revenues	8,316,216		(107,095)	8,209,121	476,348	8,685,469
Operating Revenue Deductions						
Fuel & Purchased Power Costs	3,251,081		(8,176)	3,242,906		3,242,906
Other Operations & Maintenance	1,479,828	[4]	34,555	1,514,383	2,964	1,517,347
SBC, RPS, DSM	152,752	[4]	12,205	164,957		164,957
Pension / OPEBs	110,086	[4]	37,606	147,692		147,692
Depreciation	595,837	[5]	37,190	633,027		633,027
Taxes Other Than Income Taxes	1,222,351	[6]	84,942	1,307,293	12,468	1,319,761
Gain from Disposition of Property	-		-	-		-
Total Operating Revenue Deductions	6,811,936		198,322	7,010,257	15,432	7,025,689
Operating Income Before Income Taxes	1,504,281		(305,417)	1,198,864	460,916	1,659,780
Income Taxes						
New York State Income Taxes	73,269	[7]	(24,989)	48,279	32,725	81,004
Federal Income Tax	284,083	[8]	(110,168)	173,916	149,867	323,783
Total Income Taxes	357,352		(135,157)	222,195	182,592	404,787
Operating Income After Income Taxes	\$1,146,929		(\$170,260)	\$976,669	\$278,324	\$1,254,993
Rate Base	\$14,591,603	[9]	\$1,374,619	\$15,966,221		\$15,966,221
Overall Rate of Return	7.86%			6.12%		7.86%

TWELVE MONTHS ENDING MARCH 31, 2012

	Rate Year 2	Sched.	Rate Year 3 Adjustments	Rate Year 3 As Adjusted	Proposed Rate Increase	Rate Year 3 Adjusted for Proposed Increase
Operating Revenues						
Sales Revenues	\$8,521,920	[2]	\$16,964	\$8,538,884	\$420,458	\$8,959,343
Other Operating Revenues	163,549	[3]	(2,366)	161,183	1,470	162,653
Total Operating Revenues	8,685,469		14,598	8,700,067	421,928	9,121,996
Operating Revenue Deductions						
Fuel & Purchased Power Costs	3,242,906		95,637	3,338,543		3,338,543
Other Operations & Maintenance	1,517,347	[4]	35,309	1,552,655	2,626	1,555,281
SBC, RPS, DSM	164,957	[4]	(64,492)	100,465		100,465
Pension / OPEBs	147,692	[4]	(15,890)	131,802		131,802
Depreciation	633,027	[5]	65,311	698,338		698,338
Taxes Other Than Income Taxes	1,319,761	[6]	100,200	1,419,961	11,043	1,431,004
Gain from Disposition of Property	0		-	0		0
Total Operating Revenue Deductions	7,025,689		216,075	7,241,764	13,669	7,255,433
Operating Income Before Income Taxes	1,659,780		(201,477)	1,458,303	408,259	1,866,562
Income Taxes						
New York State Income Taxes	81,004	[7]	(16,785)	64,219	28,986	93,205
Federal Income Tax	323,783	[8]	(76,437)	247,346	132,746	380,092
Total Income Taxes	404,787		(93,222)	311,565	161,732	473,297
Operating Income After Income Taxes	\$1,254,993		(\$108,255)	\$1,146,738	\$246,527	\$1,393,265
Rate Base	\$15,966,221	[9]	\$1,759,116	\$17,725,337		\$17,725,337
Overall Rate of Return	7.86%			6.47%		7.86%

Consolidated Edison of New York, Inc.
Electric Department
Operating Income, Rate Base & Rate of Return
(\$000's)

TWELVE MONTHS ENDING MARCH 31, 2013

	Rate Year 3 Exhibit (AP-10)	Sched.	Rate Year 4 Adjustments	Rate Year 4 As Adjusted	Proposed Rate Increase	Rate Year 4 Adjusted for Proposed Increase
Operating Revenues						
Sales Revenues	\$8,959,343	[2]	\$40,547	\$8,999,889	\$299,381	\$9,299,270
Other Operating Revenues	162,653	[3]	30,095	192,748	1,046	193,794
Total Operating Revenues	<u>9,121,996</u>		<u>70,642</u>	<u>9,192,638</u>	<u>300,427</u>	<u>9,493,065</u>
Operating Revenue Deductions						
Fuel & Purchased Power Costs	3,338,543		80,194	3,418,737		3,418,737
Other Operations & Maintenance	1,555,281	[4]	36,671	1,591,953	1,870	1,593,823
SBC, RPS, DSM	100,465	[4]	(17,716)	82,749		82,749
Pension / OPEBs	131,802	[4]	(29,260)	102,542		102,542
Depreciation	698,338	[5]	45,870	744,208		744,208
Taxes Other Than Income Taxes	1,431,004	[6]	118,924	1,549,928	7,863	1,557,791
Gain from Disposition of Property	0		-	-		-
Total Operating Revenue Deductions	<u>7,255,433</u>		<u>234,683</u>	<u>7,490,117</u>	<u>9,733</u>	<u>7,499,850</u>
Operating Income Before Income Taxes	<u>1,866,562</u>		<u>(164,041)</u>	<u>1,702,521</u>	<u>290,694</u>	<u>1,993,215</u>
Income Taxes						
New York State Income Taxes	93,205	[7]	(13,842)	79,363	20,639	100,002
Federal Income Tax	380,092	[8]	(71,537)	308,555	94,519	403,074
Total Income Taxes	<u>473,297</u>		<u>(85,379)</u>	<u>387,918</u>	<u>115,158</u>	<u>503,076</u>
Operating Income After Income Taxes	<u>\$1,393,265</u>		<u>(\$78,662)</u>	<u>\$1,314,603</u>	<u>\$175,536</u>	<u>\$1,490,139</u>
Rate Base	<u>\$17,725,337</u>	[9]	<u>\$1,232,449</u>	<u>\$18,957,786</u>		<u>\$18,957,786</u>
Overall Rate of Return	<u>7.86%</u>			<u>6.93%</u>		<u>7.86%</u>

TWELVE MONTHS ENDING MARCH 31, 2014

	Rate Year 4	Sched.	Rate Year 5 Adjustments	Rate Year 5 As Adjusted	Proposed Rate Increase	Rate Year 5 Adjusted for Proposed Increase
Operating Revenues						
Sales Revenues	\$9,299,270	[2]	\$43,204	\$9,342,474	\$282,608	\$9,625,082
Other Operating Revenues	193,794	[3]	(2,175)	191,619	988	192,607
Total Operating Revenues	<u>9,493,065</u>		<u>41,029</u>	<u>9,534,094</u>	<u>283,596</u>	<u>9,817,689</u>
Operating Revenue Deductions						
Fuel & Purchased Power Costs	3,418,737		70,966	3,489,703		3,489,703
Other Operations & Maintenance	1,593,823	[4]	37,464	1,631,286	1,765	1,633,051
SBC, RPS, DSM	82,749	[4]	(32,486)	50,263		50,263
Pension / OPEBs	102,542	[4]	(35,851)	66,691		66,691
Depreciation	744,208	[5]	37,436	781,644		781,644
Taxes Other Than Income Taxes	1,557,791	[6]	132,579	1,690,370	7,423	1,697,793
Gain from Disposition of Property	0		-	0		0
Total Operating Revenue Deductions	<u>7,499,850</u>		<u>210,107</u>	<u>7,709,957</u>	<u>9,188</u>	<u>7,719,145</u>
Operating Income Before Income Taxes	<u>1,993,215</u>		<u>(169,078)</u>	<u>1,824,137</u>	<u>274,408</u>	<u>2,098,544</u>
Income Taxes						
New York State Income Taxes	100,002	[7]	(13,938)	86,064	19,483	105,547
Federal Income Tax	403,074	[8]	(62,214)	340,860	89,224	430,083
Total Income Taxes	<u>503,076</u>		<u>(76,153)</u>	<u>426,924</u>	<u>108,707</u>	<u>535,630</u>
Operating Income After Income Taxes	<u>\$1,490,139</u>		<u>(\$92,926)</u>	<u>\$1,397,213</u>	<u>\$165,701</u>	<u>\$1,562,914</u>
Rate Base	<u>\$18,957,786</u>	[9]	<u>\$925,862</u>	<u>\$19,883,648</u>		<u>\$19,883,648</u>
Overall Rate of Return	<u>7.86%</u>			<u>7.03%</u>		<u>7.86%</u>

Consolidated Edison of New York, Inc.
Electric Department
Revenue Requirement Calculation
(\$000's)

	Twelve Months Ended March 31,			
	2011	2012	2013	2014
Rate Base (Exhibit ___ (AP-12), Schedule 10)	\$15,966,221	\$17,725,337	\$18,957,786	\$19,883,648
Rate of Return (Exhibit ___ (JP-1), Schedule 1)	7.86%	7.86%	7.86%	7.86%
Required Return	1,254,993	1,393,265	1,490,139	1,562,914
Income Available (Exhibit ___ (AP-12), Schedule 1)	976,669	1,146,738	1,314,603	1,397,213
Deficiency	278,324	246,527	175,536	165,701
Retention Factor	58.6%	58.6%	58.6%	58.6%
Additional Revenue Requirement	\$474,689	\$420,458	\$299,381	\$282,608

	<u>Proof</u>				
Revenue Requirement	100.0000%	\$474,689	\$420,458	\$299,381	\$282,608
Less:					
Revenue Taxes	2.6265%	12,468	11,043	7,863	7,423
LPC	-0.3495%	(1,659)	(1,470)	(1,046)	(988)
Uncollectibles	0.6245%	2,964	2,626	1,870	1,765
	97.0985%	460,916	408,259	290,694	274,408
New York State Income Tax @ 7.1%	6.8940%	32,725	28,986	20,639	19,483
	90.2045%	428,191	379,273	270,055	254,925
Federal Income Tax @ 35%	31.5716%	149,867	132,746	94,519	89,224
Retention Factor	58.6329%	\$278,324	\$246,527	\$175,536	\$165,701

Consolidated Edison of New York, Inc.
Electric Department
Revenues & Purchased Power Expense
(\$000's)

	Twelve Months Ending March 31,				
	2010	2011	2012	2013	2014
T&D Revenues					
Full Service (T&D)	\$1,703,533	\$1,683,113	\$1,669,730	\$1,676,012	\$1,689,298
Retail Access (T&D)	1,266,656	1,292,402	1,284,946	1,276,319	1,269,705
Retail Choice Incentive	-	-	-	-	-
NYPA Delivery	387,424	389,979	390,763	391,570	392,063
System Benefit Charge/Retail Portfolio Standard	128,421	136,541	77,206	65,374	38,210
Economic Development	24,852	24,852	24,852	24,852	24,852
Power For Jobs	-	-	-	-	-
Billing and payment processing	25,236	25,437	25,851	25,859	26,055
Metering	13,519	13,849	13,880	14,048	14,227
Merchant Function Charge	64,190	63,257	64,052	64,685	65,548
Merchant Function Charge - Uncollectibles	18,988	19,049	19,310	19,522	19,736
RDM Accrual / Deferral	-	-	-	-	-
Backout Credit Deferral	-	-	-	-	-
T&D Revenues	3,630,619	3,628,279	3,570,350	3,558,218	3,539,694
Fuel Revenues					
MSC Revenues	3,075,556	2,942,628	2,923,096	2,937,780	2,968,479
MAC Revenues	662,889	714,773	713,135	714,583	749,430
MSC True-Up	(34,965)	107,525	168,988	188,271	191,738
MAC True-Up	(191,229)	(230,862)	(182,460)	(145,835)	(158,219)
MAC Related - Uncollectibles	3,133	3,022	3,314	3,553	3,705
Fuel Revenues	3,545,364	3,537,286	3,626,072	3,698,532	3,767,131
Total Revenues (excl Rev Taxes)	7,178,183	7,165,565	7,196,462	7,256,750	7,296,824
Unbilled Adjustment (excl. rev. taxes)	45,270	22,635	22,635	-	-
Billing Day Adjustment (excl. rev. taxes)	(1,452)	12,500	(2,140)	(1,206)	(1,259)
RY 1 Rate Relief (excl. rev. taxes)	637,016	637,016	637,016	637,016	637,016
RY 2 Rate Relief (excl. rev. taxes)	-	-	462,221	462,221	462,221
RY 3 Rate Relief (excl. rev. taxes)	-	-	-	409,415	409,415
RY 4 Rate Relief (excl. rev. taxes)	-	-	-	-	291,518
Revenue Taxes - Existing Rates	192,258	192,059	193,221	195,209	198,332
Billing Day Adjustment - revenue taxes	(44)	330	(56)	(33)	(33)
Rate Increase - revenue taxes	17,066	17,066	29,534	40,577	48,440
Total Revenues	8,066,297	8,047,231	8,538,884	8,999,889	9,342,474
Deferred Fuel Costs					
MSC Deferral	21,140	(110,387)	(179,156)	(182,784)	(194,866)
MAC Deferral	197,795	228,718	172,372	145,406	180,681
MSC Reversal	(34,965)	107,525	168,988	188,271	191,738
MAC Reversal	(191,229)	(230,862)	(182,460)	(145,835)	(158,219)
Cycle Billing Deferral MSC	214	(472)	(1,056)	(319)	(563)
Cycle Billing Deferral MAC	560	(1,796)	(1,345)	(1,465)	1,590
Net Fuel Deferral	(6,484)	(9,254)	(22,659)	3,474	2,359
Capacity Costs					
East Coast Power	77,449	77,044	76,400	76,233	75,828
York Warbasse	-	-	-	-	-
Indeck Corinth	82,728	55,533	53,737	54,111	54,852
Selkirk	106,562	109,037	111,891	114,526	117,551
York NYC	50,078	46,661	47,076	47,500	47,934
** Sthe	102,991	104,380	108,088	107,855	109,173
Astoria 6	51,235	51,536	53,091	53,404	53,724
IP2 Capacity	24,860	21,390	15,225	1,225	-
ISO Capacity	303,749	330,767	344,965	362,632	369,714
Total Capacity Costs	779,644	796,348	808,253	817,285	828,575
Energy Costs					
East Coast Power	463,681	452,955	457,449	463,888	474,669
York Warbasse	-	-	-	-	-
Indeck Corinth	43,295	41,948	42,179	42,620	43,525
Selkirk	80,584	78,893	80,193	82,058	84,586
York NYC	97,849	95,742	96,796	98,409	100,810
Astoria 6	208,138	214,082	214,062	214,062	214,062
IP2 Energy	590,534	373,818	175,190	-	-
ISO Energy	387,385	618,172	934,304	1,127,504	1,128,089
Total Energy Costs	1,871,426	1,875,699	2,000,172	2,028,542	2,045,742
Other Miscellaneous Costs					
ISO - Ancillary	113,026	110,672	112,104	111,964	113,577
ISO - NTAC	14,323	14,042	14,222	14,209	14,407
ISO - TUC	113,679	111,674	112,042	113,187	114,692
Nuclear D&D	3,492	3,492	3,492	3,492	3,492
Oil Burned	22,267	21,428	20,496	22,290	23,014
Gas Burned	334,187	313,504	283,817	299,540	342,510
Mark to Market for NYMEX	-	-	-	-	-
Mark to Market for OTC	-	-	-	-	-
Storage and Handling	2,473	2,547	2,824	2,702	2,762
Other Fuel Charges	771	756	751	742	887
Total Other Fuel Costs	604,217	578,115	550,447	588,125	615,342
Subtotal	\$3,248,803	\$3,240,798	\$3,336,213	\$3,417,425	\$3,492,018
Pipeline Charges Paid to Gas (MAC Recovery)	4,759	4,759	4,761	3,573	-
Less Deferred purchased power (see below)	(2,481)	(2,652)	(2,431)	(2,261)	(2,315)
Total Fuel & Purchased Power Costs	3,251,081	3,242,906	3,338,543	3,418,737	3,489,703
Other Recoveries Thru MAC					
Embedded Generation Cost	192,956	192,956	192,956	192,956	188,048
Additional Recovery for East River Repowering	72,859	70,872	69,177	67,327	65,190
Electric Embedded 56th and 74th Recovery	4,400	4,400	4,400	4,400	4,400
Additional Recovery for DSM	28,331	28,416	23,259	17,375	12,053
Sthe Rebate*	(2,263)	(2,263)	(2,263)	(2,263)	(2,263)
Pipeline Charges Paid to Gas	4,759	4,759	4,761	3,573	-
Total	299,042	299,139	292,290	283,368	267,428

* Recovered in Other Operating Revenues
** Sthe Capacity is shown net of the discount

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
OTHER OPERATING REVENUES - ELECTRIC
FOR THE RATE YEARS ENDING MARCH 31, 2011 AND MARCH 31, 2012
\$ (000's)

Line No.		Rate Year 1	Rate Year	Subject to Inflation @ 2.17%	Escalation for 12 Months Ending March 31, 2011	Rate Year 2	Subject to Inflation @ 2.10%	Escalation for 12 Months Ending March 31, 2012	Rate Year 3	Line No.
		As Reflected in Exhibit (AP-5)	Normalizing Adjustments		As Adjusted	As Adjusted		As Adjusted		
Miscellaneous Service Revenues										
1	No Access Charges	\$ 3,866	\$ -	Y	\$ 84	\$ 3,950	Y	\$ 83	\$ 4,033	1
2	Meter Recovery Charges	4,190	-	Y	91	4,281	Y	90	4,371	2
3	Meter Reconnection Charges	1,988	-	Y	43	2,031	Y	43	2,074	3
4	Collection Charges - Field Calls	3,056	-	Y	68	3,122	Y	66	3,188	4
5	Other	74	-	Y	2	76	Y	2	77	5
		<u>13,174</u>	<u>-</u>		<u>287</u>	<u>13,461</u>		<u>283</u>	<u>13,743</u>	
Rents:										
6	Rent from Electric Property	15,015	-	N	-	15,015	N	-	15,015	6
7	Interdepartmental Rents	11,063	-	N	-	11,063	N	-	11,063	7
		<u>26,078</u>	<u>-</u>		<u>-</u>	<u>26,078</u>		<u>-</u>	<u>26,078</u>	
Other Electric Revenues:										
8	Transmission of Energy	11,456	-	N	-	11,456	N	-	11,456	8
8	Maint. of Interconnection Facilities	2,183	-	Y	47	2,230	Y	47	2,277	8
9	Excess Distribution Facilities	2,559	-	Y	56	2,615	Y	55	2,670	9
10	Late Payment Charges (incl. amt on rate increase)	25,750	-	Y	560	26,310	Y	553	26,863	10
11	Meter Reading Services	3,238	-	Y	70	3,308	Y	69	3,378	11
12	The Learning Center Services	769	-	Y	17	786	Y	17	802	12
13	M & C Services	134	-	Y	3	137	Y	3	140	13
14	Fuel Management Program	-	-	N	-	-	N	-	-	14
15	KeySpan Settlement	-	-	N	-	-	N	-	-	15
16	TCC Credits	150,000	-	N	-	150,000	N	-	150,000	16
17	Sithe Agreement	2,263	-	N	-	2,263	N	-	2,263	17
18	POR Discount (Revenues from ESCO)	6,880	-	N	-	6,880	N	-	6,880	18
19	ESCOS/Marketeters - Bills Charges (CUBS)	4,608	-	N	-	4,608	N	-	4,608	19
20	Steam Carrying Charges 74th/59th Street Stations	(4,400)	-	N	-	(4,400)	N	-	(4,400)	20
21	Miscellaneous	-	-	Y	-	-	Y	-	-	21
22	S02 Allowances	5,700	-	N	-	5,700	N	-	5,700	22
		<u>211,140</u>	<u>-</u>		<u>753</u>	<u>211,893</u>		<u>743</u>	<u>212,636</u>	
Regulatory Accounting										
23	Credits from Case 07-E-0523	74,153	(37,077)	N	-	37,077	N	-	37,077	23
24	Stony Point Property Tax Refund	1,400	(1,400)	N	-	-	N	-	-	24
25	S02 Credits (Prior)	5,700	(5,700)	N	-	-	N	-	-	25
26	Verizon pole maintenance reimbursement	14,500	(14,500)	N	-	-	N	-	-	26
27	Amortization of World Trade Center Costs	(14,000)	(27,000)	N	-	(41,000)	N	-	(41,000)	26
28	Amortization of Deferrals from Case 04-E-0572	(5,592)	-	N	-	(5,592)	N	-	(5,592)	27
29	Amortization of Interest deferrals from Case 04-E-0572	(186)	-	N	-	(186)	N	-	(186)	28
30	Amortization of Management Audit Cost	(833)	-	N	-	(833)	N	-	(833)	29
31	Amortization of T&D Deferral Case 07-E-0523	(20,644)	-	N	-	(20,644)	N	-	(20,644)	30
32	Amortization of Pension Deferral 4/1/08 - 3/31/09	(6,428)	-	N	-	(6,428)	N	-	(6,428)	31
33	Amortization of SIR Deferral Case 07-E-0523	(18,096)	-	N	(3,392)	(21,488)	N	(3,392)	(24,880)	32
34	Amortization of Property Tax Increases 4/08 -3/09	(15,333)	-	N	-	(15,333)	N	-	(15,333)	33
35	Continuation of Low Income Discount Program	(17,400)	-	N	-	(17,400)	N	-	(17,400)	34
		<u>(2,759)</u>	<u>(85,677)</u>		<u>(3,392)</u>	<u>(91,827)</u>		<u>(3,392)</u>	<u>(95,219)</u>	
	Late Payment Charges (incl. amt on rate increase)	2,286	-		-	2,286		1,659	3,945	
	Total Other Operating Revenues	\$ 249,919	\$ (85,677)		\$ (2,352)	\$ 161,890		\$ (707)	\$ 161,183	

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
OTHER OPERATING REVENUES - ELECTRIC
FOR THE RATE YEARS ENDING MARCH 31, 2013 AND MARCH 31, 2014
\$(000's)

Line No.		Rate Year		Subject to Inflation @ 2.10%	Escalation for 12 Months Ending March 31,		Escalation for 12 Months Ending March 31,		Line No.	
		3 As Reflected in Exhibit (AP-10)	4 Normalizing Adjustments		2013	2014	2013	2014		
Miscellaneous Service Revenues										
1	No Access Charges	\$ 4,033	\$ -	Y	\$ 85	\$ 4,118	Y	\$ 86	\$ 4,204	1
2	Meter Recovery Charges	4,371	-	Y	92	4,463	Y	94	4,557	2
3	Meter Reconnection Charges	2,074	-	Y	44	2,117	Y	44	2,162	3
4	Collection Charges - Field Calls	3,188	-	Y	67	3,255	Y	68	3,323	4
5	Other	77	-	Y	2	79	Y	2	80	5
		<u>13,743</u>	<u>-</u>		<u>289</u>	<u>14,032</u>		<u>295</u>	<u>14,326</u>	
Rents:										
6	Rent from Electric Property	15,015	-	N	-	15,015	N	-	15,015	6
7	Interdepartmental Rents	11,063	-	N	-	11,063	N	-	11,063	7
		<u>26,078</u>	<u>-</u>		<u>-</u>	<u>26,078</u>		<u>-</u>	<u>26,078</u>	
Other Electric Revenues:										
8	Transmission of Energy	11,456	-	N	-	11,456	N	-	11,456	8
8	Maint. of Interconnection Facilities	2,277	-	Y	48	2,325	Y	49	2,374	8
9	Excess Distribution Facilities	2,670	-	Y	56	2,726	Y	57	2,783	9
10	Late Payment Charges	26,863	-	Y	564	27,427	Y	576	28,003	10
11	Meter Reading Services	3,378	-	Y	71	3,449	Y	72	3,521	11
12	The Learning Center Services	802	-	Y	17	819	Y	17	836	12
13	M & C Services	140	-	Y	3	143	Y	3	146	13
14	Fuel Management Program	0	-	N	-	-	N	-	-	14
15	KeySpan Settlement	0	-	N	-	-	N	-	-	15
16	TCC Credits	150,000	-	N	-	150,000	N	-	150,000	16
17	Sithe Agreement	2,263	-	N	-	2,263	N	-	2,263	17
18	POR Discount (Revenues from ESCO)	6,880	-	Y	144	7,024	Y	148	7,172	18
19	ESCOS/Marketers - Bills Charges (CUBS)	4,608	-	N	-	4,608	N	-	4,608	19
20	Steam Carrying Charges 74th/59th Street Stations	(4,400)	-	N	-	(4,400)	N	-	(4,400)	20
21	Miscellaneous	-	-	Y	-	-	Y	-	-	21
22	S02 Allowances	5,700	-	N	-	5,700	N	-	5,700	22
		<u>212,636</u>	<u>-</u>		<u>903</u>	<u>213,540</u>		<u>922</u>	<u>214,462</u>	
Regulatory Accounting										
23	Credits from Case 07-E-0523	37,077	(37,077)	N	-	-	N	-	-	23
24	Stony Point Property Tax Refund	-	-	N	-	-	N	-	-	24
25	S02 Credits (Prior)	-	-	N	-	-	N	-	-	25
26	Amortization of World Trade Center Costs	(41,000)	41,000	N	-	-	N	-	-	26
27	Amortization of Deferrals from Case 04-E-0572	(5,592)	5,592	N	-	-	N	-	-	27
28	Amortization of Interest deferrals from Case 04-E-0572	(186)	186	N	-	-	N	-	-	28
29	Amortization of Management Audit Cost	(833)	833	N	-	-	N	-	-	29
30	Amortization of T&D Deferral Case 07-E-0523	(20,644)	-	N	-	(20,644)	N	-	(20,644)	30
31	Amortization of Pension Deferral 4/1/08 - 3/31/09	(6,428)	6,428	N	-	-	N	-	-	31
32	Amortization of SIR Deferral Case 07-E-0523	(24,880)	-	N	(3,392)	(28,272)	N	(3,392)	(31,664)	32
33	Amortization of Property Tax Increases 4/08 -3/09	(15,333)	15,333	N	-	-	N	-	-	33
34	Continuation of Low Income Discount Program	(17,400)	-	N	-	(17,400)	N	-	(17,400)	34
		<u>(95,219)</u>	<u>32,296</u>		<u>(3,392)</u>	<u>(66,316)</u>		<u>(3,392)</u>	<u>(69,708)</u>	
	Late Payment Charges (incl. amt on rate increase)	3,945	-		1,470	5,415		1,046	6,461	
	Total Other Operating Revenues	<u>\$ 161,183</u>	<u>\$ 32,296</u>		<u>\$ (730)</u>	<u>\$ 192,748</u>		<u>\$ (1,129)</u>	<u>\$ 191,619</u>	

Consolidated Edison Company of New York, Inc.
 Site Investigation and Remediation Expenditures (\$ x 1000)
 Linking Period (January 2008 - March 2009) and Rate Year (April 2009 - March 2010)

	Linking Period	Rate Year	Total
MGP	\$ 131,200	\$ 44,800	\$ 176,000
Superfund	14,500	680	15,180
Appendix B	5,300	2,800	8,100
Astoria	3,200	6,300	9,500
UST	2,400	550	2,950
Total	<u>156,600</u>	<u>55,130</u>	<u>211,730</u>
Allocation to Electric - 78.7%			\$ 166,632
Under (Over) Collection at December 2007 (Electric)			28,682
January 2008 - March 2008 Amortization			(2,234)
April 2008 - March 2009 Amortization			<u>(12,118)</u>
Balance to be Recovered			<u>180,962</u>
Ten-Year Amortization			<u><u>18,096</u></u>

Consolidated Edison Company of New York, Inc.
 Site Investigation and Remediation Expenditures (\$ x 1000)
 Rate Years Beginning April 1 of 2011 (RY2), 2012 (RY3), 2013 (RY4) & 2014 (RY5)

	<u>RY2</u>	<u>RY3</u>	<u>RY4</u>	<u>RY5</u>
MGP	\$ 36,300	\$ 36,300	\$36,300	\$36,300
Superfund	2,100	2,100	2,100	2,100
Appendix B	2,100	2,100	2,100	2,100
Astoria	2,000	2,000	2,000	2,000
UST	600	600	600	600
Total	<u>43,100</u>	<u>43,100</u>	<u>43,100</u>	<u>43,100</u>
Allocation to Electric - 78.7%	\$ 33,920	\$ 33,920	\$33,920	\$33,920
Annual Amortization (10 - year recovery)	\$ 3,392	\$ 3,392	\$ 3,392	\$ 3,392
Amortization by Vintage				
RY-1	18,096	18,096	18,096	18,096
RY-2	3,392	3,392	3,392	3,392
RY-3		3,392	3,392	3,392
RY-4			3,392	3,392
RY-5				3,392
Total Amortization	<u>\$ 21,488</u>	<u>\$ 24,880</u>	<u>\$28,272</u>	<u>\$31,664</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (excl. Purchased Power)
FOR THE RATE YEARS ENDING MARCH 31, 2011 AND MARCH 31, 2012
(\$000s)

LINE NO.					Escalation for		Escalation for					
	12 Months Ending March 31, 2010	Payroll Escal. @ 3.46%	Subject to Inflation @ 2.17%	12 Months Ending March 31, 2011	12 Months Ending March 31, 2011	Payroll Escal. @ 3.46%	Subject to Inflation @ 2.10%	12 Months Ending March 31, 2012	12 Months Ending March 31, 2012			
1	Administrative Expenses Transferred - or.			(\$7,927)	N	Y	(\$172)	(\$8,099)	N	Y	(\$170)	(\$8,269)
2	Inter-Util Agreement-Ramapo-O&R			870	N	Y	19	889	N	Y	19	908
3	Asbestos Removal			239	N	Y	5	244	N	Y	5	249
4	Bank Collection Fees			266	N	Y	6	272	N	Y	6	277
5	Benefit Cost - Program Change Labor			-	Y	N	-	-	Y	N	-	-
6	Betterment Program			1,930	N	Y	42	1,972	N	Y	41	2,013
7	Boiler Cleaning			499	N	Y	11	510	N	Y	11	521
8	Building Service/Facilities			20,688	N	Y	450	21,138	N	Y	444	21,582
9	Central Engineering-Administrative			25	N	Y	1	26	N	Y	1	26
10	Central Engineering-Distribution			525	N	Y	11	536	N	Y	11	548
11	Collection Agency Fees			2,045	N	Y	44	2,089	N	Y	44	2,133
12	Communications - Telephone			12,576	N	Y	274	12,850	N	Y	270	13,119
13	Other Compensation			6,021	N	Y	131	6,152	N	Y	129	6,281
14	Company Labor			570,662	Y	N	10,732	590,394	Y	N	20,415	610,809
15	AMR/AMI Saturation Savings			(778)	N	N	-	(778)	N	N	-	(778)
16	Consultants			13,226	N	Y	288	13,514	N	Y	284	13,797
17	Contract Labor			6,689	N	Y	145	6,834	N	Y	144	6,978
18	Corrective Maintenance			4,029	N	Y	88	4,117	N	Y	88	4,203
19	DC Incentive Program			-	N	Y	-	-	N	Y	-	-
20	Disposal of Obsolete M&S			6,071	N	Y	132	6,203	N	Y	130	6,333
21	DSM			26,331	N	N	2,085	28,416	N	N	(5,157)	23,259
22	Duplicate Misc. Charges			(20,742)	N	Y	(451)	(21,193)	N	Y	(445)	(21,638)
23	EDP Equipment Rentals & Mtcs.			4,185	N	Y	91	4,276	N	Y	90	4,366
24	Electricity & Gas Used			701	N	Y	15	716	N	Y	15	731
25	Employee Pensions / OPEBS			110,086	N	N	(110,086)	-	N	N	-	-
26	Employee Pensions / OPEBS - New Hire			2,093	Y	N	72	2,165	Y	N	75	2,240
28	Employee Welfare Expense - Net			111,417	N	Y	2,423	113,840	N	Y	2,391	116,231
27	Environmental Expenses			11,216	N	Y	244	11,460	N	Y	241	11,701
28	Spare			-	N	Y	-	-	N	Y	-	-
29	ERRP - Major Maintenance			7,292	N	Y	159	7,451	N	Y	158	7,607
30	Exec. and Mgt. Incentive Plan			-	Y	N	-	-	Y	N	-	-
31	Facilities Maintenance			5,173	N	Y	113	5,286	N	Y	111	5,396
32	Financial Services			7,024	N	N	-	7,024	N	N	-	7,024
33	Gas Turbines			3,039	N	Y	66	3,105	N	Y	65	3,170
34	Institutional and Goodwill Advertising			-	N	Y	-	-	N	Y	-	-
35	Information Resources			23,562	N	Y	512	24,074	N	Y	506	24,580
36	Informational Advertising			17,573	N	Y	382	17,955	N	Y	377	18,332
37	Injuries & Damages Reserve			41,938	N	Y	912	42,850	N	Y	900	43,750
38	Intell. Dues & Subscriptions			1,681	N	Y	36	1,697	N	Y	36	1,733
39	Insurance Premiums			30,901	N	Y	672	31,573	N	Y	663	32,236
40	Interference			98,230	N	Y	2,093	98,323	N	Y	2,065	100,388
41	Reserve for Contingencies			-	N	N	-	-	N	N	-	-
42	Corporate and Fiscal Expenses			4,328	N	Y	94	4,422	N	Y	93	4,515
43	Mobile Diesel Generators			6,623	N	Y	142	6,665	N	Y	140	6,805
44	Manhour Expense			49,385	N	Y	1,074	50,459	N	Y	1,060	51,519
45	Marshall's Fees			1,099	N	Y	24	1,123	N	Y	24	1,146
46	Materials & Supplies			27,107	N	Y	500	27,697	N	Y	582	28,278
47	RCA- MGP / Superfund			-	N	N	-	-	N	N	-	-
48	Outreach and Education			4,608	N	Y	100	4,708	N	Y	99	4,807
49	Other (Fossil)			1,797	N	Y	39	1,836	N	Y	39	1,876
50	Outside Legal Services			1,696	N	Y	37	1,733	N	Y	36	1,789
51	Paving			1,928	N	Y	42	1,970	N	Y	41	2,011
52	Plant Component Upgrade			428	N	Y	9	437	N	Y	9	446
53	Power Your Way			-	N	Y	-	-	N	Y	-	-
54	Postage			14,079	N	Y	306	14,385	N	Y	302	14,687
55	Preventive Maintenance			1,467	N	Y	32	1,499	N	Y	31	1,530
56	Spare			-	N	Y	-	-	N	Y	-	-
57	RCA - Pension			-	N	N	-	-	N	N	-	-
58	RCA-Amort. of Hudson-Faragut			477	N	N	-	477	N	N	-	477
59	Spare			-	N	N	-	-	N	N	-	-
60	Spare			-	N	N	-	-	N	N	-	-
61	System Benefit Charge/Renewable Portfolio Standard			126,421	N	N	10,120	136,541	N	N	(59,395)	77,206
62	Real Estate Expense			1,037	N	Y	23	1,060	N	Y	22	1,082
63	Regulatory Commission Expense			30,277	N	Y	658	30,935	N	Y	650	31,585
64	Rents			64,215	N	Y	1,397	65,612	N	Y	1,378	66,989
65	Rents (ERRP)			72,859	N	N	(1,987)	70,872	N	N	(1,664)	69,177
66	Rents (Interdepartmental)			5,039	N	N	-	5,039	N	N	-	5,039
67	Research & Development			20,025	N	Y	436	20,461	N	Y	430	20,890
68	Stray Voltage			24,780	N	Y	538	25,298	N	Y	531	25,830
69	Scheduled Overhauls			4,444	N	Y	97	4,541	N	Y	95	4,636
70	Security			2,665	N	Y	58	2,723	N	Y	57	2,780
71	Shared Services			(8,924)	N	N	-	(8,924)	N	N	-	(8,924)
72	Steam Incident			-	N	N	-	-	N	N	-	-
73	Storm Reserve			5,600	N	N	-	5,600	N	N	-	5,600
74	Transformer Installations			96	N	Y	2	98	N	Y	2	100
75	Tree Trimming			16,383	N	Y	356	16,739	N	Y	352	17,091
76	Trenching			9,845	N	Y	214	10,059	N	Y	211	10,270
77	Uncollectible			52,072	N	N	-	52,072	N	N	-	52,072
78	Water			634	N	Y	14	648	N	Y	14	661
79	Water Chemicals			154	N	Y	3	157	N	Y	3	161
80	Spare			-	N	N	-	-	N	N	-	-
81	Other			78,721	N	Y	1,712	80,433	N	Y	1,689	82,122
	Subtotal			\$1,738,581			\$(63,326)	\$1,675,255			\$(20,183)	\$1,648,071
	Less: Employee Pension / OPEB Costs			(110,086)			110,086	-			-	-
	: SBC, RPS, DSM			(152,762)			(12,205)	(164,957)			64,492	(100,465)
	Plus: Uncollectible - rate increase			4,085			-	4,085			2,964	7,049
	Total			1,479,828			34,555	1,514,383			38,273	1,552,655

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (excl. Purchased Power)
FOR THE RATE YEARS ENDING MARCH 31, 2013 AND MARCH 31, 2014
 (\$000s)

LINE NO.	12 Months Ending March 31, 2012			Escalation for 12 Months Ending March 31, 2013			Escalation for 12 Months Ending March 31, 2014			
	Amount	Payroll Escal. @ 3.46%	Subject to Inflation @ 2.17%	Amount	Payroll Escal. @ 3.46%	Subject to Inflation @ 2.10%	Amount	Payroll Escal. @ 3.46%	Subject to Inflation @ 2.10%	
1	Administrative Expenses Transferred - cr.	(\$8,269)	N	Y	(\$180)	(\$8,449)	N	Y	(\$177)	(\$8,627)
2	Inter-Utility Agreement-Ramapo-O&R	\$908	N	Y	20	927	N	Y	19	947
3	Asbestos Removal	\$249	N	Y	5	255	N	Y	5	260
4	Bank Collection Fees	\$277	N	Y	6	284	N	Y	6	289
5	Benefit Cost - Program Change Labor	\$0	Y	N	-	-	Y	N	-	-
6	Betterment Program	\$2,013	N	Y	44	2,057	N	Y	43	2,100
7	Boiler Cleaning	\$521	N	Y	11	532	N	Y	11	543
8	Building Service/Facilities	\$21,582	N	Y	469	22,051	N	Y	463	22,514
9	Central Engineering-Administrative	\$26	N	Y	1	27	N	Y	1	27
10	Central Engineering-Distribution	\$548	N	Y	12	560	N	Y	12	571
11	Collection Agency Fees	\$2,133	N	Y	46	2,180	N	Y	46	2,226
12	Communications - Telephone	\$13,119	N	Y	285	13,405	N	Y	281	13,686
13	Other Compensation	\$6,281	N	Y	137	6,418	N	Y	135	6,553
14	Company Labor	\$610,809	Y	N	21,120	631,929	Y	N	21,851	653,780
15	AMR/AMI Saturation Savings	(\$778)	N	N	-	(778)	N	N	-	(778)
16	Consultants	\$13,797	N	Y	300	14,097	N	Y	298	14,394
17	Contract Labor	\$6,978	N	Y	162	7,130	N	Y	150	7,279
18	Corrective Maintenance	\$4,203	N	Y	91	4,294	N	Y	90	4,385
19	DC Incentive Program	\$0	N	Y	-	-	N	Y	-	-
20	Disposal of Obsolete M&S	\$6,333	N	Y	138	6,471	N	Y	138	6,607
21	DSM	\$23,259	N	N	(5,684)	17,375	N	N	(5,322)	12,053
22	Duplicate Misc. Charges	(\$21,638)	N	Y	(471)	(22,109)	N	Y	(464)	(22,573)
23	EDP Equipment Rentals & Mtc.	\$4,366	N	Y	95	4,461	N	Y	94	4,554
24	Electricity & Gas Used	\$731	N	Y	16	747	N	Y	16	763
25	Employee Pensions / OPEBS	\$0	N	N	-	-	N	N	-	-
26	Employee Pensions / OPEBS -- New Hires	\$2,240	Y	N	77	2,318	Y	N	80	2,398
28	Employee Welfare Expense - Net	\$116,231	N	Y	2,528	118,759	N	Y	2,494	121,252
27	Environmental Expenses	\$11,701	N	Y	254	11,955	N	Y	251	12,206
28	Spare	\$0	N	Y	-	-	N	Y	-	-
29	ERRP - Major Maintenance	\$7,607	N	Y	165	7,772	N	Y	163	7,936
30	Exec. and Mgt. Incentive Plan	\$0	Y	N	-	-	Y	N	-	-
31	Facilities Maintenance	\$5,396	N	Y	117	5,514	N	Y	116	5,630
32	Financial Services	\$7,024	N	N	-	7,024	N	N	-	7,024
33	Gas Turbines	\$3,170	N	Y	69	3,239	N	Y	68	3,307
34	Institutional and Goodwill Advertising	\$0	N	Y	-	-	N	Y	-	-
35	Information Resources	\$24,580	N	Y	536	25,116	N	Y	527	25,642
36	Informational Advertising	\$18,332	N	Y	399	18,731	N	Y	393	19,124
37	Injuries & Damages Reserve	\$43,750	N	Y	951	44,701	N	Y	939	45,640
38	Instit. Dues & Subscriptions	\$1,733	N	Y	38	1,770	N	Y	37	1,808
39	Insurance Premiums	\$32,236	N	Y	701	32,937	N	Y	692	33,629
40	Interference	\$100,388	N	Y	2,183	102,571	N	Y	2,154	104,725
41	Reserve for Contingencies	\$0	N	N	-	-	N	N	-	-
42	Corporate and Fiscal Expenses	\$4,515	N	Y	98	4,613	N	Y	97	4,710
43	Mobile Diesel Generators	\$6,805	N	Y	148	6,953	N	Y	148	7,099
44	Manhour Expense	\$51,519	N	Y	1,120	52,639	N	Y	1,105	53,745
45	Marshall's Fees	\$1,146	N	Y	25	1,171	N	Y	25	1,196
46	Materials & Supplies	\$28,278	N	Y	615	28,893	N	Y	607	29,500
47	RCA-MGP / Superfund	\$0	N	N	-	-	N	N	-	-
48	Outreach and Education	\$4,807	N	Y	105	4,912	N	Y	103	5,015
49	Other (Fossil)	\$1,675	N	Y	41	1,915	N	Y	40	1,956
50	Outside Legal Services	\$1,789	N	Y	38	1,808	N	Y	38	1,846
51	Paving	\$2,011	N	Y	44	2,055	N	Y	43	2,098
52	Plant Component Upgrade	\$446	N	Y	10	456	N	Y	10	466
53	Power Your Way	\$0	N	Y	-	-	N	Y	-	-
54	Postage	\$14,687	N	Y	319	15,007	N	Y	315	15,322
56	Preventive Maintenance	\$1,530	N	Y	33	1,564	N	Y	33	1,597
58	Spare	\$0	N	Y	-	-	N	Y	-	-
57	RCA - Pension	\$0	N	N	-	-	N	N	-	-
58	RCA-Amort. of Hudson-Farragut	\$477	N	N	-	477	N	N	-	477
59	Spare	\$0	N	N	-	-	N	N	-	-
60	Spare	\$0	N	N	-	-	N	N	-	-
61	System Benefit Charge/Renewable Portfolio Standard	\$77,206	N	N	(11,832)	65,374	N	N	(27,164)	38,210
62	Real Estate Expense	\$1,082	N	Y	24	1,105	N	Y	23	1,129
63	Regulatory Commission Expense	\$31,585	N	Y	687	32,272	N	Y	678	32,950
64	Rents	\$66,989	N	Y	1,457	68,446	N	Y	1,437	69,884
65	Rents (ERRP)	\$69,177	N	N	(1,987)	67,190	N	N	(1,094)	65,496
66	Rents (Interdepartmental)	\$5,039	N	N	-	5,039	N	N	-	5,039
67	Research & Development	\$20,890	N	Y	454	21,344	N	Y	448	21,793
68	Stray Voltage	\$25,830	N	Y	562	26,391	N	Y	554	26,946
69	Scheduled Overhauls	\$4,636	N	Y	101	4,737	N	Y	99	4,836
70	Security	\$2,780	N	Y	60	2,841	N	Y	60	2,900
71	Shared Services	(\$8,924)	N	N	-	(8,924)	N	N	-	(8,924)
72	Steam Incident	\$0	N	N	-	-	N	N	-	-
73	Storm Reserve	\$5,600	N	N	-	5,600	N	N	-	5,600
74	Transformer Installations	\$100	N	Y	2	102	N	Y	2	104
75	Tree Trimming	\$17,091	N	Y	372	17,463	N	Y	367	17,829
76	Trenching	\$10,270	N	Y	223	10,494	N	Y	220	10,714
77	Uncollectible	\$52,072	N	N	-	52,072	N	N	-	52,072
78	Water	\$661	N	Y	14	676	N	Y	14	690
79	Water Chemicals	\$161	N	Y	3	164	N	Y	3	168
80	Spare	\$0	N	N	-	-	N	N	-	-
81	Other	\$82,122	N	Y	1,786	83,908	N	Y	1,762	85,670
	Subtotal	\$1,648,071			\$18,955	\$1,665,027			\$4,978	\$1,670,004
	Less: Employee Pension / OPEB Costs	-			17,716	(62,749)			32,466	(50,263)
	: SBC, RPS, DSM	(100,465)			2,626	6,675			1,870	11,545
	Plus: Uncollectible -- rate increase	7,049			-	-			-	-
	Total	1,552,655			39,297	1,591,953			39,334	1,631,286

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ELECTRIC PENSION / OPEB EXPENSE
FOR THE RATE YEARS ENDING MARCH 31, 2011 AND MARCH 31, 2012
(\$000s)

<u>Electric Expense</u>	<u>12 Months Ending March 31, 2010</u>	<u>Program Changes</u>	<u>12 Months Ending March 31, 2011</u>
Pension Expense - Qualified Plan	\$ 113,032.9	\$ 44,209.7	\$ 157,242.6
Retiree Health / Life Insurance (OPEBs)	55,227.7	13,674.2	68,901.9
Subtotal - Qualified Plans	<u>168,260.6</u>	<u>57,883.9</u>	<u>226,144.5</u>
Direct Pension Payments.	(2.0)	-	(2.0)
Supplemental Pension Plan	<u>(2,646.3)</u>	<u>(58.2)</u>	<u>(2,704.5)</u>
Gross Pension & OPEBs Expense	165,612.3	57,825.7	223,438.0
Capitalized	(54,287.8)	(18,955.3)	(73,243.1)
Billed to Affiliates	(3,238.6)	(1,264.5)	(4,503.1)
Amort. Of Def Pension Expense	<u>2,000.0</u>	<u>-</u>	<u>2,000.0</u>
Net Current Pension & OPEBs Exp.	<u>\$ 110,085.9</u>	<u>\$ 37,605.9</u>	<u>\$ 147,691.8</u>

<u>Electric Expense</u>	<u>12 Months Ending March 31, 2011</u>	<u>Program Changes</u>	<u>12 Months Ending March 31, 2012</u>
Pension Expense - Qualified Plan	\$ 157,242.6	\$(17,746.8)	\$ 139,495.8
Retiree Health / Life Insurance (OPEBs)	68,901.9	(6,591.2)	62,310.7
Subtotal - Qualified Plans	<u>226,144.5</u>	<u>(24,338.0)</u>	<u>201,806.5</u>
Direct Pension Payments.	(2.0)	-	(2.0)
Supplemental Pension Plan	<u>(2,704.5)</u>	<u>(56.8)</u>	<u>(2,761.3)</u>
Gross Pension & OPEBs Expense	223,438.0	(24,394.8)	199,043.2
Capitalized	(73,243.1)	7,996.6	(65,246.5)
Billed to Affiliates	(4,503.1)	508.0	(3,995.1)
Amort. Of Def Pension Expense	<u>2,000.0</u>	<u>-</u>	<u>2,000.0</u>
Net Current Pension & OPEBs Exp.	<u>\$ 147,691.8</u>	<u>\$(15,890.2)</u>	<u>\$ 131,801.6</u>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
ELECTRIC PENSION / OPEB EXPENSE
FOR THE RATE YEARS ENDING MARCH 31, 2013 AND MARCH 31, 2014
(\$000s)

Electric Expense	12 Months Ending March 31, 2012	Program Changes	12 Months Ending March 31, 2013
Pension Expense - Qualified Plan	\$ 139,495.8	\$(34,962.5)	\$ 104,533.3
Retiree Health / Life Insurance (OPEBs)	62,310.7	(9,994.9)	52,315.8
Subtotal - Qualified Plans	<u>201,806.5</u>	<u>(44,957.4)</u>	<u>156,849.1</u>
Direct Pension Payments.	(2.0)	-	(2.0)
Supplemental Pension Plan	(2,761.3)	(58.0)	(2,819.3)
Gross Pension & OPEBs Expense	<u>199,043.2</u>	<u>(45,015.4)</u>	<u>154,027.8</u>
Capitalized	(65,246.5)	14,756.1	(50,490.4)
Billed to Affiliates	(3,995.1)	999.8	(2,995.3)
Amort. Of Def Pension Expense	<u>2,000.0</u>	<u>-</u>	<u>2,000.0</u>
Net Current Pension & OPEBs Exp.	<u>\$ 131,801.6</u>	<u>\$(29,259.5)</u>	<u>\$ 102,542.1</u>

Electric Expense	12 Months Ending March 31, 2013	Program Changes	12 Months Ending March 31, 2014
Pension Expense - Qualified Plan	\$ 104,533.3	\$(40,786.3)	\$ 63,747.0
Retiree Health / Life Insurance (OPEBs)	52,315.8	(14,225.0)	38,090.8
Subtotal - Qualified Plans	<u>156,849.1</u>	<u>(55,011.3)</u>	<u>101,837.8</u>
Direct Pension Payments.	(2.0)	-	(2.0)
Supplemental Pension Plan	(2,819.3)	(59.3)	(2,878.6)
Gross Pension & OPEBs Expense	<u>154,027.8</u>	<u>(55,070.6)</u>	<u>98,957.2</u>
Capitalized	(50,490.4)	18,052.1	(32,438.3)
Billed to Affiliates	(2,995.3)	1,167.2	(1,828.1)
Amort. Of Def Pension Expense	<u>2,000.0</u>	<u>-</u>	<u>2,000.0</u>
Net Current Pension & OPEBs Exp.	<u>\$ 102,542.1</u>	<u>\$(35,851.3)</u>	<u>\$ 66,690.8</u>

Consolidated Edison of New York, Inc.
Electric Department
Depreciation Expense
(\$000's)

		Twelve Months Ending March 31,					
		2009	2010	2011	2012	2013	2014
Electric							
	Electric Transmission and Distribution	434,420	470,102	506,704	564,302	604,310	636,435
	Electric Steam Production	17,592	18,986	20,278	21,986	24,030	25,802
	Other Production	1,620	1,620	1,620	1,620	1,620	1,620
	Common	98,336	105,129	104,425	110,430	114,248	117,787
	Total Electric	551,968	595,837	633,027	698,338	744,208	781,644

Consolidated Edison of New York, Inc.
Electric Department
Company Revenue Requirement
Taxes Other than Income Taxes
For the Twelve Months Ending March 31, 2011
(\$000's)

	Rate Year 1 As Reflected in Exhibit (AP-10)	Rate Year 2 Adjustments	Rate Year 2 As Adjusted	Proposed Rate Increase	Rate Year 2 As Adjusted For Proposed Rate Increase
Revenue Taxes - Sales Revenues	\$209,280	\$175	\$209,455	\$12,468	\$221,923
- Other Operating Rev.	1,026	0	1,026		1,026
Subsidiary Capital Taxes	5,229	0	\$5,229		5,229
Receipts Tax	14,620	0	14,620		14,620
Property Taxes	936,205	83,376	1,019,581		1,019,581
Payroll Taxes	53,365	1,391	54,756		54,756
All Other	2,626	0	2,626		2,626
Taxes Other Than Income Taxes	<u>\$1,222,351</u>	<u>\$84,942</u>	<u>\$1,307,293</u>	<u>\$12,468</u>	<u>\$1,319,761</u>
Less: Gross Receipts Taxes	<u>(209,280)</u>	<u>(175)</u>	<u>(209,455)</u>	<u>(12,468)</u>	<u>(221,923)</u>
Total Excluding GRT	<u>\$1,013,071</u>	<u>\$84,767</u>	<u>\$1,097,838</u>	<u>\$0</u>	<u>\$1,097,838</u>

For the Twelve Months Ending September 30, 2012
(\$000's)

	Rate Year 2 As Reflected in Exhibit (EJR-1)	Rate Year 3 Adjustments	Rate Year 3 As Adjusted	Proposed Rate Increase	Rate Year 3 As Adjusted For Proposed Rate Increase
Revenue Taxes - Sales Revenues	\$221,923	\$776	\$222,699	\$11,043	\$233,742
- Other Operating Rev.	1,026	0	\$1,026		1,026
Subsidiary Capital Taxes	5,229	0	\$5,229		5,229
Receipts Tax	14,620	0	14,620		14,620
Property Taxes	1,019,581	97,985	1,117,566		1,117,566
Payroll Taxes	54,756	1,439	56,195		56,195
All Other	2,626	0	2,626		2,626
Taxes Other Than Income Taxes	<u>\$1,319,761</u>	<u>\$100,200</u>	<u>\$1,419,961</u>	<u>\$11,043</u>	<u>\$1,431,004</u>
Less: Gross Receipts Taxes	<u>(221,923)</u>	<u>(776)</u>	<u>(222,699)</u>	<u>(11,043)</u>	<u>(233,742)</u>
Total Excluding GRT	<u>\$1,097,838</u>	<u>\$99,424</u>	<u>\$1,197,262</u>	<u>\$0</u>	<u>\$1,197,262</u>

Consolidated Edison of New York, Inc.
Electric Department
Company Revenue Requirement
Taxes Other than Income Taxes
For the Twelve Months Ending March 31, 2011
(\$000's)

	Rate Year 3 As Reflected in Exhibit (AP-10)	Rate Year 4 Adjustments	Rate Year 4 As Adjusted	Proposed Rate Increase	Rate Year 4 As Adjusted For Proposed Rate Increase
Revenue Taxes - Sales Revenues	\$233,742	\$2,011	\$235,753	\$7,863	\$243,616
- Other Operating Rev.	1,026	0	1,026		1,026
Subsidiary Capital Taxes	5,229	0	\$5,229		5,229
Receipts Tax	14,620	0	14,620		14,620
Property Taxes	1,117,566	115,424	1,232,990		1,232,990
Payroll Taxes	56,195	1,489	57,684		57,684
All Other	2,626	0	2,626		2,626
Taxes Other Than Income Taxes	\$1,431,004	\$118,924	\$1,549,928	\$7,863	\$1,557,791
Less: Gross Receipts Taxes	(233,742)	(2,011)	(235,753)	(7,863)	(243,616)
Total Excluding GRT	\$1,197,262	\$116,913	\$1,314,175	\$0	\$1,314,175

For the Twelve Months Ending September 30, 2012
(\$000's)

	Rate Year 4 As Reflected in Exhibit (EJR-1)	Rate Year 5 Adjustments	Rate Year 5 As Adjusted	Proposed Rate Increase	Rate Year 5 As Adjusted For Proposed Rate Increase
Revenue Taxes - Sales Revenues	\$243,616	\$3,123	\$246,739	\$7,423	\$254,162
- Other Operating Rev.	1,026	0	\$1,026		1,026
Subsidiary Capital Taxes	5,229	0	\$5,229		5,229
Receipts Tax	14,620	0	14,620		14,620
Property Taxes	1,232,990	127,915	1,360,905		1,360,905
Payroll Taxes	57,684	1,540	59,225		59,225
All Other	2,626	0	2,626		2,626
Taxes Other Than Income Taxes	\$1,557,791	\$132,579	\$1,690,370	\$7,423	\$1,697,793
Less: Gross Receipts Taxes	(243,616)	(3,123)	(246,739)	(7,423)	(254,162)
Total Excluding GRT	\$1,314,175	\$129,456	\$1,443,631	\$0	\$1,443,631

Consolidated Edison of New York, Inc.
 Electric Department
 New York State Income Tax
 Twelve Months Ending March 31, 2011
 (\$000's)

Exhibit ___ (AP -11)
 Schedule 7
 Page 1 of 4

	Rate Year 1 As Reflected in Exhibit (AP-9)	Rate Year 2 Adjustments	Rate Year 2 As Adjusted	Proposed Rate Increase	Rate Year 2 As Adjusted For Proposed Rate Increase
Operating Income Before Income Taxes	\$1,504,281	(\$305,417)	\$1,198,864	\$460,916	\$1,659,780
Deduct: Non Taxable Inc. & Add'l Deductions					
Interest Expense	455,199	46,547	501,746		501,746
Medicare Part D Subsidy - Post Employment Benefits	15,347	-	15,347		15,347
Total Deductions	470,546	46,547	517,093	-	517,093
Normalized Items:					
Add: Add'l Income & Unallowable Deducts Normal					
Book Depreciation	595,837	37,190	633,027	-	633,027
Capitalized Interest	17,902	4,682	22,584		22,584
Pensions / OPEB expense - Per Books (incl amort)	116,514	37,606	154,120		154,120
Contributions in Aid of Construction	672	-	672		672
Total Additions	730,925	79,478	810,403	-	810,403
Deduct: Non Taxable Inc. & Add'l Deductions					
NYS Depreciation	537,748	35,924	573,672		573,672
263A Overheads	61,925	16,292	78,217		78,217
Removal Costs	201,862	(11,906)	189,955		189,955
Repair Allowance	47,326	(7,701)	39,625		39,625
Amortization of Capitalized Interest	3,929	(3,929)	-		-
Loss on MACRS Retirements	44,986	356	45,342		45,342
Pensions / OPEB expense - Funding	152,835	56,979	209,814		209,814
Westchester Property Tax adjustment	1,416	-	1,416		1,416
Correction of ADR Taxes	-	-	-		-
Interest on Federal income tax audit adjustments - net	-	-	-		-
Credits from Case 07-E-0523	74,153	(37,077)	37,077	-	37,077
Stony Point Property Tax Refund	1,400	(1,400)	-	-	-
S02 Credits (Prior)	5,700	(5,700)	-	-	-
Amortization of World Trade Center Costs	(14,000)	(27,000)	(41,000)	-	(41,000)
Amortization of Interest deferrals from Case 04-E-0572	(5,592)	-	(5,592)	-	(5,592)
Amortization of Management Audit Cost	(186)	-	(186)	-	(186)
Amortization of T&D Deferral Case 07-E-0523	(833)	-	(833)	-	(833)
Amortization of Pension Deferral 4/1/08 - 3/31/09	(20,644)	-	(20,644)	-	(20,644)
Amortization of SIR Costs	(18,096)	(3,392)	(21,488)	-	(21,488)
Amortization of Property Tax Increases 4/08 -3/10	(15,333)	-	(15,333)	-	(15,333)
Other	-	-	-	-	-
Total Deductions	1,058,595	11,446	1,070,041	-	1,070,041
Taxable Income-New York State	706,065	(283,932)	422,133	460,916	883,049
Current New York State Income Tax @ 7.1%	50,131	(20,159)	29,972	32,725	62,697
Deferred New York State Income Tax	23,265	(4,830)	18,434	-	18,434
Sub-Total NY State Income Tax Expense	73,396	(24,989)	48,406	32,725	81,131
Amortization of Brownfield Tax Credit	(127)	-	(127)	-	(127)
Total New York State Income Tax	\$73,269	(\$24,989)	\$48,279	\$32,725	\$81,004

Consolidated Edison of New York, Inc.
Electric Department
New York State Income Tax
Twelve Months Ending March 31, 2012
(\$000's)

Exhibit (AP -11)
Schedule 7
Page 2 of 4

	Rate Year 2 As Reflected in Sch. 7, Page 1	Rate Year 3 Adjustments	Rate Year 3 As Adjusted	Proposed Rate Increase	Rate Year 3 As Adjusted For Proposed Rate Increase
Operating Income Before Income Taxes	\$1,659,780	-\$201,477	\$1,458,303	\$408,259	\$1,866,562
<u>Deduct: Non Taxable Inc. & Add'l Deductions</u>					
Interest Expense	501,746	34,933	536,679		536,679
Medicare Part D Subsidy - Post Employment Benefits	15,347	-	15,347		15,347
Total Deductions	<u>517,093</u>	<u>34,933</u>	<u>552,026</u>	<u>-</u>	<u>552,026</u>
<u>Normalized Items:</u>					
<u>Add: Add'l Income & Unallowable Deducts Normal</u>					
Book Depreciation	633,027	65,311	698,338	-	698,338
Capitalized Interest	22,584	(18,204)	4,380		4,380
Pensions / OPEB expense - Per Books	154,120	(15,890)	138,230		138,230
Contributions in Aid of Construction	672	-	672		672
Total Additions	<u>810,403</u>	<u>31,217</u>	<u>841,620</u>	<u>-</u>	<u>841,620</u>
<u>Deduct: Non Taxable Inc. & Add'l Deductions</u>					
NYS Depreciation	573,672	45,750	619,422		619,422
263A Overheads	78,217	6,442	84,659		84,659
Removal Costs	189,955	1,927	191,882		191,882
Repair Allowance	39,625	(7,682)	31,943		31,943
Amortization of Capitalized Interest	-	-	-		-
Loss on MACRS Retirements	45,342	(11,082)	34,260		34,260
Pensions / OPEB expense - Funding	209,814	(20,619)	189,195		189,195
Westchester Property Tax adjustment	1,416	-	1,416		1,416
Correction of ADR Taxes	-	-	-		-
Interest on Federal income tax audit adjustments - net	-	-	-		-
Credits from Case 07-E-0523	37,077	-	37,077		37,077
Stony Point Property Tax Refund	-	-	-		-
S02 Credits (Prior)	-	-	-		-
Amortization of World Trade Center Costs	(41,000)	-	(41,000)		(41,000)
Amortization of Interest deferrals from Case 04-E-0572	(5,592)	-	(5,592)		(5,592)
Amortization of Management Audit Cost	(186)	-	(186)		(186)
Amortization of T&D Deferral Case 07-E-0523	(833)	-	(833)		(833)
Amortization of Pension Deferral 4/1/08 - 3/31/09	(20,644)	-	(20,644)		(20,644)
Amortization of SIR Costs	(21,488)	(3,392)	(24,880)		(24,880)
Amortization of Property Tax Increases 4/08 -3/10	(15,333)	-	(15,333)		(15,333)
Other	-	-	-		-
Total Deductions	<u>1,070,041</u>	<u>11,344</u>	<u>1,081,385</u>	<u>-</u>	<u>1,081,385</u>
Taxable Income-New York State	<u>883,049</u>	<u>(216,537)</u>	<u>666,512</u>	<u>408,259</u>	<u>1,074,772</u>
Current New York State Income Tax @ 7.1%	62,696	(15,374)	47,322	28,986	76,308
Deferred New York State Income Tax	18,434	(1,411)	17,023	-	17,023
Sub-Total NY State Income Tax Expense	<u>81,130</u>	<u>(16,785)</u>	<u>64,345</u>	<u>28,986</u>	<u>93,331</u>
Amortization of Brownfield Tax Credit	(127)	-	(127)	-	(127)
Total New York State Income Tax	<u>\$81,003</u>	<u>(\$16,785)</u>	<u>\$64,218</u>	<u>\$28,986</u>	<u>\$93,204</u>

Consolidated Edison of New York, Inc.
Electric Department
New York State Income Tax
Twelve Months Ending March 31, 2013
(\$000's)

Exhibit ___ (AP -11)
Schedule 7
Page 3 of 4

	Rate Year 3 As Reflected in Sch. 7, Page 2	Rate Year 4 Adjustments	Rate Year 4 As Adjusted	Proposed Rate Increase	Rate Year 4 As Adjusted For Proposed Rate Increase
Operating Income Before Income Taxes	<u>\$1,866,562</u>	<u>-\$164,041</u>	<u>\$1,702,521</u>	<u>\$290,694</u>	<u>\$1,993,215</u>
<u>Deduct: Non Taxable Inc. & Add'l Deductions</u>					
Interest Expense	536,679	32,708	569,387		569,387
Medicare Part D Subsidy - Post Employment Benefits	15,347	-	15,347		15,347
Total Deductions	<u>552,026</u>	<u>32,708</u>	<u>584,734</u>	<u>-</u>	<u>584,734</u>
<u>Normalized Items:</u>					
<u>Add: Add'l Income & Unallowable Deducts Normal</u>					
Book Depreciation	698,338	45,870	744,208	-	744,208
Capitalized Interest	4,380	-	4,380		4,380
Pensions / OPEB expense - Per Books	138,230	(35,688)	102,542		102,542
Contributions in Aid of Construction	672	-	672		672
Total Additions	<u>841,620</u>	<u>10,183</u>	<u>851,802</u>	<u>-</u>	<u>851,802</u>
<u>Deduct: Non Taxable Inc. & Add'l Deductions</u>					
NYS Depreciation	619,422	7,131	626,553		626,553
263A Overheads	84,659	5,787	90,446		90,446
Removal Costs	191,882	2,938	194,820		194,820
Repair Allowance	31,943	(9,026)	22,916		22,916
Amortization of Capitalized Interest	-	-	-		-
Loss on MACRS Retirements	34,260	(34,260)	-		-
Pensions / OPEB expense - Funding	189,195	(42,656)	146,539		146,539
Westchester Property Tax adjustment	1,416	-	1,416		1,416
Correction of ADR Taxes	-	-	-		-
Interest on Federal income tax audit adjustments - net	-	-	-		-
Credits from Case 07-E-0523	37,077	(37,077)	-		-
Stony Point Property Tax Refund	-	-	-		-
S02 Credits (Prior)	-	-	-		-
Amortization of World Trade Center Costs	(41,000)	41,000	-		-
Amortization of Interest deferrals from Case 04-E-0572	(5,592)	5,592	-		-
Amortization of Management Audit Cost	(186)	186	-		-
Amortization of T&D Deferral Case 07-E-0523	(833)	833	-		-
Amortization of Pension Deferral 4/1/08 - 3/31/09	(20,644)	-	(20,644)		(20,644)
Amortization of SIR Costs	(24,880)	(3,392)	(28,272)		(28,272)
Amortization of Property Tax Increases 4/08 -3/10	(15,333)	15,333	-		-
Other	-	-	-		-
Total Deductions	<u>1,081,385</u>	<u>(47,611)</u>	<u>1,033,775</u>	<u>-</u>	<u>1,033,775</u>
Taxable Income-New York State	<u>1,074,772</u>	<u>(138,956)</u>	<u>935,815</u>	<u>290,694</u>	<u>1,226,509</u>
Current New York State Income Tax @ 7.1%	76,309	(9,866)	66,443	20,639	87,082
Deferred New York State Income Tax	17,023	(4,103)	12,920	-	12,920
Sub-Total NY State Income Tax Expense	<u>93,332</u>	<u>(13,969)</u>	<u>79,363</u>	<u>20,639</u>	<u>100,002</u>
Amortization of Brownfield Tax Credit	<u>(127)</u>	<u>127</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total New York State Income Tax	<u>\$93,205</u>	<u>(\$13,842)</u>	<u>\$79,363</u>	<u>\$20,639</u>	<u>\$100,002</u>

Consolidated Edison of New York, Inc.
 Electric Department
 New York State Income Tax
 Twelve Months Ending March 31, 2014
 (\$000's)

Exhibit ___ (AP -11)
 Schedule 7
 Page 4 of 4

	Rate Year 4 As Reflected in Sch. 7, Page 3	Rate Year 5 Adjustments	Rate Year 5 As Adjusted	Proposed Rate Increase	Rate Year 5 As Adjusted For Proposed Rate Increase
Operating Income Before Income Taxes	\$1,993,215	-\$169,078	\$1,824,137	\$274,408	\$2,098,544
Deduct: Non Taxable Inc. & Add'l Deductions					
Interest Expense	569,387	27,235	596,622		596,622
Medicare Part D Subsidy - Post Employment Benefits	15,347	-	15,347		15,347
Total Deductions	584,734	27,235	611,969	-	611,969
Normalized Items:					
Add: Add'l Income & Unallowable Deducts Normal					
Book Depreciation	744,208	37,436	781,644	-	781,644
Capitalized Interest	4,380	-	4,380		4,380
Pensions / OPEB expense - Per Books	102,542	(35,851)	66,691		66,691
Contributions in Aid of Construction	672	-	672		672
Total Additions	851,802	1,585	853,387	-	853,387
Deduct: Non Taxable Inc. & Add'l Deductions					
NYS Depreciation	626,553	5,820	632,373		632,373
263A Overheads	90,446	6,624	97,070		97,070
Removal Costs	194,820	3,340	198,160		198,160
Repair Allowance	22,916	(7,318)	15,598		15,598
Amortization of Capitalized Interest	-	-	-		-
Loss on MACRS Retirements	-	-	-		-
Pensions / OPEB expense - Funding	146,539	24,340	170,879		170,879
Westchester Property Tax adjustment	1,416	-	1,416		1,416
Correction of ADR Taxes	-	-	-		-
Interest on Federal income tax audit adjustments - net	-	-	-		-
Credits from Case 07-E-0523	-	-	-		-
Stony Point Property Tax Refund	-	-	-		-
S02 Credits (Prior)	-	-	-		-
Amortization of World Trade Center Costs	-	-	-		-
Amortization of Interest deferrals from Case 04-E-0572	-	-	-		-
Amortization of Management Audit Cost	-	-	-		-
Amortization of T&D Deferral Case 07-E-0523	-	-	-		-
Amortization of Pension Deferral 4/1/08 - 3/31/09	(20,644)	-	(20,644)		(20,644)
Amortization of SIR Costs	(28,272)	(3,392)	(31,664)		(31,664)
Amortization of Property Tax Increases 4/08 -3/10	-	-	-		-
Other	-	-	-		-
Total Deductions	1,033,775	29,414	1,063,188	-	1,063,188
Taxable Income-New York State	1,226,509	(224,143)	1,002,367	274,408	1,276,774
Current New York State Income Tax @ 7.1%	87,082	(15,914)	71,168	19,483	90,651
Deferred New York State Income Tax	12,920	1,976	14,896	-	14,896
Sub-Total NY State Income Tax Expense	100,002	(13,938)	86,064	19,483	105,547
Amortization of Brownfield Tax Credit	-	-	-	-	-
Total New York State Income Tax	\$100,002	(\$13,938)	\$86,064	\$19,483	\$105,547

Consolidated Edison of New York, Inc.
Electric Department
Federal Income Tax
Twelve Months Ending March 31, 2011
(\$000's)

Exhibit (AP -11)
Schedule 8
Page 1 of 4

	Rate Year 1 As Reflected In Exhibit (AP-9)	Rate Year 2 Adjustments	Rate Year 2 As Adjusted	Proposed Rate Increase	Rate Year 2 As Adjusted For Proposed Rate Increase
Operating Income Before Income Taxes	\$1,504,281	\$ (305,417)	\$ 1,198,864	\$460,916	\$1,659,780
New York State Income Taxes	73,269	(24,989)	48,279	32,725	81,004
Book Operating Income before FIT	<u>1,431,012</u>	<u>(280,428)</u>	<u>1,150,585</u>	<u>428,191</u>	<u>1,578,776</u>
Flow Through Items					
Add: Additional Income and Unallowable Deductions					
Book Depreciation	595,837	37,190	633,027	-	633,027
Hudson-Farragut Amortization	477	-	477	-	477
Capitalized Interest	17,902	4,682	22,584	-	22,584
Total Additions	<u>614,216</u>	<u>41,872</u>	<u>656,088</u>	<u>-</u>	<u>656,088</u>
Deduct: Non-Taxable Income and Additional Deductions					
Interest on Debt	455,199	46,547	501,746	-	501,746
Statutory Depreciation - at current book rates	342,105	25,852	367,956	-	367,956
Removal Costs	201,862	(11,906)	189,955	-	189,955
Medicare Part D Subsidy - Post Employment Benefits	15,347	-	15,347	-	15,347
Amortization of Capitalized Interest	2,073	(2,073)	-	-	-
Westchester Property Tax Adjustment	1,416	-	1,416	-	1,416
Dividends Paid on \$5 Cumulative Preferred Stock	3,327	-	3,327	-	3,327
Total Deductions	<u>1,021,328</u>	<u>58,419</u>	<u>1,079,747</u>	<u>-</u>	<u>1,079,747</u>
Normalized Items:					
Add: Additional Income & Unallowable Deductions:					
Contributions in Aid of Construction	672	-	672	-	672
Pensions / OPEB Expense - Per Books	116,514	37,606	154,120	-	154,120
Deferred State Income Tax	23,265	(4,830)	18,434	-	18,434
Total Additions	<u>140,450</u>	<u>32,776</u>	<u>173,226</u>	<u>-</u>	<u>173,226</u>
Deduct: Non-Taxable Income & Other Deductions:					
Statutory Depreciation	251,857	23,057	274,914	-	274,914
263A Overheads	61,925	16,292	78,217	-	78,217
Repair Allowance	47,326	(7,701)	39,625	-	39,625
Loss on MACRS Retirements	40,173	(2,184)	37,989	-	37,989
Amortization of Capitalized Interest	1,856	(1,856)	-	-	-
Pensions / OPEB expense	152,835	56,979	209,814	-	209,814
Correction of ADR Taxes	-	-	-	-	-
Interest on Federal income tax audit adjustments - net	-	-	-	-	-
Credits from Case 07-E-0523	74,153	(37,077)	37,077	-	37,077
Stony Point Property Tax Refund	1,400	(1,400)	-	-	-
S02 Credits (Prior)	5,700	(5,700)	-	-	-
Amortization of World Trade Center Costs	(14,000)	(27,000)	(41,000)	-	(41,000)
Amortization of Interest deferrals from Case 04-E-0572	(5,592)	-	(5,592)	-	(5,592)
Amortization of Management Audit Cost	(186)	-	(186)	-	(186)
Amortization of T&D Deferral Case 07-E-0523	(833)	-	(833)	-	(833)
Amortization of Pension Deferral 4/1/08 - 3/31/09	(20,644)	-	(20,644)	-	(20,644)
Amortization of SIR Costs	(18,096)	(3,392)	(21,488)	-	(21,488)
Amortization of Property Tax Increases 4/08 -3/10	(15,333)	-	(15,333)	-	(15,333)
Other	-	-	-	-	-
Total Deductions	<u>562,541</u>	<u>10,018</u>	<u>572,559</u>	<u>-</u>	<u>572,559</u>
Total Adjustments to Book Income	<u>(829,203)</u>	<u>6,210</u>	<u>(822,993)</u>	<u>-</u>	<u>(822,993)</u>
Taxable Income	<u>601,810</u>	<u>(274,218)</u>	<u>327,592</u>	<u>428,191</u>	<u>755,783</u>
Federal Income Tax Expense					
Composite Rate per Company					
FIT Payable at 35%	<u>210,633</u>	<u>(95,976)</u>	<u>114,657</u>	<u>149,867</u>	<u>264,524</u>
Deferred Income Tax :					
Deferred FIT @ 35%	147,732	(7,965)	139,767	-	139,767
Amortization of Previously Deferred Federal Income Tax					
Depreciation - ADR / ACRS / MACRS - at current book rates	(45,055)	(1,391)	(46,446)	-	(46,446)
Depreciation - ADR / ACRS / MACRS - proposed book rates	-	-	-	-	-
Depreciation - ADR / ACRS / MACRS - reserve deficiency	-	-	-	-	-
Loss on MACRS Retirements	(5,558)	-	(5,558)	-	(5,558)
Repair Allowance	(9,844)	-	(9,844)	-	(9,844)
Capitalized Overheads	(10,296)	(997)	(11,293)	-	(11,293)
Depreciation on Capitalized Maint. / Computer Software	1,223	(3,843)	(2,619)	-	(2,619)
Investment Tax Credit	(4,752)	5	(4,747)	-	(4,747)
Total F.I.T. Expense Deferred :	<u>73,450</u>	<u>(14,192)</u>	<u>59,259</u>	<u>-</u>	<u>59,259</u>
Total F.I.T. Expense	<u>\$284,083</u>	<u>(\$110,168)</u>	<u>\$173,916</u>	<u>\$149,867</u>	<u>\$323,783</u>

Consolidated Edison of New York, Inc.
Electric Department
Federal Income Tax
Twelve Months Ending March 31, 2012
(\$000's)

Exhibit (AP -11)
Schedule 8
Page 2 of 4

	Rate Year 2 As Reflected in Sch. 8, Page 1	Rate Year 3 Adjustments	Rate Year 3 As Adjusted	Proposed Rate Increase	Rate Year 3 As Adjusted For Proposed Rate Increase
Operating Income Before Income Taxes	\$1,659,780	(\$201,477)	\$1,458,303	\$408,259	\$1,866,562
New York State Income Taxes	81,004	(16,785)	64,218	28,986	93,204
Book Operating Income before FIT	<u>1,578,776</u>	<u>(184,692)</u>	<u>1,394,084</u>	<u>379,273</u>	<u>1,773,358</u>
Flow Through Items					
Add: Additional Income and Unallowable Deductions					
Book Depreciation	633,027	65,311	698,338	-	698,338
Hudson-Farragut Amortization	477	-	477	-	477
Capitalized Interest	22,584	(18,204)	4,380	-	4,380
Total Additions	<u>656,088</u>	<u>47,107</u>	<u>703,195</u>	<u>-</u>	<u>703,195</u>
Deduct: Non-Taxable Income and Additional Deductions					
Interest on Debt	501,746	34,933	536,679	-	536,679
Statutory Depreciation - at current book rates	367,956	30,890	398,846	-	398,846
Removal Costs	189,955	1,927	191,882	-	191,882
Medicare Part D Subsidy - Post Employment Benefits	15,347	-	15,347	-	15,347
Amortization of Capitalized Interest	-	-	-	-	-
Westchester Property Tax Adjustment	1,416	-	1,416	-	1,416
Dividends Paid on \$5 Cumulative Preferred Stock	3,327	-	3,327	-	3,327
Total Deductions	<u>1,079,747</u>	<u>67,750</u>	<u>1,147,497</u>	<u>-</u>	<u>1,147,497</u>
Normalized Items:					
Add: Additional Income & Unallowable Deductions:					
Contributions in Aid of Construction	672	-	672	-	672.00
Pensions / OPEB Expense - Per Books	154,120	(15,890)	138,230	-	138,230
Deferred State Income Tax	18,434	(1,411)	17,023	-	17,023
Total Additions	<u>173,226</u>	<u>(17,301)</u>	<u>155,925</u>	<u>-</u>	<u>155,925</u>
Deduct: Non-Taxable Income & Other Deductions:					
Statutory Depreciation	274,914	27,209	302,124	-	302,124
263A Depreciation	78,217	6,442	84,659	-	84,659
Repair Allowance	39,625	(7,682)	31,943	-	31,943
Loss on MACRS Retirements	37,989	(4,906)	33,084	-	33,084
Amortization of Capitalized Interest	-	-	-	-	-
Pensions / OPEB expense	209,814	(20,619)	189,195	-	189,195
Correction of ADR Taxes	-	-	-	-	-
Interest on Federal income tax audit adjustments - net	-	-	-	-	-
Credits from Case 07-E-0523	37,077	-	37,077	-	37,077
Stony Point Property Tax Refund	-	-	-	-	-
S02 Credits (Prior)	-	-	-	-	-
Amortization of World Trade Center Costs	(41,000)	-	(41,000)	-	(41,000)
Amortization of Interest deferrals from Case 04-E-0572	(5,592)	-	(5,592)	-	(5,592)
Amortization of Management Audit Cost	(186)	-	(186)	-	(186)
Amortization of T&D Deferral Case 07-E-0523	(833)	-	(833)	-	(833)
Amortization of Pension Deferral 4/1/08 - 3/31/09	(20,644)	-	(20,644)	-	(20,644)
Amortization of SIR Costs	(21,488)	(3,392)	(24,880)	-	(24,880)
Amortization of Property Tax Increases 4/08 -3/10	(15,333)	-	(15,333)	-	(15,333)
Other	-	-	-	-	-
Total Deductions	<u>572,559</u>	<u>(2,947)</u>	<u>569,612</u>	<u>-</u>	<u>569,612</u>
Total Adjustments to Book Income	<u>(622,993)</u>	<u>(34,997)</u>	<u>(657,990)</u>	<u>-</u>	<u>(657,989)</u>
Taxable Income	<u>755,783</u>	<u>(219,689)</u>	<u>536,095</u>	<u>379,273</u>	<u>915,369</u>
Federal Income Tax Expense					
Composite Rate per Company					
FIT Payable at 35%	<u>264,524</u>	<u>(76,891)</u>	<u>187,633</u>	<u>132,746</u>	<u>320,379</u>
Deferred Income Tax :					
Deferred FIT @ 35%	139,767	5,024	144,790	-	144,790
Amortization of Previously Deferred Federal Income Tax					
Depreciation - ADR / ACRS / MACRS - at current book rates	(46,446)	(7,011)	(53,457)	-	(53,457)
Depreciation - ADR / ACRS / MACRS - proposed book rates	-	-	-	-	-
Depreciation - ADR / ACRS / MACRS - reserve deficiency	-	-	-	-	-
Loss on MACRS Retirements	(5,558)	-	(5,558)	-	(5,558)
Repair Allowance	(9,844)	-	(9,844)	-	(9,844)
Capitalized Overheads	(11,293)	(7,011)	(18,304)	-	(18,304)
Depreciation on Capitalized Maint. / Computer Software	(2,619)	9,452	6,832	-	6,832
Investment Tax Credit	(4,747)	-	(4,747)	-	(4,747)
Total F.I.T. Expense Deferred :	<u>59,259</u>	<u>454</u>	<u>59,713</u>	<u>-</u>	<u>59,713</u>
Total F.I.T. Expense	<u>\$323,783</u>	<u>(\$76,437)</u>	<u>\$247,346</u>	<u>\$132,746</u>	<u>\$380,092</u>

Consolidated Edison of New York, Inc.
Electric Department
Federal Income Tax
Twelve Months Ending March 31, 2013
(\$000's)

Exhibit (AP -11)
Schedule 8
Page 3 of 4

	Rate Year 3 As Reflected in Sch. 8, Page 2	Rate Year 4 Adjustments	Rate Year 4 As Adjusted	Proposed Rate Increase	Rate Year 4 As Adjusted For Proposed Rate Increase
Operating Income Before Income Taxes	\$1,866,562	(\$201,477)	\$1,665,085	\$290,694	\$1,955,779
New York State Income Taxes	93,204	(13,842)	79,363	20,639	100,002
Book Operating Income before FIT	<u>1,773,358</u>	<u>(187,635)</u>	<u>1,585,723</u>	<u>270,055</u>	<u>1,855,777</u>
Flow Through Items					
<u>Add: Additional Income and Unallowable Deductions</u>					
Book Depreciation	698,338	45,870	744,208	-	744,208
Hudson-Farragut Amortization	477	-	477	-	477
Capitalized Interest	4,380	(3,738)	642	-	642
Total Additions	<u>703,195</u>	<u>42,132</u>	<u>745,327</u>	<u>-</u>	<u>745,327</u>
<u>Deduct: Non-Taxable Income and Additional Deductions</u>					
Interest on Debt	536,679	32,708	569,387	-	569,387
Statutory Depreciation - at current book rates	398,846	23,244	422,090	-	422,090
Removal Costs	191,882	2,938	194,820	-	194,820
Medicare Part D Subsidy - Post Employment Benefits	15,347	-	15,347	-	15,347
Amortization of Capitalized Interest	-	-	-	-	-
Westchester Property Tax Adjustment	1,416	-	1,416	-	1,416
Dividends Paid on \$5 Cumulative Preferred Stock	3,327	-	3,327	-	3,327
Total Deductions	<u>1,147,497</u>	<u>58,889</u>	<u>1,206,387</u>	<u>-</u>	<u>1,206,387</u>
<u>Normalized Items:</u>					
<u>Add: Additional Income & Unallowable Deductions:</u>					
Contributions in Aid of Construction	672	-	672	-	672.00
Pensions / OPEB Expense - Per Books	138,230	(29,260)	108,970	-	108,970
Deferred State Income Tax	17,023	(4,103)	12,920	-	12,920
Total Additions	<u>155,925</u>	<u>(33,363)</u>	<u>122,562</u>	<u>-</u>	<u>122,562</u>
<u>Deduct: Non-Taxable Income & Other Deductions:</u>					
Statutory Depreciation	302,124	23,039	325,162	-	325,162
263A Depreciation	84,659	5,787	90,446	-	90,446
Repair Allowance	31,943	(9,026)	22,916	-	22,916
Loss on MACRS Retirements	33,084	461	33,545	-	33,545
Amortization of Capitalized Interest	-	-	-	-	-
Pensions / OPEB expense	189,195	(42,656)	146,539	-	146,539
Correction of ADR Taxes	-	-	-	-	-
Interest on Federal Income tax audit adjustments - net	-	-	-	-	-
Credits from Case 07-E-0523	37,077	(37,077)	-	-	-
Stony Point Property Tax Refund	-	-	-	-	-
S02 Credits (Prior)	-	-	-	-	-
Amortization of World Trade Center Costs	(41,000)	41,000	-	-	-
Amortization of Interest deferrals from Case 04-E-0572	(5,592)	5,592	-	-	-
Amortization of Management Audit Cost	(186)	186	-	-	-
Amortization of T&D Deferral Case 07-E-0523	(833)	833	-	-	-
Amortization of Pension Deferral 4/1/08 - 3/31/09	(20,644)	-	(20,644)	-	(20,644)
Amortization of SIR Costs	(24,880)	(3,392)	(28,272)	-	(28,272)
Amortization of Property Tax Increases 4/08 -3/10	(15,333)	15,333	-	-	-
Other	-	-	-	-	-
Total Deductions	<u>569,612</u>	<u>81</u>	<u>569,693</u>	<u>-</u>	<u>569,693</u>
Total Adjustments to Book Income	<u>(857,989)</u>	<u>(50,201)</u>	<u>(908,190)</u>	<u>-</u>	<u>(908,190)</u>
Taxable Income	<u>915,369</u>	<u>(237,835)</u>	<u>677,534</u>	<u>270,055</u>	<u>947,588</u>
Federal Income Tax Expense	-	-	-	-	-
Composite Rate per Company	-	-	-	-	-
FIT Payable at 35%	<u>320,379</u>	<u>(83,242)</u>	<u>237,137</u>	<u>94,519</u>	<u>331,656</u>
<u>Deferred Income Tax :</u>					
Deferred FIT @ 35%	144,790	11,705	156,496	-	156,496
<u>Amortization of Previously Deferred Federal Income Tax</u>					
Depreciation - ADR / ACRS / MACRS - at current book rates	(53,457)	-	(53,457)	-	(53,457)
Depreciation - ADR / ACRS / MACRS - proposed book rates	-	-	-	-	-
Depreciation - ADR / ACRS / MACRS - reserve deficiency	-	-	-	-	-
Loss on MACRS Retirements	(5,558)	-	(5,558)	-	(5,558)
Repair Allowance	(9,844)	-	(9,844)	-	(9,844)
Capitalized Overheads	(18,304)	-	(18,304)	-	(18,304)
Depreciation on Capitalized Maint. / Computer Software	6,832	-	6,832	-	6,832
Investment Tax Credit	(4,747)	-	(4,747)	-	(4,747)
Total F.I.T. Expense Deferred :	<u>59,713</u>	<u>11,705</u>	<u>71,418</u>	<u>-</u>	<u>71,418</u>
Total F.I.T. Expense	<u>\$380,092</u>	<u>(\$71,537)</u>	<u>\$308,555</u>	<u>\$94,519</u>	<u>\$403,074</u>

Consolidated Edison of New York, Inc.
Electric Department
Federal Income Tax
Twelve Months Ending March 31, 2014
(\$000's)

Exhibit (AP -11)
Schedule 8
Page 4 of 4

	Rate Year 4 As Reflected in Sch. 8, Page 3	Rate Year 5 Adjustments	Rate Year 5 As Adjusted	Proposed Rate Increase	Rate Year 5 As Adjusted For Proposed Rate Increase
Operating Income Before Income Taxes	\$1,955,779	(\$169,078)	\$1,786,701	\$274,408	\$2,061,109
New York State Income Taxes	100,002	(13,938)	86,064	19,483	105,547
Book Operating Income before FIT	<u>1,855,777</u>	<u>(155,140)</u>	<u>1,700,637</u>	<u>254,925</u>	<u>1,955,562</u>
Flow Through Items					
Add: Additional Income and Unallowable Deductions					
Book Depreciation	744,208	37,436	781,644	-	781,644
Hudson-Farragut Amortization	477	-	477	-	477
Capitalized Interest	642	-	642	-	642
Total Additions	<u>745,327</u>	<u>37,436</u>	<u>782,763</u>	<u>-</u>	<u>782,763</u>
Deduct: Non-Taxable Income and Additional Deductions					
Interest on Debt	569,387	27,235	596,622	-	596,622
Statutory Depreciation - at current book rates	422,090	30,890	452,980	-	452,980
Removal Costs	194,820	1,927	196,747	-	196,747
Medicare Part D Subsidy - Post Employment Benefits	15,347	-	15,347	-	15,347
Amortization of Capitalized Interest	-	-	-	-	-
Westchester Property Tax Adjustment	1,416	-	1,416	-	1,416
Dividends Paid on \$5 Cumulative Preferred Stock	3,327	-	3,327	-	3,327
Total Deductions	<u>1,206,387</u>	<u>60,052</u>	<u>1,266,438</u>	<u>-</u>	<u>1,266,438</u>
Normalized Items:					
Add: Additional Income & Unallowable Deductions:					
Contributions in Aid of Construction	672	-	672	-	672.00
Pensions / OPEB Expense - Per Books	108,970	(35,851)	73,119	-	73,119
Deferred State Income Tax	12,920	1,976	14,896	-	14,896
Total Additions	<u>122,562</u>	<u>(33,875)</u>	<u>88,687</u>	<u>-</u>	<u>88,687</u>
Deduct: Non-Taxable Income & Other Deductions:					
Statutory Depreciation	325,162	27,209	352,372	-	352,372
263A Depreciation	90,446	6,442	96,888	-	96,888
Repair Allowance	22,916	(7,682)	15,234	-	15,234
Loss on MACRS Retirements	33,545	(4,906)	28,639	-	28,639
Amortization of Capitalized Interest	-	-	-	-	-
Pensions / OPEB expense	146,539	24,340	170,879	-	170,879
Correction of ADR Taxes	-	-	-	-	-
Interest on Federal income tax audit adjustments - net	-	-	-	-	-
Credits from Case 07-E-0523	-	-	-	-	-
Stony Point Property Tax Refund	-	-	-	-	-
S02 Credits (Prior)	-	-	-	-	-
Amortization of World Trade Center Costs	-	-	-	-	-
Amortization of Interest deferrals from Case 04-E-0572	-	-	-	-	-
Amortization of Management Audit Cost	-	-	-	-	-
Amortization of T&D Deferral Case 07-E-0523	-	-	-	-	-
Amortization of Pension Deferral 4/1/08 - 3/31/09	(20,644)	-	(20,644)	-	(20,644)
Amortization of SIR Costs	(28,272)	(3,392)	(31,664)	-	(31,664)
Amortization of Property Tax Increases 4/08 -3/10	-	-	-	-	-
Other	-	-	-	-	-
Total Deductions	<u>569,693</u>	<u>42,012</u>	<u>611,704</u>	<u>-</u>	<u>611,704</u>
Total Adjustments to Book Income	<u>(908,190)</u>	<u>(98,503)</u>	<u>(1,006,693)</u>	<u>-</u>	<u>(1,006,693)</u>
Taxable Income	<u>947,588</u>	<u>(253,643)</u>	<u>693,944</u>	<u>254,925</u>	<u>948,869</u>
Federal Income Tax Expense					
Composite Rate per Company					
FIT Payable at 35%	<u>331,656</u>	<u>(88,775)</u>	<u>242,881</u>	<u>89,224</u>	<u>332,104</u>
Deferred Income Tax:					
Deferred FIT @ 35%	156,496	26,561	183,056	-	183,056
Amortization of Previously Deferred Federal Income Tax					
Depreciation - ADR / ACRS / MACRS - at current book rates	(53,457)	-	(53,457)	-	(53,457)
Depreciation - ADR / ACRS / MACRS - proposed book rates	-	-	-	-	-
Depreciation - ADR / ACRS / MACRS - reserve deficiency	-	-	-	-	-
Loss on MACRS Retirements	(5,558)	-	(5,558)	-	(5,558)
Repair Allowance	(9,844)	-	(9,844)	-	(9,844)
Capitalized Overheads	(18,304)	-	(18,304)	-	(18,304)
Depreciation on Capitalized Maint. / Computer Software	6,832	-	6,832	-	6,832
Investment Tax Credit	(4,747)	-	(4,747)	-	(4,747)
Total F.I.T. Expense Deferred :	<u>71,418</u>	<u>26,561</u>	<u>97,978</u>	<u>-</u>	<u>97,978</u>
Total F.I.T. Expense	<u>\$403,074</u>	<u>(\$62,214)</u>	<u>\$340,859</u>	<u>\$89,224</u>	<u>\$430,082</u>

Consolidated Edison of New York, Inc.
 Electric Department
 Rate Base
 TWELVE MONTHS ENDING MARCH 31, 2011
 (\$000's)

Exhibit (AP -11)
 Schedule 9
 Page 1 of 8

	Rate Year 1 As Reflected in Exhibit (AP-9)	Rate Year 2 Adjustments	Rate Year 2 As Adjusted
<u>UTILITY PLANT</u>			
BOOK COST OF PLANT	\$18,814,545	\$1,448,965	\$20,263,510
ACCUMULATED RESERVE FOR DEPRECIATION	(3,811,799)	(179,850)	(3,991,649)
	15,002,746	1,269,115	16,271,861
NON-INTEREST BEARING CWIP	558,093	43,416	601,509
PREFERRED STOCK EXPENSE	2,414	-	2,414
UNAMORTIZED DEBT DISCOUNT PREMIUM AND EXPENSE	136,291	-	136,291
DEFERRED FUEL - NET OF TAX	26,503	6,015	32,518
UNAMORTIZED BALANCE - HUDSON FARRAGUT	1,323	(310)	1,013
CUSTOMER ADVANCES FOR CONSTRUCTION	(269)	-	(269)
M.T.A. SURTAX - NET OF TAX	3,063	-	3,063
WORKING CAPITAL	597,996	50,721	648,717
EXCESS RATE BASE OVER CAPITALIZATION ADJUSTMENT	245,686	-	245,686
EARLY RETIREMENT TERMINATION BENEFIT (1999) - NET OF TAX	7,795	(2,930)	4,865
DC SERVICE INCENTIVE - NET OF TAX	(2,907)	2,907	-
SYSTEM BENEFITS CHARGE/RETAIL PORTFOLIO STANDARD - NET OF TAX	4,212	-	4,212
AMOUNTS BILLED IN ADVANCE OF CONSTRUCTION - NET OF TAX	(5,709)	-	(5,709)
B I R DISCOUNTS - RECOVERY - NET OF TAX	3,339	(1,336)	2,003
	-	-	-
<u>RATE CASE RECONCILIATIONS - NET OF F.I.T.</u>			
RECOVERY OF WTC COSTS	-	77,673	77,673
RECOVERY OF DEFERRALS FROM CASE 04-E-0572 RY3	8,441	(5,065)	3,376
RECOVERY OF MANAGEMENT AUDIT	1,258	(755)	503
RECOVERY OF T&D DEFERRALS FROM CASE 07-E-0523	105,959	(12,466)	93,493
RECOVERY OF PENSION DEFERRALS FROM CASE 07-E-0523	9,704	(5,822)	3,882
RECOVERY OF SIR DEFERRALS FROM CASE 07-E-0523	103,810	(10,927)	92,883
RECOVERY OF 2008/2009 PROPERTY TAX INCREASE	23,148	(13,889)	9,259
REFUND OF CREDITS FROM CASE 07-E-0523	(67,165)	33,583	(33,582)
REFUND OF STONY POINT PROPERTY TAX REFUND	(423)	212	(212)
REFUND OF SO2 CREDITS	(1,721)	861	(861)
UNBILLED REVENUES	34,862	34,862	69,724
VERIZON POLE MAINTENANCE -- REIMBURSEMENT	(4,378)	2,189	(2,189)
	-	-	-
<u>ACCUMULATED DEFERRED INCOME TAXES</u>			
ADR / ACRS / MACRS DEDUCTIONS	(1,745,988)	(54,893)	(1,800,880)
CHANGE OF ACCOUNTING SECTION 263A	(280,789)	(16,082)	(296,872)
VESTED VACATION	11,529	-	11,529
PREPAID INSURANCE EXPENSES	(3,817)	-	(3,817)
UNBILLED REVENUES	110,440	-	110,440
CONTRIBUTIONS IN AID OF CONSTRUCTION	12,295	-	12,295
CAPITALIZED INTEREST	4,592	-	4,592
REPAIR & MAINTENANCE ALLOWANCE - 02 - 06 IRS AUDIT	4,507	(4,025)	482
FIN 48 - DISALLOWED SSCM	(57,475)	-	(57,475)
MTA	(12,359)	-	(12,359)
AMORTIZATION OF COMPUTER SOFTWARE	(43,047)	-	(43,047)
CUSTOMER DEPOSITS	20,278	-	20,278
CALL PREMIUM	(19,552)	-	(19,552)
DEFERRED S.I.T.	(203,082)	(18,434)	(221,516)
	14,591,603	1,374,619	15,966,221
TOTAL RATE BASE	14,591,603	1,374,619	15,966,221

Consolidated Edison of New York, Inc.
Electric Department
Working Capital Allowance
TWELVE MONTHS ENDING MARCH 31, 2011
(\$000's)

Exhibit ____ (AP -11)
Schedule 9
Page 2 of 8

	Rate Year 1 As Reflected in Exhibit (AP-9)	Rate Year 2 Adjustments	Rate Year 2 As Adjusted
M & S			
Liquid Fuel Inventory	\$7,258	\$158	\$7,416
Materials and Supplies, Excluding Fuel	88,670	1,928	90,598
Total Materials and Supplies	95,928	2,086	98,014
Prepayments			
Insurance	13,905	302	14,207
Rents	15,519	338	15,857
Property Taxes	200,206	41,688	241,894
PSC Assessment	7,893	172	8,065
Interference	8,027	175	8,202
EPRI	264	6	270
Other	11,221	244	11,465
Total Prepayments	257,035	42,924	299,959
Cash Working Capital			
Total Operation & Maintenance Expenses	4,993,747	76,190	5,069,937
Less: Purchased Power Expenses	2,898,834	(8,176)	2,890,658
Gas Portion of Fuel	334,187	-	334,187
Recoverable Fuel Costs	22,267	-	22,267
Interdepartmental Rents	5,039	-	5,039
Uncollectibles	56,157	-	56,157
Pensions	112,179	37,606	149,785
	1,565,084	46,760	1,611,844
Cash Working Capital @ 1/8th	195,636	5,845	201,480
Add: Cash Working Capital @ 1/2 on Rec. Fuel Costs	1,857	-	1,857
Total	550,455	\$50,855	\$601,309
Add: Working Capital Related to Purchased Power	47,541	(134)	47,407
Total Working Capital	\$597,996	\$50,721	\$648,716

Consolidated Edison of New York, Inc.
Electric Department
Rate Base

Exhibit ___ (AP -11)
Schedule 9
Page 3 of 8

TWELVE MONTHS ENDING MARCH 31, 2012
(\$000's)

	<u>Rate Year 2</u>	<u>Rate Year 3 Adjustments</u>	<u>Rate Year 3 As Adjusted</u>
Utility Plant:			
Book Cost of Plant	\$20,263,510	\$2,234,782	\$22,498,292
Accumulated Reserve for Depreciation	<u>(3,991,649)</u>	<u>(227,140)</u>	<u>(4,218,789)</u>
Net Plant	<u>16,271,861</u>	<u>2,007,642</u>	<u>18,279,502</u>
NON-INTEREST BEARING CWIP	601,509	(211,497)	390,012
PREFERRED STOCK EXPENSE	2,414	-	2,414
UNAMORTIZED DEBT DISCOUNT PREMIUM AND EXPENSE	136,291	-	136,291
DEFERRED FUEL - NET OF TAX	32,518	14,729	47,246
UNAMORTIZED BALANCE - HUDSON FARRAGUT	1,013	(310)	703
CUSTOMER ADVANCES FOR CONSTRUCTION	(269)	-	(269)
M.T.A. SURTAX - NET OF TAX	3,063	-	3,063
WORKING CAPITAL	648,717	50,190	698,907
EXCESS RATE BASE OVER CAPITALIZATION ADJUSTMENT	245,686	-	245,686
EARLY RETIREMENT TERMINATION BENEFIT (1999) - NET OF TAX	4,865	(2,930)	1,935
SYSTEM BENEFITS CHARGE/RETAIL PORTFOLIO STANDARD - NET OF TAX	4,212	-	4,212
AMOUNTS BILLED IN ADVANCE OF CONSTRUCTION - NET OF TAX	(5,709)	-	(5,709)
B I R DISCOUNTS - RECOVERY - NET OF TAX	2,003	(1,336)	668
			-
<u>RATE CASE RECONCILIATIONS - NET OF F.I.T.</u>			-
RECOVERY OF WTC COSTS	77,673	(39,250)	38,422
RECOVERY OF DEFERRALS FROM CASE 04-E-0572 RY3	3,376	(5,065)	(1,688)
RECOVERY OF MANAGEMENT AUDIT	503	(755)	(252)
RECOVERY OF T&D DEFERRALS FROM CASE 07-E-0523	93,493	(12,466)	81,027
RECOVERY OF PENSION DEFERRALS FROM CASE 07-E-0523	3,882	(1,941)	1,941
RECOVERY OF SIR DEFERRALS FROM CASE 07-E-0523	92,883	(10,927)	81,955
RECOVERY OF 2008/2009 PROPERTY TAX INCREASE	9,259	(4,630)	4,630
REFUND OF CREDITS FROM CASE 07-E-0523	(33,582)	16,791	(16,791)
REFUND OF STONY POINT PROPERTY TAX REFUND	(212)	212	-
REFUND OF SO2 CREDITS	(861)	861	-
UNBILLED REVENUES	69,724	20,816	90,540
VERIZON POLE MAINTENANCE -- REIMBURSEMENT	(2,189)	2,189	-
			-
<u>ACCUMULATED DEFERRED INCOME TAXES</u>			-
ADR / ACRS / MACRS DEDUCTIONS	(1,800,880)	(41,981)	(1,842,862)
CHANGE OF ACCOUNTING SECTION 263A	(296,872)	(11,326)	(308,198)
VESTED VACATION	11,529	-	11,529
PREPAID INSURANCE EXPENSES	(3,817)	-	(3,817)
UNBILLED REVENUES	110,440	-	110,440
CONTRIBUTIONS IN AID OF CONSTRUCTION	12,295	-	12,295
CAPITALIZED INTEREST	4,592	-	4,592
ADVANCE REFUNDING OF MORTGAGE BONDS	-	-	-
REPAIR & MAINTENANCE ALLOWANCE - 98 - 02 IRS AUDIT	482	7,124	7,607
FIN 48 - DISALLOWED SSCM	(57,475)	-	(57,475)
MTA	(12,359)	-	(12,359)
AMORTIZATION OF COMPUTER SOFTWARE	(43,047)	-	(43,047)
CUSTOMER DEPOSITS	20,278	-	20,278
CALL PREMIUM	(19,552)	-	(19,552)
EXCESS DEFERRED SIT (2000/2001)	-	-	-
DEFERRED S.I.T.	(221,516)	(17,023)	(238,540)
TOTAL RATE BASE	<u>15,966,221</u>	<u>1,759,116</u>	<u>17,725,337</u>

Consolidated Edison of New York, Inc.
 Electric Department
 Working Capital Allowance
 TWELVE MONTHS ENDING MARCH 31, 2012
 (\$000's)

Exhibit ___ (AP -11)
 Schedule 9
 Page 4 of 8

	<u>Rate Year 2</u>	<u>Rate Year 3 Adjustments</u>	<u>Rate Year 3 As Adjusted</u>
<u>M & S</u>			
Liquid Fuel Inventory	\$7,416	\$156	\$7,572
Materials and Supplies, Excluding Fuel	<u>90,598</u>	<u>1,903</u>	<u>92,501</u>
Total Materials and Supplies	<u>98,014</u>	<u>2,058</u>	<u>100,073</u>
 <u>Prepayments</u>			
Insurance	14,207	298	14,506
Rents	15,857	333	16,189
Property Taxes	241,894	48,993	290,886
PSC Assessment	8,065	169	8,234
Interference	8,202	172	8,374
EPRI	270	6	275
Other	11,465	241	11,706
Total Prepayments	<u>299,959</u>	<u>50,212</u>	<u>350,171</u>
 <u>Cash Working Capital</u>			
Total Operation & Maintenance Expenses	5,069,937	50,564	5,120,501
Less: Purchased Power Expenses	2,890,658	95,637	2,986,296
Gas Portion of Fuel	334,187	-	334,187
Recoverable Fuel Costs	22,267	-	22,267
Interdepartmental Rents	5,039	-	5,039
Uncollectibles	56,157	-	56,157
Pensions	149,785	(15,890)	133,895
	<u>1,611,844</u>	<u>(29,183)</u>	<u>1,582,660</u>
Cash Working Capital @ 1/8th	<u>201,480</u>	<u>(3,648)</u>	<u>197,833</u>
Add: Cash Working Capital @ 1/2 on Rec Fuel Costs	<u>1,857</u>	<u>-</u>	<u>1,857</u>
Total	<u>601,311</u>	<u>\$48,622</u>	<u>\$649,933</u>
Add: Working Capital Related to Purchased Power	<u>47,407</u>	<u>1,568</u>	<u>48,975</u>
Total Working Capital	<u>\$648,718</u>	<u>\$50,190</u>	<u>\$698,908</u>

Consolidated Edison of New York, Inc.
Electric Department
Rate Base
TWELVE MONTHS ENDING MARCH 31, 2013
(\$000's)

Exhibit ____ (AP -11)
Schedule 9
Page 5 of 8

	<u>Rate Year 3</u>	<u>Rate Year 4 Adjustments</u>	<u>Rate Year 4 As Adjusted</u>
Utility Plant:			
Book Cost of Plant	\$22,498,292	\$1,600,333	\$24,098,625
Accumulated Reserve for Depreciation	<u>(4,218,789)</u>	<u>(291,728)</u>	<u>(4,510,517)</u>
Net Plant	<u>18,279,502</u>	<u>1,308,605</u>	<u>19,588,107</u>
NON-INTEREST BEARING CWIP	390,012	-	390,012
PREFERRED STOCK EXPENSE	2,414	-	2,414
UNAMORTIZED DEBT DISCOUNT PREMIUM AND EXPENSE	136,291	-	136,291
DEFERRED FUEL - NET OF TAX	47,246	(2,258)	44,989
UNAMORTIZED BALANCE - HUDSON FARRAGUT	703	(310)	393
CUSTOMER ADVANCES FOR CONSTRUCTION	(269)	-	(269)
M.T.A. SURTAX - NET OF TAX	3,063	-	3,063
WORKING CAPITAL	698,907	64,743	763,650
EXCESS RATE BASE OVER CAPITALIZATION ADJUSTMENT	245,686	-	245,686
EARLY RETIREMENT TERMINATION BENEFIT (1999) - NET OF TAX	1,935	(1,935)	-
SYSTEM BENEFITS CHARGE/RETAIL PORTFOLIO STANDARD - NET OF TAX	4,212	-	4,212
AMOUNTS BILLED IN ADVANCE OF CONSTRUCTION - NET OF TAX	(5,709)	-	(5,709)
B I R DISCOUNTS - RECOVERY - NET OF TAX	668	(668)	-
<u>RATE CASE RECONCILIATIONS - NET OF F.I.T.</u>			
RECOVERY OF WTC COSTS	38,422	(38,422)	-
RECOVERY OF DEFERRALS FROM CASE 04-E-0572 RY3	(1,688)	1,688	-
RECOVERY OF MANAGEMENT AUDIT	(252)	252	-
RECOVERY OF T&D DEFERRALS FROM CASE 07-E-0523	81,027	(12,466)	68,561
RECOVERY OF PENSION DEFERRALS FROM CASE 07-E-0523	1,941	(1,941)	-
RECOVERY OF SIR DEFERRALS FROM CASE 07-E-0523	81,955	(10,927)	71,028
RECOVERY OF 2008/2009 PROPERTY TAX INCREASE	4,630	(4,630)	-
REFUND OF CREDITS FROM CASE 07-E-0523	(16,791)	16,791	-
UNBILLED REVENUES	90,540	-	90,540
<u>ACCUMULATED DEFERRED INCOME TAXES</u>			
ADR / ACRS / MACRS DEDUCTIONS	(1,842,862)	(54,792)	(1,897,654)
CHANGE OF ACCOUNTING SECTION 263A	(308,198)	(13,352)	(321,550)
VESTED VACATION	11,529	-	11,529
PREPAID INSURANCE EXPENSES	(3,817)	-	(3,817)
UNBILLED REVENUES	110,440	-	110,440
CONTRIBUTIONS IN AID OF CONSTRUCTION	12,295	-	12,295
CAPITALIZED INTEREST	4,592	-	4,592
REPAIR & MAINTENANCE ALLOWANCE - 98 - 02 IRS AUDIT	7,607	1,823	9,430
FIN 48 - DISALLOWED SSCM	(57,475)	-	(57,475)
MTA	(12,359)	-	(12,359)
AMORTIZATION OF COMPUTER SOFTWARE	(43,047)	(6,832)	(49,880)
CUSTOMER DEPOSITS	20,278	-	20,278
CALL PREMIUM	(19,552)	-	(19,552)
DEFERRED S.I.T.	(238,540)	(12,920)	(251,460)
TOTAL RATE BASE	<u><u>17,725,337</u></u>	<u><u>1,232,449</u></u>	<u><u>18,957,786</u></u>

Consolidated Edison of New York, Inc.
 Electric Department
 Working Capital Allowance
 TWELVE MONTHS ENDING MARCH 31, 2013
 (\$000's)

Exhibit ___ (AP -11)
 Schedule 9
 Page 6 of 8

	<u>Rate Year 3</u>	<u>Rate Year 4 Adjustments</u>	<u>Rate Year 4 As Adjusted</u>
<u>M & S</u>			
Liquid Fuel Inventory	\$7,572	\$159	\$7,731
Materials and Supplies, Excluding Fuel	<u>92,501</u>	<u>1,943</u>	<u>94,443</u>
Total Materials and Supplies	<u>100,073</u>	<u>2,102</u>	<u>102,174</u>
<u>Prepayments</u>			
Insurance	14,506	305	14,810
Rents	16,189	340	16,529
Property Taxes	290,886	57,712	348,598
PSC Assessment	8,234	173	8,407
Interference	8,374	176	8,550
EPRI	275	6	281
Other	<u>11,706</u>	<u>246</u>	<u>11,952</u>
Total Prepayments	<u>350,171</u>	<u>58,957</u>	<u>409,127</u>
<u>Cash Working Capital</u>			
Total Operation & Maintenance Expenses	5,120,501	69,889	5,190,390
Less: Purchased Power Expenses	2,986,296	80,194	3,066,489
Gas Portion of Fuel	334,187	-	334,187
Recoverable Fuel Costs	22,267	-	22,267
Interdepartmental Rents	5,039	-	5,039
Uncollectibles	56,157	-	56,157
Pensions	<u>133,895</u>	<u>(29,260)</u>	<u>104,635</u>
	<u>1,582,660</u>	<u>18,955</u>	<u>1,601,616</u>
Cash Working Capital @ 1/8th	<u>197,833</u>	<u>2,369</u>	<u>200,202</u>
Add: Cash Working Capital @ 1/2 on Rec Fuel Costs	<u>1,856</u>	<u>-</u>	<u>1,856</u>
Total	<u>\$649,931</u>	<u>\$63,428</u>	<u>\$713,359</u>
Add: Working Capital Related to Purchased Power	<u>48,975</u>	<u>1,315</u>	<u>50,290</u>
Total Working Capital	<u>\$698,906</u>	<u>\$64,743</u>	<u>\$763,649</u>

Consolidated Edison of New York, Inc.
Electric Department
Rate Base
TWELVE MONTHS ENDING MARCH 31, 2014
(\$000's)

Exhibit ___ (AP -11)
Schedule 9
Page 7 of 8

	<u>Rate Year 4</u>	<u>Rate Year 5 Adjustments</u>	<u>Rate Year 5 As Adjusted</u>
Utility Plant:			
Book Cost of Plant	\$24,098,625	\$1,293,742	\$25,392,367
Accumulated Reserve for Depreciation	(4,510,517)	(314,667)	(4,825,184)
Net Plant	19,588,107	979,076	20,567,183
NON-INTEREST BEARING CWIP	390,012	-	390,012
PREFERRED STOCK EXPENSE	2,414	-	2,414
UNAMORTIZED DEBT DISCOUNT PREMIUM AND EXPENSE	136,291	-	136,291
DEFERRED FUEL - NET OF TAX	44,989	(1,533)	43,455
UNAMORTIZED BALANCE - HUDSON FARRAGUT	393	(310)	83
CUSTOMER ADVANCES FOR CONSTRUCTION	(269)	-	(269)
M.T.A. SURTAX - NET OF TAX	3,063	-	3,063
WORKING CAPITAL	763,650	69,160	832,810
EXCESS RATE BASE OVER CAPITALIZATION ADJUSTMENT	245,686	-	245,686
SYSTEM BENEFITS CHARGE/RETAIL PORTFOLIO STANDARD - NET OF T	4,212	-	4,212
AMOUNTS BILLED IN ADVANCE OF CONSTRUCTION - NET OF TAX	(5,709)	-	(5,709)
<u>RATE CASE RECONCILIATIONS - NET OF F.I.T.</u>			
RECOVERY OF T&D DEFERRALS FROM CASE 07-E-0523	68,561	(12,466)	56,095
RECOVERY OF SIR DEFERRALS FROM CASE 07-E-0523	71,028	(10,927)	60,101
UNBILLED REVENUES	90,540	-	90,540
<u>ACCUMULATED DEFERRED INCOME TAXES</u>			
ADR / ACRS / MACRS DEDUCTIONS	(1,897,654)	(64,315)	(1,961,969)
CHANGE OF ACCOUNTING SECTION 263A	(321,550)	(15,607)	(337,156)
VESTED VACATION	11,529	-	11,529
PREPAID INSURANCE EXPENSES	(3,817)	-	(3,817)
UNBILLED REVENUES	110,440	-	110,440
CONTRIBUTIONS IN AID OF CONSTRUCTION	12,295	-	12,295
CAPITALIZED INTEREST	4,592	-	4,592
ADVANCE REFUNDING OF MORTGAGE BONDS	-	-	-
REPAIR & MAINTENANCE ALLOWANCE - 02 - 06 IRS AUDIT	9,430	4,512	13,942
FIN 48 - DISALLOWED SSCM	(57,475)	-	(57,475)
MTA	(12,359)	-	(12,359)
AMORTIZATION OF COMPUTER SOFTWARE	(49,880)	(6,832)	(56,712)
CUSTOMER DEPOSITS	20,278	-	20,278
CALL PREMIUM	(19,552)	-	(19,552)
DEFERRED S.I.T.	(251,460)	(14,896)	(266,356)
 TOTAL RATE BASE	 18,957,786	 925,862	 19,883,648

Consolidated Edison of New York, Inc.
Electric Department
Working Capital Allowance
TWELVE MONTHS ENDING MARCH 31, 2014
(\$000's)

Exhibit ___ (AP -11)
Schedule 9
Page 8 of 8

	<u>Rate Year 4</u>	<u>Rate Year 5 Adjustments</u>	<u>Rate Year 5 As Adjusted</u>
M & S			
Liquid Fuel Inventory	\$7,731	\$162	\$7,893
Materials and Supplies, Excluding Fuel	<u>94,443</u>	<u>1,983</u>	<u>96,427</u>
Total Materials and Supplies	<u>102,174</u>	<u>2,146</u>	<u>104,320</u>
<u>Prepayments</u>			
Insurance	14,810	311	15,121
Rents	16,529	347	16,877
Property Taxes	348,598	63,958	412,556
PSC Assessment	8,407	177	8,583
Interference	8,550	180	8,729
EPRI	281	6	287
Other	<u>11,952</u>	<u>251</u>	<u>12,203</u>
Total Prepayments	<u>409,127</u>	<u>65,229</u>	<u>474,356</u>
<u>Cash Working Capital</u>			
Total Operation & Maintenance Expenses	5,190,390	40,093	5,230,483
Less: Purchased Power Expenses	3,066,489	70,966	3,137,456
Gas Portion of Fuel	334,187	-	334,187
Recoverable Fuel Costs	22,267	-	22,267
Interdepartmental Rents	5,039	-	5,039
Uncollectibles	56,157	-	56,157
Pensions	<u>104,635</u>	<u>(35,851)</u>	<u>68,784</u>
	<u>1,601,616</u>	<u>4,978</u>	<u>1,606,593</u>
Cash Working Capital @ 1/8th	<u>200,202</u>	<u>622</u>	<u>200,824</u>
Add: Cash Working Capital @ 1/2 on Rec Fuel Costs	<u>1,856</u>	<u>-</u>	<u>1,856</u>
Total	<u>\$713,359</u>	<u>\$67,996</u>	<u>\$781,356</u>
Add: Working Capital Related to Purchased Power	<u>50,290</u>	<u>1,164</u>	<u>51,454</u>
Total Working Capital	<u>\$763,649</u>	<u>\$69,160</u>	<u>\$832,810</u>

Consolidated Edison of New York, Inc.
Electric Department
Interest Synchronization
For the Twelve Months Ending March 31, 2011.
(\$000's)

	<u>Rate Year 1 As Reflected in Exhibit (AP-9)</u>	<u>Rate Year 2 Adjustments</u>	<u>Rate Year 2 As Adjusted</u>
Rate Base	\$14,591,603	\$1,374,619	\$15,966,221
Interest Bearing CWIP (+)	<u>586,745</u>	<u>177,473</u>	<u>764,217</u>
Earnings Base	15,178,347	1,552,092	16,730,439
Embedded Cost of Debt	<u>3.00%</u>	<u>3.00%</u>	<u>3.00%</u>
Interest Deduction	<u>\$455,199</u>	<u>\$46,547</u>	<u>\$501,746</u>

For the Twelve Months Ending March 31, 2012
(\$000's)

	<u>Rate Year 2 As Adjusted</u>	<u>Rate Year 3 Adjustments</u>	<u>Rate Year 3 As Adjusted</u>
Rate Base	\$15,966,221	\$1,759,116	\$17,725,337
Interest Bearing CWIP (+)	<u>764,217</u>	<u>(594,294)</u>	<u>169,923</u>
Earnings Base	16,730,439	1,164,822	17,895,261
Embedded Cost of Debt	<u>3.00%</u>	<u>3.00%</u>	<u>3.00%</u>
Interest Deduction	<u>\$501,746</u>	<u>\$34,933</u>	<u>\$536,679</u>

Consolidated Edison of New York, Inc.
Electric Department
Interest Synchronization
For the Twelve Months Ending March 31, 2013
(\$000's)

	<u>Rate Year 1 As Reflected in Exhibit (AP-9)</u>	<u>Rate Year 4 Adjustments</u>	<u>Rate Year 4 As Adjusted</u>
Rate Base	\$17,725,337	\$1,232,449	\$18,957,786
Interest Bearing CWIP (+)	<u>169,923</u>	<u>(141,820)</u>	<u>28,103</u>
Earnings Base	17,895,261	1,090,628	18,985,889
Embedded Cost of Debt	<u>3.00%</u>	<u>3.00%</u>	<u>3.00%</u>
Interest Deduction	<u><u>\$536,679</u></u>	<u><u>\$32,708</u></u>	<u><u>\$569,387</u></u>

For the Twelve Months Ending March 31, 2014
(\$000's)

	<u>Rate Year 4 As Adjusted</u>	<u>Rate Year 5 Adjustments</u>	<u>Rate Year 5 As Adjusted</u>
Rate Base	\$18,957,786	\$925,862	\$19,883,648
Interest Bearing CWIP (+)	<u>28,103</u>	<u>(17,716)</u>	<u>10,387</u>
Earnings Base	18,985,889	908,146	19,894,034
Embedded Cost of Debt	<u>3.00%</u>	<u>3.00%</u>	<u>3.00%</u>
Interest Deduction	<u><u>\$569,387</u></u>	<u><u>\$27,235</u></u>	<u><u>\$596,622</u></u>

EXHIBIT __ (AP- 12)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CAPITAL STRUCTURE & COST OF CAPITAL

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 RATE OF RETURN REQUIRED FOR THE RATE YEAR
 TWELVE MONTHS ENDING MARCH 31, 2010
 (Thousands of Dollars)

	Actual Capital Structure December 31, 2007	Adjustments to Reflect Conditions in Rate Year	Average Capital Structure at March 31, 2010		Cost Rate	Cost of Capital
			Amount	Percent		
Long Term Debt	\$ 7,471,867	\$ 2,066,244	\$ 9,538,111 (1)	49.60%	5.95% (1)	2.95%
Preferred Stock	212,563	-	212,563 (2)	1.11%	5.34% (2)	0.06%
Customer Deposits	234,107	10,039	244,146	1.26%	3.75%	0.05%
Subtotal	7,918,537	2,076,284	9,994,821	51.98%		3.06%
Common Equity	8,100,311	1,133,844	9,234,154	48.02%	10.0%	4.80%
Total	\$ 16,018,848	\$ 3,210,128	\$ 19,228,975	100.00%		7.86%

(1) Per Schedule 2

(2) Per Schedule 3

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
AVERAGE COST OF LONG TERM DEBT
MARCH 31, 2010
(Thousands of Dollars)

Type of Issue	Due	Debt Outstanding 3/31/2010	Cost Rate	Average Balance 3/31/2010	Average Cost Annualized	Effective Cost Rate
<u>Debentures</u>						
1998 Series B	02/01/28	105,000	7.10%	105,000	7,455	
1998 Series D	10/01/28	75,000	6.90%	75,000	5,175	
1999 Series B	12/01/09	-	7.15%	141,667	10,129	
2000 Series A	05/01/10	325,000	8.13%	325,000	26,406	
2000 Series B	09/01/10	300,000	7.50%	300,000	22,500	
2002 Series A	07/01/12	300,000	5.63%	300,000	16,875	
2002 Series B	02/01/13	500,000	4.88%	500,000	24,375	
2003 Series A	04/01/33	175,000	5.88%	175,000	10,281	
2003 Series B	06/15/13	200,000	3.85%	200,000	7,700	
2003 Series C	06/15/33	200,000	5.10%	200,000	10,200	
2004 Series A	02/01/14	200,000	4.70%	200,000	9,400	
2004 Series B	02/01/34	200,000	5.70%	200,000	11,400	
2004 Series C	06/15/09	-	4.70%	57,292	2,693	
2005 Series A	03/01/35	350,000	5.30%	350,000	18,550	
2005 Series B	07/01/35	125,000	5.25%	125,000	6,563	
2005 Series C	12/01/15	350,000	5.38%	350,000	18,813	
2006 Series A	03/15/36	400,000	5.85%	400,000	23,400	
2006 Series B	06/15/36	400,000	6.21%	400,000	24,820	
2006 Series C	09/15/16	400,000	5.50%	400,000	22,000	
2006 Series D	12/01/16	250,000	5.30%	250,000	13,250	
2006 Series E	12/01/36	250,000	5.70%	250,000	14,250	
2007 Series A	08/15/37	525,000	6.30%	525,000	33,075	
2008 Series A	04/01/18	600,000	5.85%	600,000	35,100	
2008 Series B	04/01/38	600,000	6.75%	600,000	40,500	
2008 Series C	09/01/18	285,000	6.05%	285,000	17,243	
2008 Series D	09/01/38	285,000	6.90%	285,000	19,665	
2009 Series A	06/01/39	740,000	7.10%	585,833	41,594	
2009 Series B	12/01/19	770,000	6.30%	224,583	14,149	
<u>Tax Exempt Debt Issue through New York State</u>						
1999 Series A	05/01/34	292,700	VAR	292,700	12,001	
2001 Series A	06/01/36	224,600	VAR (A)	224,600	10,556	
2001 Series B	10/01/36	98,000	VAR (A)	98,000	4,018	
2004 Series A	01/01/39	98,325	VAR (A)	98,325	4,031	
2004 Series B1	05/01/32	127,225	VAR (A)	127,225	5,216	
2004 Series B2	10/01/35	19,750	VAR (A)	19,750	810	
2004 Series C	11/01/39	99,000	VAR (A)	99,000	2,178	
2005 Series A	05/01/39	126,300	VAR (A)	126,300	2,779	
Subtotal				\$ 9,495,275	\$ 549,149	5.78%
Amortization of Debt Discount & Expense					18,229	
Ending Balance of Unamortized Premium (Discount)				42,836		
TOTAL				\$ 9,538,111	\$ 567,377	5.95%

(A) Average variable rate

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
AVERAGE COST OF PREFERRED STOCK
MARCH 31, 2010
(Thousands of Dollars)

<u>Issue</u>	<u>Cost Rate</u>	<u>Average Amount Outstanding</u>	<u>Average Dividends Annualized</u>	<u>Effective Cost Rate</u>
Cumulative Preferred Stock				
\$5	(A)	\$ 175,000	\$ 9,577	
Series C	4.650%	15,330	713	
Series D	4.650%	<u>22,233</u>	<u>1,034</u>	
Subtotal		\$ 212,563	\$ 11,324	5.33%
Amortization of Expenses				
Refunding of Series A & B			<u>20</u>	
Total		<u>\$ 212,563</u>	<u>\$ 11,344</u>	<u>5.34%</u>

Note: (A) \$5 per share on 1,915,319 outstanding shares

EXHIBIT __ (AP- 13)

**CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
FUND REQUIREMENTS AND SOURCES**

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 FUND REQUIREMENTS AND SOURCES
 TWELVE MONTHS ENDING MARCH 31, 2010
 (Millions of Dollars)

CAPITAL FUNDS REQUIRED

Construction Expenditures	\$ 2,653
Rate Case Amortizations/Accruals	(128)
Working Capital	(160)
TOTAL FUNDS REQUIRED	<u>2,365</u>

INTERNAL SOURCE OF FUNDS

Retained Earnings	285
Depreciation	764
Deferred Tax Accruals	180
Other	(297)
TOTAL INTERNAL SOURCES OF FUNDS	<u>932</u>

INTERNAL FUNDS AVAILABLE/(REQUIRED) (1,433)

EXTERNAL SOURCES OF FUNDS

Equity Issuance	477
Commercial Paper	(79)
Bond Proceeds	1,035
TOTAL EXTERNAL SOURCES OF FUNDS	<u>1,433</u>

CAPITAL FUNDS REQUIRED LESS SOURCES OF FUNDS (0)

TEMPORARY CASH INVESTMENTS AT 03/31/09 \$ 10

TEMPORARY CASH INVESTMENTS AT 03/31/10 \$ 10

EXHIBIT __ (AP- 14)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
INTEREST COVERAGE

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
 INTEREST COVERAGE
 S.E.C. BASIS - PER BOOKS
 (Millions of Dollars)

	2004 ACTUAL	2005 ACTUAL	2006 ACTUAL	2007 ACTUAL	2008 ESTIMATE	12 MONTHS ENDING March 2010 ESTIMATE
NET INCOME	\$ 518	\$ 694	\$ 686	\$ 844	\$ 797	\$ 943
PREFERRED STOCK DIVIDEND	11	11	11	11	11	11
(INCOME) OR LOSS FROM EQUITY INVESTEEES				(2)		
FEDERAL INCOME TAX	278	330	349	392	388	489
PRE-TAX INCOME FROM CONTINUING OPERATIONS	807	1,035	1,046	1,245	1,197	1,444
ADD: FIXED CHARGES						
Interest on long-term debt	317	333	370	411	467	547
Amortization of debt discount & expense	15	17	16	17	15	14
Other interest	34	21	65	39	38	27
Interest component of rentals	21	21	21	20	20	20
TOTAL FIXED CHARGES	387	392	472	487	540	608
EARNINGS AVAILABLE	\$ 1,194	\$ 1,427	\$ 1,518	\$ 1,732	\$ 1,737	\$ 2,052
INTEREST COVERAGE (TIMES)	3.09	3.64	3.22	3.56	3.22	3.38

EXHIBIT __ (AP- 15)

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
EAST RIVER MAINTENANCE

EXHIBIT __ (AP-15)
SCHEDULE 1

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
EAST RIVER MAINTENANCE EXPENSES - DEFERRAL
APRIL 1, 2008 - MARCH 31, 2014
(thousands of dollars)

Accrued Maintenance @ 3/31/08 (Company Account E0954)		(\$8,650)
Maintenance Accrual - 4/1/08 - 3/31/09	(\$7,500)	
Projected outage related costs - 4/1/08 - 3/31/09	<u>14,059</u>	
Balance @ 3/31/09		<u>6,559</u> (\$2,091)
Maintenance Accrual - 4/1/09 - 3/31/10	(\$7,500)	
Projected outage related costs - 4/1/09 - 3/31/10	<u>7,293</u>	
Balance @ 3/31/10		<u>(207)</u> (\$2,298)
Maintenance Accrual - 4/1/10 - 3/31/11	(\$7,500)	
Projected outage related costs - 4/1/10 - 3/31/11	<u>8,061</u>	
Balance @ 3/31/11		<u>561</u> (\$1,737)
Maintenance Accrual - 4/1/11 - 3/31/12	(\$7,500)	
Projected outage related costs - 4/1/11 - 3/31/12	<u>14,039</u>	
Balance @ 3/31/12		<u>6,539</u> \$4,802
Maintenance Accrual - 4/1/12 - 3/31/13	(\$7,500)	
Projected outage related costs - 4/1/12 - 3/31/13	<u>7,293</u>	
Balance @ 3/31/13		<u>(207)</u> \$4,595
Maintenance Accrual - 4/1/13 - 3/31/14	(\$7,500)	
Projected outage related costs - 4/1/13 - 3/31/14	<u>8,031</u>	
Balance @ 3/31/14		<u>531</u> \$5,126

EXHIBIT __ (AP-15)
SCHEDULE 2.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
EAST RIVER MAINTENANCE COSTS
APRIL 1, 2008 - MARCH 31, 2014
(thousands of dollars)

<u>Start Date</u>	<u>End Date</u>	<u>Outage Type</u>	<u>Unit #</u>	<u>Cost</u>
March 15, 2008	April 18, 2008	Hot Gas Path Inspection	#2	\$2,250
April 19, 2008	May 17, 2008	Hot Gas Path Inspection	#1	\$2,250
Materials costs			#1	\$120
Materials costs			#2	\$120
Parts refurbishment			#1	\$2,400
Parts refurbishment			#2	\$2,400
Parts expense			#1	\$1,040
Parts expense			#2	\$1,062
Non-scheduled overhaul maintenance				<u>\$2,417</u>
Total Apr 2008 - Mar 2009				<u>\$14,059</u>
September 16, 2009	September 30, 2009	Combustion Inspection	#2	\$1,040
October 1, 2009	October 15, 2009	Combustion Inspection	#1	\$1,040
Materials costs			#1	\$85
Materials costs			#2	\$85
Parts refurbishment			#1	\$760
Parts refurbishment			#2	\$760
Parts expense			#1	\$1,047
Parts expense			#2	\$1,047
Non-scheduled overhaul maintenance				<u>\$1,429</u>
Total Rate Year 1 (Apr 2009 - Mar 2010)				<u>\$7,293</u>
March 5, 2011	March 31, 2011	Major Inspection	#2	\$4,370
Materials costs			#2	\$150
Parts expense			#1	\$1,083
Parts expense			#2	\$1,041
Non-scheduled overhaul maintenance				<u>\$1,417</u>
Total Rate Year 2 (Apr 2010 - Mar 2011)				<u>\$8,061</u>
April 3, 2011	May 1, 2011	Major Inspection	#1	\$4,370
Materials costs			#1	\$150
Parts refurbishment			#1	\$2,500
Parts refurbishment			#2	\$2,500
Parts expense			#1	\$1,019
Parts expense			#2	\$1,083
Non-scheduled overhaul maintenance				<u>\$2,417</u>
Total Rate Year 3 (Apr 2011 - Mar 2012)				<u>\$14,039</u>
September 16, 2012	September 30, 2012	Combustion Inspection	#2	\$1,040
October 1, 2012	October 15, 2012	Combustion Inspection	#1	\$1,040
Materials costs			#1	\$85
Materials costs			#2	\$85
Parts refurbishment			#1	\$760
Parts refurbishment			#2	\$760
Parts expense			#1	\$1,047
Parts expense			#2	\$1,047
Non-scheduled overhaul maintenance				<u>\$1,429</u>
Total Rate Year 4 (Apr 2012 - Mar 2013)				<u>\$7,293</u>
March 15, 2014	March 25, 2014	Hot Gas Path Inspection	#2	\$4,370
Materials costs			#2	\$120
Parts expense			#1	\$1,083
Parts expense			#2	\$1,041
Non-scheduled overhaul maintenance				<u>\$1,417</u>
Total Rate Year 5 (Apr 2013 - Mar 2014)				<u>\$8,031</u>