

Table 1 C

**COMBINATION ELECTRIC AND GAS INDUSTRY
COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS
FOR THE YEAR ENDED DECEMBER 31,
(\$000s)**

	2004	2003	2002	2001	2000	
UTILITY PLANT						
1	Electric Utility Plant	\$24,215,958	\$24,498,752	\$23,496,745	\$21,628,697	\$28,322,698
2	Less Accum. Prov. For Deprec. & Amort.	7,315,027	7,993,923	7,887,773	7,475,503	12,362,280
3	Net Electric Utility Plant	16,900,931	16,504,829	15,608,972	14,153,194	15,960,418
4	Gas Utility Plant	6,177,983	5,962,530	5,672,341	5,200,812	4,982,564
5	Less Accum. Prov. For Deprec. & Amort.	1,733,174	1,634,939	1,556,420	1,471,878	1,388,303
6	Net Gas Utility Plant	4,444,809	4,327,591	4,115,921	3,728,934	3,594,261
7	Other Utility Plant	3,924,763	3,396,775	3,214,829	3,054,511	2,997,924
8	Less Accum. Prov. For Deprec. & Amort.	969,468	903,493	833,161	905,377	864,087
9	Net Other Utility Plant	2,955,295	2,493,282	2,381,668	2,149,134	2,133,837
10	Total Utility Plant	34,318,704	33,858,056	32,383,915	29,884,020	36,303,186
11	Less Accum. Prov. For Deprec. & Amort.	10,017,669	10,532,355	10,277,354	9,852,758	14,614,670
12	Net Total Utility Plant	24,301,036	23,325,701	22,106,561	20,031,262	21,688,516
OTHER PROPERTY AND INVESTMENTS						
13	Nonutility Property	48,767	40,535	45,774	40,814	16,682
14	Accum. Prov. For Deprec. & Amort.	(14,161)	(5,513)	(2,464)	(2,528)	(2,481)
15	Investment in Associated Companies					
16	Investment in Subsidiary Companies	143,207	412,211	402,788	388,370	472,125
17	Other Investments	12,498	43,883	48,758	52,453	52,841
18	Other Special Funds	259,914	496,548	451,189	412,157	1,136,507
19	Total Other Property and Investments	450,225	987,664	946,046	891,267	1,675,674
CURRENT AND ACCRUED ASSETS						
20	Cash	(59,689)	2,811	87,823	46,395	59,887
21	Special Deposits	65,311	66,668	348,922	73,744	5,035
22	Working Funds	13,206	9,158	7,188	6,137	8,531
23	Temporary Cash Investments	87,141	29,079	143,206	351,987	55,095
24	Notes Receivable	110	109	107	272,139	176
25	Accounts Receivable	1,883,294	1,808,579	1,534,893	1,126,965	1,451,575
26	Accum. Prov. For Uncollectible Accts.	(191,497)	(201,044)	(163,611)	(70,557)	(72,210)
27	Notes Receivable from Associated Cos.				144,104	19,900
28	Accounts Receivable from Assoc. Cos.	68,084	54,705	73,099	57,089	57,096
29	Materials and Supplies	164,089	158,392	147,471	146,835	285,964
30	Gas Stored Underground - Current	334,767	290,259	168,833	232,333	189,846
31	Liquefied Natural Gas in Storage	10,410	9,847	8,359	8,964	5,504
32	Prepayments	1,637,750	1,445,468	1,196,115	874,565	582,749
33	Interest and Dividends Receivable	104	440	730	6,935	493
34	Rents Receivable	7,881	9,946	7,777	11,293	7,379
35	Accrued Utility Revenue	290,745	280,741	308,190	152,509	137,872
36	Misc. Current and Accrued Assets	44,664	78,755	100,372	18,433	40,635
37	Total Current and Accrued Assets	4,356,370	4,043,914	3,969,474	3,459,870	2,835,528
DEFERRED DEBITS						
38	Unamort. Debt Expense	268,429	247,008	236,362	276,649	274,760
39	Extraordinary Property Losses	29	76	122	169	18,315
40	Prelim. Survey and Investigation Charges	134,811	184,434	868	386	1,603
41	Clearing Accounts	4,647	154	537	1,840	2,044
42	Temporary Facilities	568	459	21	(34)	14
43	Miscellaneous Deferred Debits	8,773,778	8,866,606	8,604,357	8,918,520	8,205,845
44	Deferred Losses from Disp. of Utility Plant	26,561	28,358			
45	Research and Development	1,073	673	204	(599)	(7,375)
46	Accumulated Deferred Income Taxes	2,091,406	2,058,412	2,223,463	1,820,121	2,130,443
47	Total Deferred Debits	11,301,303	11,386,181	11,065,934	11,017,052	10,625,649
48	Total Assets and Other Debits	\$40,408,933	\$39,743,461	\$38,088,015	\$35,399,451	\$36,825,367

Notes:

Data after 1997 does not include LILCO

Table 2 C

**COMBINATION ELECTRIC AND GAS INDUSTRY
COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS
FOR THE YEAR ENDED DECEMBER 31,
(\$000s)**

	2004	2003	2002	2001	2000	
PROPRIETARY CAPITAL						
Common Stock Issued	1,484,886	1,484,886	1,484,886	1,484,886	1,484,886	1
Preferred Stock Issued	284,923	382,077	427,073	881,551	889,171	2
Capital Stock Subscribed						3
Stock Liability for Conversion						4
Premium on Capital Stock	2,713,925	2,186,691	4,446,705	3,867,851	3,867,851	5
Other Paid-in Capital	3,158,903	3,232,499	298,157	564,015	589,267	6
Installments Received on Capital Stock	9,749	25,760	26,744			7
Capital Stock Expense	(80,373)	(64,617)	(61,518)	(94,688)	(96,640)	8
Retained Earnings	5,455,072	5,192,996	4,863,025	4,798,972	4,626,501	9
Accumulated Other Comprehensive Income	(6,172)	(5,115)				
Unapp Undistributed Subsidiary Earnings	151,710	141,015	130,578	124,827	114,055	10
Reaquired Capital Stock	(1,079,331)	(1,079,331)	(1,079,331)	(1,486,523)	(1,486,523)	11
Total Proprietary Capital	12,093,292	11,496,861	10,536,320	10,140,891	9,988,567	12
LONG-TERM DEBT						
Bonds	1,330,786	1,692,211	2,257,468	3,124,840	3,519,970	13
Reaquired Bonds						14
Advances from Associated Companies	1,200,000	1,200,000	500,000			15
Other Long-Term Debt	9,008,737	9,187,946	10,014,502	9,694,560	9,810,103	16
Unamortized Premium on Long-Term Debt	6	10	41	109	238	17
Unamortized Discount on Long-Term Debt-Det	(27,019)	(32,462)	(37,300)	(40,415)	(45,093)	18
Total Long-Term Debt	11,512,510	12,047,704	12,734,710	12,779,094	13,285,218	19
CURRENT AND ACCRUED LIABILITIES						
Notes Payable	69,967	72,374	65,000	20,987	426,789	20
Accounts Payable	1,038,876	950,372	936,727	800,384	1,259,167	21
Notes Payable to Associated Companies	840,256	823,687	305,285	14,405	17,285	22
Accounts Payable to Associated Companies	122,588	315,462	276,926	41,577	27,270	23
Customer Deposits	280,032	271,647	259,837	245,735	246,560	24
Taxes Accrued	42,082	132,408	133,361	154,671	16,148	25
Interest Accrued	150,724	172,550	183,740	192,675	216,560	26
Dividends Declared	3,073	3,685	4,207	24,108	20,820	27
Matured Long-Term Debt		1	50	228	313	28
Matured Interest	2	2	2	61	52	29
Tax Collections Payable	11,131	609	548	(1,064)	17,249	30
Misc. Current and Accrued Liabilities	971,703	969,038	1,137,002	995,492	1,161,967	31
Total Current and Accrued Liabilities	3,530,434	3,711,833	3,302,685	2,489,260	3,410,180	32
DEFERRED CREDITS						
Customer Advances for Construction	11,111	9,996	9,926	10,893	10,322	33
Other Deferred Credits	4,329,632	4,372,627	4,460,551	3,319,821	2,781,446	34
Accumulated Deferred Investment Tax Credits	173,779	190,236	201,966	213,408	347,379	35
Deferred Gains from Disposition of Utility Plant						36
Accumulated Deferred Income Taxes	7,538,879	6,870,687	6,188,414	5,869,400	6,439,625	37
Total Deferred Credits	12,053,401	11,443,546	10,860,857	9,413,522	9,578,772	38
OPERATING RESERVES						
Property Insurance Reserve						39
Injuries and Damage Reserve	191,232	203,985	212,439	182,286	166,720	40
Pension and Benefits Reserve	769,653	265,863	260,824	236,325	223,156	41
Miscellaneous Operating Reserves	258,410	573,668	180,180	158,073	172,753	42
Total Operating Reserves	1,219,295	1,043,516	653,443	576,684	562,630	43
Total Liabilities and Other Credits	\$40,408,933	\$39,743,461	\$38,088,015	\$35,399,451	\$36,825,367	44

Table 3 C

COMBINATION ELECTRIC AND GAS INDUSTRY
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,
(\$000s)

	2004	2003	2002	2001	2000
ELECTRIC OPERATING INCOME					
1 Operating Revenues	12,332,076	12,607,563	12,106,659	13,130,265	13,201,587
Operating Expense:					
2 Operation Expense	7,786,156	7,927,863	7,381,079	8,011,573	8,123,362
3 Maintenance Expense	502,886	571,284	568,757	617,468	659,782
4 Depreciation Expense	726,658	729,880	706,590	853,759	977,468
5 Amort. and Depletion of Utility Plant	12,655	8,957	13,270	13,248	11,711
6 Amort. of Utility Plant Acq. Adj.	236,907	176,753	3,141	71,803	(9,483)
7 Amort of Property Losses			133,800	1,672	2,542
8 Amort of Conversion Expenses	3,602	4,372	115	112	78
9 Taxes Other than Income Taxes	1,186,533	1,230,279	1,270,794	1,290,283	1,341,552
10 Income Taxes	581,739	476,555	523,967	594,505	428,630
11 Gains from Disposition of Util. Plant		16			
12 Losses from Disposition of Util. Plant	7,240	669	803	338	
13 Total Operating Expenses	11,044,375	11,126,594	10,602,316	11,454,762	11,535,643
14 Net Operating Revenues	1,287,700	1,480,968	1,504,344	1,675,503	1,665,944
15 Other Electric Utility Operating Income					
16 Total Electric Utility Operating Income	1,287,700	1,480,968	1,504,344	1,675,503	1,665,944
GAS OPERATING INCOME					
17 Operating Revenues	3,201,588	3,153,277	2,535,006	2,958,880	2,743,104
Operating Expense:					
18 Operation Expense	2,225,201	2,199,852	1,624,516	2,048,789	1,839,411
19 Maintenance Expense	120,268	97,484	112,162	121,235	119,233
20 Depreciation Expense	161,622	157,221	150,306	142,746	136,210
21 Amort. and Depletion of Utility Plant	2,810	76	1,307	1,292	1,532
22 Amort. of Utility Plant Acq. Adj.	(6,425)				
23 Amort of Property Losses					
24 Amort of Conversion Expenses	1,076	1,214			
25 Taxes Other than Income Taxes	245,828	255,403	250,782	259,415	251,313
26 Income Taxes	144,606	155,221	90,880	100,066	103,585
27 Gains from Disposition of Util. Plant					
28 Losses from Disposition of Util. Plant	567		30		
29 Total Operating Expenses	2,895,554	2,866,471	2,229,983	2,673,543	2,451,285
30 Net Operating Revenues	306,035	286,806	305,023	285,338	291,819
31 Other Gas Utility Operating Income					
32 Total Gas Utility Operating Income	306,035	286,806	305,023	285,338	291,819
33 Other Utility Operating Income	21,819	34,546	35,974	27,963	25,173
34 Total Utility Operating Income	\$1,615,554	\$1,802,320	\$1,845,341	\$1,988,804	\$1,982,936

Notes:

Data after 1997 does not include LILCO

COMBINATION ELECTRIC AND GAS INDUSTRY
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,
(\$000s)

	2004	2003	2002	2001	2000	
OTHER INCOME						
Income - Merch., Jobbing & Contract Work	\$43	\$147	\$273	(\$178)	(\$74)	1
Income from Nonutility Operations	(1,859)	1,845	(8,031)	2,901	53	2
Nonoperating Rental Income	43	16	466	(226)	104	3
Equity in Earnings of Subsidiary Companies	(211,021)	10,351	13,522	17,190	42,247	4
Interest and Dividend Income	38,784	27,268	83,582	54,273	45,679	5
Allowance for Funds Used During Construction	25,027	16,504	13,245	4,948	4,571	6
Miscellaneous Nonoperating Income	243,517	21,527	6,730	(2,623)	10,769	7
Gain on Disposition of Property	122,059	9,941	8,539	89,471	1,548	8
Total Other Income	216,593	87,599	118,326	165,755	104,898	9
OTHER INCOME DEDUCTIONS						
Loss on Disposition of Property		88	375	142,214	153	10
Miscellaneous Amortization	412	406	625	2,231	3,350	11
Miscellaneous Income Deductions	22,456	20,853	34,052	84,347	61,042	12
Total Other Income Deductions	22,869	21,346	35,051	228,792	64,545	13
TAXES-OTHER INCOME AND DEDUCTIONS						
Taxes Other than Income Taxes	2,824	2,389	1,561	1,649	2,202	14
Income Taxes	484	(4,929)	(21,387)	(144,511)	(5,915)	15
Total Taxes-Other Income & Deductions	3,287	(3,877)	(19,825)	(142,862)	(3,713)	16
Net Other Income and Deductions	190,437	70,130	103,100	79,825	44,066	17
INTEREST CHARGES						
Interest on Long-term Debt	599,505	697,337	792,511	887,726	907,657	18
Amortization of Debt Discount and Expense	43,065	39,303	56,564	40,334	45,256	19
Amortization of Premium on Debt-Credit	90	117	(2,435)	71	15	20
Interest on Debt to Associated Company	64,509	47,921	8,876	755	1,610	21
Other Interest Expense	58,916	113,777	113,241	94,777	102,945	22
Total Interest Charges	765,905	898,220	973,628	1,023,521	1,057,452	23
Income Before Extraordinary Items	1,040,086	974,230	975,970	1,045,398	969,839	24
EXTRAORDINARY ITEMS						
Extraordinary Income						25
Extraordinary Deductions					(2,766)	26
Income Taxes, Extraordinary Items					(1,121)	27
Net Extraordinary Items					(1,645)	28
Net Income	\$1,040,086	\$974,230	\$975,970	\$1,045,398	\$968,194	29
RETAINED EARNINGS						
Unappropriated Retained Earnings (BOP)	\$5,190,990	\$4,861,413	\$4,815,039	\$4,632,383	\$4,393,600	30
Balance Transferred from Income	809,427	963,880	962,448	1,028,209	925,947	31
Appropriations of Retained Earnings				76	2,144	32
Dividends Declared-Preferred Stock	17,841	21,165	30,509	51,769	52,355	33
Dividends Declared-Common Stock	749,306	617,976	657,886	798,333	846,613	34
Adjustments to Retained Earnings	220,840	4,839	(227,679)	4,626	213,948	35
Net Change to Unapp. Retained Earnings	263,119	329,577	46,374	182,657	238,782	36
Unappropriated Retained Earnings (EOP)	5,454,109	5,190,990	4,861,413	4,815,039	4,632,383	37
Appropriated Retained Earnings (EOP)	963	2,005	1,612	(16,067)	(5,882)	38
Total Retained Earnings	\$5,455,072	\$5,192,996	\$4,863,025	\$4,798,972	\$4,626,501	39

Notes:

Beginning in 1996, the debt component of AFDUC is included with other interest expense.

Data after 1997 does not include LILCO

Table 5 C

COMBINATION ELECTRIC AND GAS INDUSTRY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,
(\$000s)

	2004	2003	2002	2001	2000
Cash Flows From Operating Activities					
1 Net Income	\$1,040,086	\$974,230	\$975,970	\$1,045,398	\$968,194
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	1,217,651	1,166,433	804,870	763,865	1,131,652
3 Deferred Taxes & ITCs	770,463	728,818	(88,073)	(179,605)	21,541
4 Receivables and Inventory	(140,262)	(302,504)	(192,706)	(179,628)	(474,032)
5 Payables and Accrued Expenses	(326,133)	73,027	432,354	(252,797)	494,885
6 Regulatory Assets (Net)	(40,890)	(165,914)	(154,326)	18,296	(251,309)
7 Capitalized AFUDC - Equity	(201)	(16,655)	(13,539)	(2,626)	(4,571)
8 Undistributed Earnings of Affiliates	211,075	(10,321)	(13,370)	(1,024)	(32,737)
9 Other Adjustments (See company detail for explanations of major items)	(255,641)	(133,750)	(402,576)	11,972	34,936
11	(130,150)	(421,413)	182,793	572,692	552,399
12 Net Cash From Operating Activities	<u>2,323,448</u>	<u>1,716,906</u>	<u>1,522,352</u>	<u>1,503,966</u>	<u>2,348,159</u>
Cash Flows From Investing Activities					
13 Cash Outflows For Construction	(1,963,416)	(1,806,404)	(1,621,856)	(900,682)	(1,610,198)
14 Acquisition Of Other Non-Current Assets	528,228	(15,323)	48,210	1,504,492	(17,578)
15 Investments in & Advances to Affiliates	7,300	1,077	(190)	84,778	2,753
16 Contributions & Advances from Affiliates	38,000				(221)
Net Proceeds - Sale Or Disposition Of:					
17 Property, Plant & Equipment		12,228	17,227		
18 Investments In Affiliated Companies	(3,203)		(853)		
19 Investment Securities			249,799		3,000
20 Other Current Assets & Liabilities				(29,688)	
21 Other Cash Flows - Investing Activities	22,583		(15,185)	(81,951)	(7,134)
22		6,698	(9,974)	1,442	12,376
23					
24 Net Cash From Investing Activities	<u>(1,370,508)</u>	<u>(1,801,724)</u>	<u>(1,332,821)</u>	<u>578,392</u>	<u>(1,617,000)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
25 Long-Term Debt	396,367	(24,767)	149,271	(413,709)	(55,817)
26 Common Stock	527,738		(86,086)		(29,454)
27 Preferred Stock	(97,154)	335,674	(129,949)	(7,620)	(7,620)
28 Short-Term Debt	1,497	481,951	339,400	(515,802)	167,295
29 Dividends Paid	(435,018)	(639,984)	(679,063)	(948,589)	(906,743)
30 Other Cash Flows - Financing Activities	(16,256)	563,803	(298,665)	84,367	(355,692)
31	(923,475)	(805,000)	348,708	0	
32	(407,031)	(24,027)	550		
33 Net Cash From Financing Activities	<u>(953,331)</u>	<u>(112,350)</u>	<u>(355,834)</u>	<u>(1,801,352)</u>	<u>(1,188,031)</u>
34 Net Increase/(Decrease) In Cash & Equivalent:	(391)	(197,168)	(166,303)	281,006	(456,872)
35 Cash & Equivalents At Beginning Of Year	41,049	238,217	404,519	123,513	580,385
36 Cash & Cash Equiv. At End Of Year	\$40,657	\$41,049	\$238,217	\$404,519	\$123,513

1998 result impacted by non-recurring charge related to Niagara Mohawk's Master Restructuring Agreement.

**COMBINATION ELECTRIC AND GAS INDUSTRY
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE - ELECTRIC**

FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
SALES AND CUSTOMER DATA						
ELECTRIC REVENUES (\$000s)						
Residential	\$5,075,971	\$5,023,845	\$4,635,705	\$4,711,619	\$4,663,393	1
Commercial	4,829,028	5,092,755	4,361,554	4,837,863	4,798,151	2
Industrial	720,277	788,049	868,028	1,008,536	1,028,886	3
Other Ultimate Customers	290,473	284,910	245,556	272,265	290,796	4
Total Revenues-Ultimate Customers	10,915,747	11,189,561	10,110,843	10,830,282	10,781,226	5
Resales	550,089	557,600	463,097	763,503	869,976	6
Other Operating Revenues	866,239	860,402	1,532,719	1,536,480	1,550,385	7
Total Electric Operating Revenues	\$12,332,076	\$12,607,563	\$12,106,659	\$13,130,265	\$13,201,587	8
KWH SALES (THOUSANDS)						
Residential	35,292,922	34,098,940	33,637,036	32,344,609	31,863,935	9
Commercial	45,877,718	33,806,862	35,221,397	36,790,269	36,770,164	10
Industrial	14,382,490	14,318,015	15,757,256	16,948,412	17,308,007	11
Other Ultimate Customers	3,518,849	2,684,194	2,305,460	2,388,273	2,790,199	12
Total Sales-Ultimate Customers	99,071,979	84,908,011	86,921,149	88,471,563	88,732,305	13
Resales	10,026	10,261,291	10,439,073	14,918,630	16,904,827	14
Total Kilowatt-Hour Sales	99,082,005	95,169,302	97,360,222	103,390,193	105,637,132	15
AVG CUSTOMERS PER MONTH						
Residential	5,537,845	5,494,914	5,471,311	5,471,865	5,453,144	16
Commercial	788,282	770,400	751,798	737,810	726,481	17
Industrial	6,473	6,310	6,285	6,270	6,296	18
Other Ultimate Customers	29,854	28,787	26,190	23,319	24,306	19
Total Ultimate Customers	6,362,454	6,300,411	6,255,584	6,239,264	6,210,227	20
Resales	194	47,874	43,387	38,118	38,347	21
Total Customers	6,362,648	6,348,285	6,298,971	6,277,382	6,248,574	22
ELECTRIC OPERATING REVENUE RELATIONSHIP						
Residential Sales						
Average Annual Bill Per Customer	\$917	\$914	\$847	\$861	\$855	23
Average KWH Consumption Per Customer	6,373	6,206	6,148	5,911	5,843	24
Average Revenue Per KWH Sold (Cents)	14.38	14.73	13.78	14.57	14.64	25
Commercial Sales						
Average Annual Bill Per Customer	\$6,126	\$6,611	\$5,801	\$6,557	\$6,605	26
Average KWH Consumption Per Customer	58,200	43,882	46,850	49,864	50,614	27
Average Revenue Per KWH Sold (Cents)	10.53	15.06	12.38	13.15	13.05	28
Industrial Sales						
Average Annual Bill Per Customer	\$111,274	\$124,889	\$138,111	\$160,851	\$163,427	29
Average KWH Consumption Per Customer	2,221,920	2,269,099	2,507,121	2,703,096	2,749,179	30
Average Revenue Per KWH Sold (Cents)	5.01	5.50	5.51	5.95	5.94	31
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (\$000s)						
Steam Power Expense	\$229,601	\$198,535	\$175,990	\$230,025	\$395,834	32
Nuclear Power Expense	43,669	88,461	80,076	406,707	523,615	33
Hydraulic Power Expense	5,608	2,897	3,102	3,703	4,407	34
Other Power Generation Expense	7,588	3,601	3,374	3,515	1,531	35
Other Power Supply Expense	5,916,779	6,019,675	5,519,958	5,501,865	5,457,948	36
Total Power Production Expense	6,203,247	6,313,170	5,782,500	6,145,815	6,383,335	37
Transmission Expense	228,843	245,781	250,740	302,520	279,624	38
Distribution Expense	691,615	672,252	672,528	634,318	605,745	39
Customer Account Expense	444,479	462,677	482,997	455,248	457,114	40
Sales Expense	7,763	3,556	3,544	3,364	5,474	41
Administrative and General	713,095	734,506	760,477	1,087,776	1,051,852	42
Total Operation & Maintenance Expense	\$8,289,041	\$8,431,943	\$7,952,786	\$8,629,041	\$8,783,144	43

Notes:

Data after 1997 does not include LILCO

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

Table 7 C

**COMBINATION ELECTRIC AND GAS INDUSTRY
DISTRIBUTION OF ELECTRIC REVENUES
YEARS ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
1 Total Revenues (\$000)	\$12,332,076	\$12,607,563	\$12,106,659	\$13,130,265	\$13,201,587
2 Sales of Electricity (KWHs-000)	109,097,898	95,169,302	97,360,222	103,390,193	105,637,132
DOLLAR AMOUNTS					
3 Fuel and Purchased Power	\$6,085,563	\$6,160,510	\$5,631,452	\$5,730,201	\$5,799,040
4 Wages and Benefits	1,070,840	1,136,289	1,110,001	1,172,526	1,267,198
5 Other Expenses	1,139,879	1,135,797	1,212,136	1,726,653	1,716,907
6 Depreciation & Amortization Expenses	979,822	919,961	883,454	940,595	982,316
7 Income Taxes-Operating	511,530	476,555	523,967	594,505	428,630
8 Other Taxes-Operating	1,186,533	1,230,279	1,270,794	1,290,283	1,341,552
9 Capital Costs	1,357,909	1,548,172	1,474,857	1,675,503	1,665,944
10 Total	\$12,332,076	\$12,607,563	\$12,106,659	\$13,130,265	\$13,201,587
PERCENT OF REVENUE					
11 Fuel and Purchased Power	49.3	48.9	46.5	43.6	43.9
12 Wages and Benefits	8.7	9.0	9.2	8.9	9.6
13 Other Expenses	9.2	9.0	10.0	13.2	13.0
14 Depreciation & Amortization Expenses	7.9	7.3	7.3	7.2	7.4
15 Income Taxes-Operating	4.1	3.8	4.3	4.5	3.2
16 Other Taxes-Operating	9.6	9.8	10.5	9.8	10.2
17 Capital Costs	11.0	12.3	12.2	12.8	12.6
18 Total	100.0	100.0	100.0	100.0	100.0
CENTS PER KWH					
19 Fuel and Purchased Power	5.58	6.47	5.78	5.54	5.49
20 Wages and Benefits	0.98	1.19	1.14	1.13	1.20
21 Other Expenses	1.04	1.19	1.25	1.67	1.63
22 Depreciation & Amortization Expenses	0.90	0.97	0.91	0.91	0.93
23 Income Taxes-Operating	0.47	0.50	0.54	0.58	0.41
24 Other Taxes-Operating	1.09	1.29	1.31	1.25	1.27
25 Capital Costs	1.24	1.63	1.51	1.62	1.58
26 Total	11.30	13.25	12.43	12.70	12.50

Notes:

Includes Sales for Resale
1998 Data does not include LILCO

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

Data Field Below

Fuel and Purchased Power

Steam - Fuel	166,245	127,867	100,013	159,520	286,596
Nuclear - Fuel	9,544	19,509	21,490	76,629	63,641
Hydro - Water for Power	664	468	100	336	304
Other Power - Fuel	6,448	1,281	1,646	1,597	1,265
Purchased Power	5,902,662	6,011,384	5,508,203	5,492,119	5,447,234
Total Fuel and Purchased Power	6,085,563	6,160,510	5,631,452	5,730,201	5,799,040
-Fuel and PP related to Sales for Resale					
Fuel and PP - Ultimate Customers	6,085,563	6,160,510	5,631,452	5,730,201	5,799,040

Wages and Benefits

Salaries	954,564	999,746	1,046,283	1,168,452	1,218,122
Pensions and Benefits	116,275	136,543	63,718	4,075	49,075
Total Wages and Benefits	1,070,840	1,136,289	1,110,001	1,172,526	1,267,198

Other Expenses

Total O&M Expenses	8,289,041	8,431,943	7,952,786	8,629,041	8,783,144
-Total Fuel and PP	6,085,563	6,160,510	5,631,452	5,730,201	5,799,040
-Wages and Benefits	1,070,840	1,136,289	1,110,001	1,172,526	1,267,198
-Other Gains		16			
+Other Losses	7,240	669	803	338	
-Other Revenues					
Other Expenses	1,139,879	1,135,797	1,212,136	1,726,653	1,716,907

Depreciation and Amortization

Depreciation Exp	726,658	729,880	870,123	853,759	977,468
Amort & Depl of Utility Plant	12,655	8,957	8,949	13,248	11,711
Amort of Other Utility Plant	236,907	176,753	3,141	71,803	(9,483)
Amort of Property Losses			1,129	1,672	2,542
Amort of Conversion Expenses	3,602	4,372	113	112	
Total Depre and Amort	979,822	919,961	883,454	940,595	982,238

Fuel and PP related to Sales for Resale (Not Used)

Total Fuel and PP	6,085,563	6,160,510	5,631,452	5,730,201	5,799,040
divided by Total MWHs	109,098	95,169	97,360	103,390	105,637
Fuel Cost per KWH	0.0558	0.0647	0.0578	0.0554	0.0549
times Sales for Resale MWHs	10,026	10,261	10,439	14,919	16,905
Sales for Resale Fuel	402,749	391,941	411,308	590,849	852,797

Table 8 C

COMBINATION ELECTRIC AND GAS INDUSTRY
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,
(\$000s)

	2004	2003	2002	2001	2000	
ELECTRIC UTILITY PLANT						
Intangible	\$83,758	\$80,052	\$79,667	\$79,193	\$77,211	1
Production						
Steam	597,299	585,853	579,855	577,302	1,201,706	2
Nuclear	(30)	595,677	578,922	580,945	5,688,968	3
Hydraulic	187,193	172,191	171,034	169,895	166,913	4
Other	33,339	28,955	33,154	33,136	43,034	5
Transmission	4,507,429	4,375,041	4,315,971	4,223,288	4,169,161	6
Distribution	16,576,282	15,655,379	15,009,790	14,449,298	13,888,962	7
General	498,572	507,919	479,059	525,733	602,775	8
Electric - Purchased or Sold	65	65	65	65	65	9
Experimental - Unclassified						10
Nuclear Fuel Assemblies		253,980	237,247	224,494	1,736,805	11
Total Electric Plant In Service	22,483,907	22,255,112	21,484,765	20,863,351	27,575,600	12
Leased To Others	8,099	3,404	3,404	3,404	3,401	13
Held For Future Use	10,387	12,985	11,197	13,770	14,168	14
Construction Work in Progress	702,411	1,125,411	976,459	747,155	728,433	15
Aquisition Adjustments	1,011,155	1,101,840	1,020,920	1,018	1,096	16
Total Electric Utility Plant	24,215,958	24,498,752	23,496,745	21,628,697	28,322,698	17
Accum. Provision - Depr. & Amort.	7,315,027	7,993,923	7,887,773	7,475,503	12,362,280	18
Net Electric Plant	\$16,900,931	\$16,504,829	\$15,608,972	\$14,153,194	\$15,960,418	19
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	1.24	1.08	1.20	1.39	0.83	20
Total Capitalization (\$000s)	\$24,416,356	\$24,326,481	\$23,355,879	\$22,955,377	\$23,700,574	21
<u>Percent Of Capitalization (Incl S-T Debt)</u>						
Long-Term Debt	47.2%	49.5%	54.5%	55.7%	56.1%	22
Preferred Stock	1.2%	1.6%	1.8%	3.8%	3.8%	23
Common Stock & Retained Earnings	48.4%	45.6%	43.3%	40.3%	38.4%	24
Short-Term Debt	3.3%	3.3%	0.3%	0.2%	1.8%	25
Pretax Coverage of Interest Expense	3.13	2.77	2.60	2.55	2.42	26
Com. Stock Dividends as a % of Earnings	72.7%	43.0%	68.7%	79.3%	92.3%	27
Return on Common Equity	17.5%	25.9%	18.9%	21.7%	20.2%	28
Internal Cash Generated as a % of Cash Outflows for Construction *	125.8%	116.5%	93.9%	167.0%	145.8%	29
Earnings per Share	\$1.90	\$2.64	\$1.76	\$1.85	\$1.69	30
Book Value per Share	\$21.74	\$20.44	\$18.61	\$17.05	\$16.75	31
Dividends per Share	\$1.38	\$1.14	\$1.21	\$1.47	\$1.56	32
Number of Employees	19,042	17,832	18,618	19,287	20,769	33

Notes:

* 1998 result impacted by non-recurring charge related to Niagara Mohawk's Master Restructuring Agreement.

1998 Data does not include LILCO

Current Assets	4,338,020,488	3,995,081,498	3,955,824,942	3,459,870,119	2,835,527,770
Current Liabilities	3,507,120,482	3,692,215,933	3,302,684,843	2,489,260,095	3,410,179,851
Total Capitalization	24,416,355,934	24,326,480,603	23,355,879,018	22,955,377,080	23,700,574,371
Long-Term Debt	11,512,509,920	12,047,704,289	12,734,710,295	12,779,093,656	13,285,218,263
Preferred Stock	284,922,927	382,076,926	427,073,327	881,551,427	889,171,452
Common Stock and Retained Earnings (Excl. Preferred Stock)	11,808,681,099	11,099,614,350	10,109,246,848	9,259,339,796	9,099,395,894
Short-Term Debt	810,241,988	797,085,038	79,330,688	35,392,201	426,788,762
Pretax Income	2,393,883,687	2,483,673,431	2,532,164,932	2,609,191,041	2,556,189,406
Interest Expense	765,904,598	898,220,052	972,470,675	1,023,230,962	1,057,162,760
Dividends Paid	749,306,470	617,975,729	657,886,386	798,333,441	846,612,982
Net Income (Excl. Preferred Stock Dividends)	1,031,381,869	1,436,254,963	956,929,852	1,006,814,975	917,483,814
Internal Cash	2,323,447,941	1,658,259,863	1,522,352,474	1,503,966,431	2,348,159,284
Cash Outflows for Construction	1,846,210,667	1,423,455,438	1,621,855,773	900,681,733	1,610,198,203
Shares Outstanding (Millions)	543,211,923	543,110,334	543,110,334	543,110,334	543,110,334
Number of Employees	19,042	17,832	18,618	19,287	20,769

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
UTILITY PLANT					
1 Electric Utility Plant	\$733,393,642	\$700,833,470	\$665,813,167	\$623,594,447	\$1,356,696,459
2 Less Accum. Prov. For Deprec. & Amort.	291,573,029	283,705,637	273,752,659	263,308,329	619,667,752
3 Net Electric Utility Plant	441,820,613	417,127,833	392,060,508	360,286,118	737,028,707
4 Gas Utility Plant	221,481,671	210,181,676	200,939,108	188,716,334	178,524,019
5 Less Accum. Prov. For Deprec. & Amort.	78,447,110	74,389,231	70,191,142	65,960,111	61,364,625
6 Net Gas Utility Plant	143,034,561	135,792,445	130,747,966	122,756,223	117,159,394
7 Other Utility Plant	105,882,868	105,694,560	105,253,935	103,455,655	104,561,492
8 Less Accum. Prov. For Deprec. & Amort.	33,871,131	30,413,078	26,405,670	24,741,647	27,897,975
9 Net Other Utility Plant	72,011,737	75,281,482	78,848,265	78,714,008	76,663,517
10 Total Utility Plant	1,060,758,181	1,016,709,706	972,006,210	915,766,436	1,639,781,970
11 Less Accum. Prov. For Deprec. & Amort.	403,891,270	388,507,946	370,349,471	354,010,087	708,930,352
12 Net Total Utility Plant	656,866,911	628,201,760	601,656,739	561,756,349	930,851,618
OTHER PROPERTY AND INVESTMENTS					
13 Nonutility Property	978,263	978,263	978,853	978,853	978,853
14 Accum. Prov. For Deprec. & Amort.	(22,123)	(19,680)	(17,237)	(14,794)	(12,351)
15 Investment in Associated Companies					
16 Investment in Subsidiary Companies	92,328	92,102	92,338	90,145	88,263
17 Other Investments	84,277	118,490	121,990	128,466	166,616
18 Other Special Funds	91,851,935	106,582,422	110,306,613	80,506,880	81,422,194
19 Total Other Property and Investments	92,984,680	107,751,597	111,482,557	81,689,550	82,643,575
CURRENT AND ACCRUED ASSETS					
20 Cash	8,013,536	2,164,872	19,022,502	(232,289)	11,608,742
21 Special Deposits	2,882,144	2,771,843	18,097,018	40,796,118	209,520
22 Working Funds	127,500	127,500	240,512	359,932	591,496
23 Temporary Cash Investments		10,341,761	35,638,068	47,650,749	4,996,361
24 Notes Receivable					
25 Accounts Receivable	43,021,594	49,143,076	39,465,300	47,729,324	76,402,925
26 Accum. Prov. For Uncollectible Accts.	(4,600,000)	(3,000,000)	(2,700,000)	(2,300,000)	(2,500,000)
27 Notes Receivable from Associated Cos.					
28 Accounts Receivable from Assoc. Cos.	330,183	402,647	416,869	178,329	126,146
29 Materials and Supplies	6,351,346	6,356,835	6,481,455	6,146,021	21,558,874
30 Gas Stored Underground - Current	10,855,537	9,801,617	5,977,085	7,721,331	5,901,098
31 Liquefied Natural Gas in Storage					
32 Prepayments	10,874,004	9,535,887	8,561,297	8,013,250	12,281,226
33 Interest and Dividends Receivable		221,225	620	560,328	2,729
34 Rents Receivable	197,560	285,589	441,208	334,886	418,181
35 Accrued Utility Revenue	9,129,704	7,617,959	7,894,423	11,765,375	19,750,585
36 Misc. Current and Accrued Assets	2,224,123	2,918,552	4,800,731	2,008,894	1,887,979
37 Total Current and Accrued Assets	89,407,231	98,689,363	144,337,088	170,732,248	153,235,862
DEFERRED DEBITS					
38 Unamort. Debt Expense	4,041,375	3,901,095	3,622,927	3,545,062	4,868,602
39 Extraordinary Property Losses					
40 Prelim. Survey and Investigation Charges	132,997,960	183,040,495			543,327
41 Clearing Accounts			591,753	171,010	399,417
42 Temporary Facilities	575,266	495,909			
43 Miscellaneous Deferred Debits	62,737,785	88,592,507	77,391,400	87,468,348	166,124,815
44 Deferred Losses from Disp. of Utility Plant	26,560,705	28,358,433			
45 Research and Development			178,488	(109,421)	(6,369,901)
46 Accumulated Deferred Income Taxes	7,898,465	8,602,657	102,357,339	110,705,809	79,785,026
47 Total Deferred Debits	234,811,556	312,991,096	184,141,907	201,780,808	245,351,286
48 Total Assets and Other Debits	\$1,074,070,378	\$1,147,633,816	\$1,041,618,291	\$1,015,958,955	\$1,412,082,341

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
PROPRIETARY CAPITAL						
Common Stock Issued	\$84,310,435	\$84,310,435	\$84,310,435	\$84,310,435	\$84,310,435	1
Preferred Stock Issued	21,030,000	21,030,000	33,530,000	56,030,000	56,030,000	2
Capital Stock Subscribed						3
Stock Liability for Conversion						4
Premium on Capital Stock	63,868,166	63,868,166	63,868,166	63,868,166	63,868,166	5
Other Paid-in Capital	111,111,522	111,111,522	111,111,522	111,111,522	209,370,014	6
Installments Received on Capital Stock						7
Capital Stock Expense	(4,960,934)	(4,960,934)	(5,287,350)	(5,790,614)	(5,864,822)	8
Retained Earnings	25,587,908	13,409,394	10,083,355	9,722,909	114,493,926	9
Accumulated Other Comprehensive Income	56,461	56,235				
Unapp Undistributed Subsidiary Earnings			56,471	54,278	52,396	10
Reaquired Capital Stock						11
Total Proprietary Capital	301,003,558	288,824,818	297,672,599	319,306,696	522,260,115	12
LONG-TERM DEBT						
Bonds			15,000,000	35,000,000	120,130,000	13
Reaquired Bonds						14
Advances from Associated Companies						15
Other Long-Term Debt	319,950,000	293,950,000	269,950,000	200,950,000	263,450,000	16
Unamortized Premium on Long-Term Debt						17
Unamortized Discount on L-T Debt-Debit	(67,381)	(70,357)	(73,333)	(76,309)	(600,469)	18
Total Long-Term Debt	319,882,619	293,879,643	284,876,667	235,873,691	382,979,531	19
CURRENT AND ACCRUED LIABILITIES						
Notes Payable	12,000,000	16,000,000			25,000,000	20
Accounts Payable	32,949,901	33,069,061	37,036,852	32,107,291	36,642,375	21
Notes Payable to Associated Companies						22
Accounts Payable to Associated Companies	1,173	14,909	29,401	17,961	76,964	23
Customer Deposits	6,358,689	5,689,654	5,268,001	5,032,288	4,636,859	24
Taxes Accrued	(3,395,011)	(7,999,166)	(5,187,193)	(9,450,236)	4,991,578	25
Interest Accrued	4,629,119	4,273,971	4,273,243	2,538,001	6,315,736	26
Dividends Declared	242,488	242,487	451,237	807,487	807,488	27
Matured Long-Term Debt						28
Matured Interest						29
Tax Collections Payable	44,009	(70,756)	212,441	713,212	560,193	30
Misc. Current and Accrued Liabilities	10,372,339	11,981,543	13,366,583	14,731,621	11,614,306	31
Total Current and Accrued Liabilities	63,202,707	63,201,703	55,450,565	46,497,625	90,645,499	32
DEFERRED CREDITS						
Customer Advances for Construction	191,832	151,494	186,502	215,615	252,966	33
Other Deferred Credits	214,384,783	313,861,121	241,208,068	278,307,886	136,956,645	34
Accumulated Deferred Investment Tax Credits	2,971,200	3,332,200	3,695,200	3,832,200	23,075,900	35
Deferred Gains from Disposition of Utility Plant						36
Accumulated Deferred Income Taxes	166,464,450	179,339,857	153,616,606	127,072,248	251,156,902	37
Total Deferred Credits	384,012,265	496,684,672	398,706,376	409,427,949	411,442,413	38
OPERATING RESERVES						
Property Insurance Reserve						39
Injuries and Damage Reserve	5,898,629	4,905,480	4,602,112	4,588,394	4,683,374	40
Pension and Benefits Reserve						41
Miscellaneous Operating Reserves	70,600	137,500	309,972	264,600	71,409	42
Total Operating Reserves	5,969,229	5,042,980	4,912,084	4,852,994	4,754,783	43
Total Liabilities and Other Credits	\$1,074,070,378	\$1,147,633,816	\$1,041,618,291	\$1,015,958,955	\$1,412,082,341	44

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
ELECTRIC OPERATING INCOME					
1 Operating Revenues	\$430,586,411	\$457,404,474	\$428,025,589	\$428,416,570	\$531,820,028
Operating Expense:					
2 Operation Expense	317,279,084	339,122,922	314,727,821	300,100,351	319,412,308
3 Maintenance Expense	17,037,885	22,159,699	16,369,293	17,452,847	27,150,059
4 Depreciation Expense	22,037,050	21,120,729	19,520,906	21,410,353	42,724,065
5 Amort. and Depletion of Utility Plant	47,141	158,987	131,143	129,368	248,672
6 Amort. of Utility Plant Acq. Adj.					
7 Amort of Property Losses					
8 Amort of Conversion Expenses					
9 Taxes Other than Income Taxes	23,887,444	25,053,730	30,188,958	40,187,713	46,084,135
10 Income Taxes	17,805,500	17,730,150	15,450,400	12,025,400	30,861,600
11 Gains from Disposition of Util. Plant					
12 Losses from Disposition of Util. Plant					
13 Total Operating Expenses	398,094,104	425,346,217	396,388,521	391,306,032	466,480,839
14 Net Operating Revenues	32,492,307	32,058,257	31,637,068	37,110,538	65,339,189
15 Other Electric Utility Operating Income					
16 Total Electric Utility Operating Income	32,492,307	32,058,257	31,637,068	37,110,538	65,339,189
GAS OPERATING INCOME					
17 Operating Revenues	125,489,756	123,652,041	105,832,679	110,716,797	107,038,695
Operating Expense:					
18 Operation Expense	90,863,493	88,523,245	73,321,598	74,911,557	76,050,858
19 Maintenance Expense	3,426,411	2,863,584	2,823,228	2,608,099	2,705,490
20 Depreciation Expense	6,315,349	5,987,843	5,695,803	5,271,244	4,921,052
21 Amort. and Depletion of Utility Plant	8,319	7,287	2,374	1,901	19,741
22 Amort. of Utility Plant Acq. Adj.					
23 Amort of Property Losses					
24 Amort of Conversion Expenses					
25 Taxes Other than Income Taxes	6,880,399	6,671,719	8,207,211	9,982,332	7,909,122
26 Income Taxes	6,959,500	7,747,850	5,605,500	5,717,100	5,512,100
27 Gains from Disposition of Util. Plant					
28 Losses from Disposition of Util. Plant					
29 Total Operating Expenses	114,453,471	111,801,528	95,655,714	98,492,233	97,118,363
30 Net Operating Revenues	11,036,285	11,850,513	10,176,965	12,224,564	9,920,332
31 Other Gas Utility Operating Income					
32 Total Gas Utility Operating Income	11,036,285	11,850,513	10,176,965	12,224,564	9,920,332
33 Other Utility Operating Income					
34 Total Utility Operating Income	\$43,528,592	\$43,908,770	\$41,814,033	\$49,335,102	\$75,259,521

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
OTHER INCOME						
Income - Merch., Jobbing & Contract Work	(\$79,518)	\$48,324	\$279,791	(\$17,665)	(\$73,635)	1
Income from Nonutility Operations						2
Nonoperating Rental Income	3,597	2,822	5,607	11,957	(12,746)	3
Equity in Earnings of Subsidiary Companies	226	(236)	2,193	1,882	755	4
Interest and Dividend Income	194,558	809,514	2,757,378	6,568,704	481,082	5
Allowance for Funds Used During Construction	151,410	436,127	591,603	429,084		6
Miscellaneous Nonoperating Income	8,647,898	9,515,284	8,393,981	5,596,851	10,757,092	7
Gain on Disposition of Property	9,900,127	9,887,130	4,793,940	5,392,800		8
Total Other Income	18,818,298	20,698,965	16,824,493	17,983,613	11,152,548	9
OTHER INCOME DEDUCTIONS						
Loss on Disposition of Property		7,940		19,000,495	1,197	10
Miscellaneous Amortization	90,648	83,556	78,338	169,595	1,218,852	11
Miscellaneous Income Deductions	1,952,486	2,043,772	544,455	719,783	854,984	12
Total Other Income Deductions	2,043,134	2,135,268	622,793	19,889,873	2,075,033	13
TAXES-OTHER INCOME AND DEDUCTIONS						
Taxes Other than Income Taxes	143,550	133,938	129,720	122,671	118,135	14
Income Taxes	3,660,600	1,503,400	634,100	(25,380,200)	775,600	15
Total Taxes-Other Income & Deductions	3,804,150	1,637,338	763,820	(25,257,529)	893,735	16
Net Other Income and Deductions	12,971,014	16,926,359	15,437,880	23,351,269	8,183,780	17
INTEREST CHARGES						
Interest on Long-term Debt	11,488,084	11,268,838	11,955,521	15,657,035	24,206,448	18
Amortization of Debt Discount and Expense	1,066,277	1,158,953	1,248,529	1,350,109	1,170,354	19
Amortization of Premium on Debt-Credit						20
Interest on Debt to Associated Company						21
Other Interest Expense	5,296,555	9,323,335	11,524,024	11,501,371	5,471,328	22
Total Interest Charges	17,850,916	21,751,126	24,728,074	28,508,515	30,848,130	23
Income Before Extraordinary Items	38,648,690	39,084,003	32,523,839	44,177,856	52,595,171	24
EXTRAORDINARY ITEMS						
Extraordinary Income						25
Extraordinary Deductions						26
Income Taxes, Extraordinary Items						27
Net Extraordinary Items						28
Net Income	\$38,648,690	\$39,084,003	\$32,523,839	\$44,177,856	\$52,595,171	29
<hr/>						
RETAINED EARNINGS						
Unappropriated Retained Earnings (BOP)	\$13,409,394	\$10,083,355	\$9,722,909	\$114,493,926	\$69,229,460	30
Balance Transferred from Income	38,648,464	39,084,239	32,521,646	44,175,974	52,594,416	31
Appropriations of Retained Earnings				75,533	2,500,000	32
Dividends Declared-Preferred Stock	969,950	1,596,200	2,161,200	3,229,950	3,229,950	33
Dividends Declared-Common Stock	25,500,000	34,162,000	30,000,000	145,641,508	27,600,000	34
Adjustments to Retained Earnings					26,000,000	35
Net Change to Unapp. Retained Earnings	12,178,514	3,326,039	360,446	(104,771,017)	45,264,466	36
Unappropriated Retained Earnings (EOP)	25,587,908	13,409,394	10,083,355	9,722,909	114,493,926	37
Appropriated Retained Earnings (EOP)						38
Total Retained Earnings	\$25,587,908	\$13,409,394	\$10,083,355	\$9,722,909	\$114,493,926	39

Notes:

Beginning in 1996, the debt component of AFDUC is included with other interest expense.

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
Cash Flows From Operating Activities					
1 Net Income	\$38,648,690	\$39,084,003	\$32,523,839	\$44,177,856	\$52,595,171
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	28,408,302	28,860,663	26,807,516	30,315,036	51,757,489
3 Deferred Taxes & ITCs	24,069,300	34,169,400	25,984,000	1,764,702	2,940,300
4 Receivables and Inventory	5,543,025	(12,851,987)	8,006,634	36,946,942	(21,018,380)
5 Payables and Accrued Expenses	(132,895)	(3,982,284)	4,941,002	(4,593,335)	8,692,949
6 Regulatory Assets (Net)					
7 Capitalized AFUDC - Equity					
8 Undistributed Earnings of Affiliates				(1,882)	(755)
9 Other Adjustments	(15,448,807)	(5,236,703)	(13,268,358)	(73,527,183)	(12,446,821)
10	(11,699,569)	4,357,503	3,788,000	17,931,795	10,713,937
11	(10,309,323)	(48,843,840)	(55,858,861)	(259,494,166)	
12 Net Cash From Operating Activities	<u>59,078,723</u>	<u>35,556,755</u>	<u>32,923,772</u>	<u>(206,480,235)</u>	<u>93,233,890</u>
Cash Flows From Investing Activities					
13 Cash Outflows For Construction	(58,602,481)	(54,121,412)	(37,821,904)	(43,851,837)	(60,378,690)
14 Acquisition Of Other Non-Current Assets				773,058,755	
15 Investments in & Advances to Affiliates					
16 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
17 Property, Plant & Equipment					
18 Investments In Affiliated Companies					
19 Investment Securities					
20 Other Current Assets & Liabilities				(29,687,558)	
21 Other Cash Flows - Investing Activities					
22				(75,333)	23,500,000
23					
24 Net Cash From Investing Activities	<u>(58,602,481)</u>	<u>(54,121,412)</u>	<u>(37,821,904)</u>	<u>699,444,027</u>	<u>(36,878,690)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
25 Long-Term Debt	26,000,000	9,000,000	69,000,000	(186,911,480)	12,400,000
26 Common Stock					
27 Preferred Stock		(12,500,000)	(22,500,000)		
28 Short-Term Debt	(4,000,000)	16,000,000		(25,000,000)	(25,000,000)
29 Dividends Paid	(26,469,951)	(35,966,950)	(32,517,451)	(247,129,950)	(37,829,950)
30 Other Cash Flows - Financing Activities	(499,388)	(235,342)	(1,961,727)	(3,340,570)	(402,634)
31					
32					
33 Net Cash From Financing Activities	<u>(4,969,339)</u>	<u>(23,702,292)</u>	<u>12,020,822</u>	<u>(462,382,000)</u>	<u>(50,832,584)</u>
34 Net Increase/(Decrease) In Cash & Equivalents	(4,493,097)	(42,266,949)	7,122,690	30,581,792	5,522,616
35 Cash & Equivalents At Beginning Of Year	12,634,133	54,901,082	47,778,392	17,196,600	11,673,984
36 Cash & Cash Equiv. At End Of Year	\$8,141,036	\$12,634,133	\$54,901,082	\$47,778,392	\$17,196,600

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE - ELECTRIC
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
SALES AND CUSTOMER DATA						
ELECTRIC REVENUES						
Residential	\$208,814,858	\$205,551,395	\$187,535,637	\$179,560,825	\$196,805,658	1
Commercial	118,533,884	119,788,963	112,599,235	107,755,444	114,890,932	2
Industrial	29,042,442	36,379,441	50,030,666	68,438,648	76,911,714	3
Other Ultimate Customers	31,705,964	32,606,610	30,075,916	29,801,104	33,797,212	4
Total Revenues-Ultimate Customers	388,097,148	394,326,409	380,241,454	385,556,021	422,405,516	5
Resales	11,794,624	12,742,812	11,670,327	28,591,818	100,374,135	6
Other Operating Revenues	30,694,639	50,335,253	36,113,808	14,268,731	9,040,377	7
Total Electric Operating Revenues	\$430,586,411	\$457,404,474	\$428,025,589	\$428,416,570	\$531,820,028	8
KWH SALES (THOUSANDS)						
Residential	2,002,612	1,978,211	1,882,605	1,805,622	1,712,561	9
Commercial	1,494,743	1,524,463	1,534,091	1,488,291	1,331,580	10
Industrial	478,481	552,664	1,000,051	1,305,399	1,289,530	11
Other Ultimate Customers	395,745	410,585	404,310	400,253	386,406	12
Total Sales-Ultimate Customers	4,371,581	4,465,923	4,821,057	4,999,565	4,720,077	13
Resales	256,145	260,748	189,978	371,221	1,347,756	14
Total Kilowatt-Hour Sales	4,627,726	4,726,671	5,011,035	5,370,786	6,067,833	15
AVG CUSTOMERS PER MONTH						
Residential	243,985	242,001	239,249	237,756	232,064	16
Commercial	39,160	39,152	38,698	38,157	36,880	17
Industrial	1,035	1,034	1,027	918	862	18
Other Ultimate Customers	3,756	3,774	3,742	3,735	3,706	19
Total Ultimate Customers	287,936	285,961	282,716	280,566	273,512	20
Resales	5	5	5	5	8	21
Total Customers	287,941	285,966	282,721	280,571	273,520	22
ELECTRIC OPERATING REVENUE RELATIONSHIP						
Residential Sales						
Average Annual Bill Per Customer	\$856	\$849	\$784	\$755	\$848	23
Average KWH Consumption Per Customer	8,208	8,174	7,869	7,594	7,380	24
Average Revenue Per KWH Sold (Cents)	10.43	10.39	9.96	9.94	11.49	25
Commercial Sales						
Average Annual Bill Per Customer	\$3,027	\$3,060	\$2,910	\$2,824	\$3,115	26
Average KWH Consumption Per Customer	38,170	38,937	39,643	39,004	36,105	27
Average Revenue Per KWH Sold (Cents)	7.93	7.86	7.34	7.24	8.63	28
Industrial Sales						
Average Annual Bill Per Customer	\$28,060	\$35,183	\$48,715	\$74,552	\$89,256	29
Average KWH Consumption Per Customer	462,300	534,491	973,759	1,422,003	1,496,495	30
Average Revenue Per KWH Sold (Cents)	6.07	6.58	5.00	5.24	5.96	31
ELECTRIC OPERATION AND MAINTENANCE EXPENSES						
Steam Power Expense				\$12,806,933	\$114,722,390	32
Nuclear Power Expense	\$70,605	\$68,779	\$248,596	12,049,461	14,975,236	33
Hydraulic Power Expense	1,414,118	1,328,108	909,370	1,026,802	985,342	34
Other Power Generation Expense	86,262	543,111	1,068,215	470,308	423,362	35
Other Power Supply Expense	250,923,950	267,645,098	251,815,023	208,624,326	122,536,320	36
Total Power Production Expense	252,494,935	269,585,096	254,041,204	234,977,830	253,642,650	37
Transmission Expense	8,226,435	7,786,408	7,538,589	7,932,469	8,429,071	38
Distribution Expense	23,454,093	34,140,523	26,016,345	22,337,849	26,647,225	39
Customer Account Expense	22,035,242	22,479,455	19,790,217	18,057,792	19,077,072	40
Sales Expense	1,301,082	1,439,357	377,887	328,710	330,303	41
Administrative and General	26,805,182	25,851,782	23,332,872	33,918,548	38,436,046	42
Total Operation & Maintenance Expense	\$334,316,969	\$361,282,621	\$331,097,114	\$317,553,198	\$346,562,367	43

Notes:

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
DISTRIBUTION OF ELECTRIC REVENUES
YEARS ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
1 Total Revenues	\$430,586,411	\$457,404,474	\$428,025,589	\$428,416,570	\$531,820,028
2 Sales of Electricity (KWHs-000)	4,627,726	4,726,671	5,011,035	5,370,786	6,067,833
DOLLAR AMOUNTS					
3 Fuel and Purchased Power	\$249,562,913	\$266,577,763	\$249,497,380	\$222,165,192	\$221,242,288
4 Wages and Benefits	34,884,256	35,602,802	32,378,694	43,261,683	56,076,972
5 Other Expenses	49,869,800	59,102,056	49,221,040	52,126,323	69,243,107
6 Depreciation & Amortization Expenses	22,084,191	21,279,716	19,652,049	21,539,721	42,972,737
7 Income Taxes-Operating	17,805,500	17,730,150	15,450,400	12,025,400	30,861,600
8 Other Taxes-Operating	23,887,444	25,053,730	30,188,958	40,187,713	46,084,135
9 Capital Costs	32,492,307	32,058,257	31,637,068	37,110,538	65,339,189
10 Total	\$430,586,411	\$457,404,474	\$428,025,589	\$428,416,570	\$531,820,028
PERCENT OF REVENUE					
11 Fuel and Purchased Power	58.0	58.3	58.3	51.9	41.6
12 Wages and Benefits	8.1	7.8	7.6	10.1	10.5
13 Other Expenses	11.6	12.9	11.5	12.2	13.0
14 Depreciation & Amortization Expenses	5.1	4.7	4.6	5.0	8.1
15 Income Taxes-Operating	4.1	3.9	3.6	2.8	5.8
16 Other Taxes-Operating	5.5	5.5	7.1	9.4	8.7
17 Capital Costs	7.5	7.0	7.4	8.7	12.3
18 Total	100.0	100.0	100.0	100.0	100.0
CENTS PER KWH					
19 Fuel and Purchased Power	5.39	5.64	4.98	4.14	3.65
20 Wages and Benefits	0.75	0.75	0.65	0.81	0.92
21 Other Expenses	1.08	1.25	0.98	0.97	1.14
22 Depreciation & Amortization Expenses	0.48	0.45	0.39	0.40	0.71
23 Income Taxes-Operating	0.38	0.38	0.31	0.22	0.51
24 Other Taxes-Operating	0.52	0.53	0.60	0.75	0.76
25 Capital Costs	0.70	0.68	0.63	0.69	1.08
26 Total	9.30	9.68	8.54	7.98	8.76

Notes:

Includes Sales for Resale

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

Data Field Below**Fuel and Purchased Power**

Steam - Fuel				11,418,778	96,854,004
Nuclear - Fuel	70,605	68,779	75,492	3,606,847	3,035,956
Hydro - Water for Power	663,638	435,509	10,546	74,342	141,560
Other Power - Fuel	38,409	336,751	671,384	306,378	273,855
Purchased Power	248,790,261	265,736,724	248,739,958	206,758,847	120,936,913
Total Fuel and Purchased Power	249,562,913	266,577,763	249,497,380	222,165,192	221,242,288
-Fuel and PP related to Sales for Resale					
Fuel and PP - Ultimate Customers	249,562,913	266,577,763	249,497,380	222,165,192	221,242,288

Wages and Benefits

Salaries	39,096,427	39,703,284	36,709,075	40,308,186	49,807,901
Pensions and Benefits	(4,212,171)	(4,100,482)	(4,330,381)	2,953,497	6,269,071
Total Wages and Benefits	34,884,256	35,602,802	32,378,694	43,261,683	56,076,972

Other Expenses

Total O&M Expenses	334,316,969	361,282,621	331,097,114	317,553,198	346,562,367
-Total Fuel and PP	249,562,913	266,577,763	249,497,380	222,165,192	221,242,288
-Wages and Benefits	34,884,256	35,602,802	32,378,694	43,261,683	56,076,972
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	49,869,800	59,102,056	49,221,040	52,126,323	69,243,107

Depreciation and Amortization

Depreciation Exp	22,037,050	21,120,729	19,520,906	21,410,353	42,724,065
Amort & Depl of Utility Plant	47,141	158,987	131,143	129,368	248,672
Amort of Other Utility Plant					
Amort of Property Losses					
Amort of Conversion Expenses					
Total Depre and Amort	22,084,191	21,279,716	19,652,049	21,539,721	42,972,737

Fuel and PP related to Sales for Resale (Not Used)

Total Fuel and PP	249,562,913	266,577,763	249,497,380	222,165,192	221,242,288
Sales for Resale Fuel	4,627,726	4,726,671	5,011,035	5,370,786	6,067,833
divided by Total MWHs	0.0539	0.0564	0.0498	0.0414	0.0365
times Sales for Resale MWHs	256,145	260,748	189,978	371,221	1,347,756
Sales for Resale Fuel	13,813,327	14,705,830	9,458,927	15,355,738	49,141,196

CENTRAL HUDSON GAS & ELECTRIC CORPORATION
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
ELECTRIC UTILITY PLANT						
Intangible	\$45,519	\$45,519	\$45,519	\$45,519	\$45,519	1
Production						
Steam					396,928,028	2
Nuclear					305,990,088	3
Hydraulic	24,333,056	24,307,781	24,102,315	23,595,514	22,350,506	4
Other	3,172,381	3,090,475	2,957,455	2,939,769	3,014,016	5
Transmission	163,327,937	154,354,738	145,168,684	140,914,618	142,066,371	6
Distribution	510,480,305	473,517,446	432,840,418	416,468,629	398,207,446	7
General	749,530	749,535	747,936	739,576	8,887,760	8
Electric - Purchased or Sold						9
Experimental - Unclassified						10
Nuclear Fuel Assemblies					46,688,418	11
Total Electric Plant In Service	702,108,728	656,065,494	605,862,327	584,703,625	1,324,178,152	12
Leased To Others						13
Held For Future Use	46,642	75,934	75,934	75,934	75,934	14
Construction Work in Progress	31,238,272	44,692,042	59,874,906	38,814,888	32,442,373	15
Aquisition Adjustments						16
Total Electric Utility Plant	733,393,642	700,833,470	665,813,167	623,594,447	1,356,696,459	17
Accum. Provision - Depr. & Amort.	291,573,029	283,705,637	273,752,659	263,308,329	619,667,752	18
Net Electric Plant	\$441,820,613	\$417,127,833	\$392,060,508	\$360,286,118	\$737,028,707	19
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	1.41	1.56	2.60	3.67	1.69	20
Total Capitalization	\$632,886,177	\$598,704,461	\$582,549,266	\$555,180,387	\$930,239,646	21
<u>Percent Of Capitalization (Incl S-T Debt)</u>						
Long-Term Debt	50.5%	49.1%	48.9%	42.5%	41.2%	22
Preferred Stock	3.3%	3.5%	5.8%	10.1%	6.0%	23
Common Stock & Retained Earnings	44.2%	44.7%	45.3%	47.4%	50.1%	24
Short-Term Debt	1.9%	2.7%			2.7%	25
Pretax Coverage of Interest Expense	4.76	4.04	3.19	2.28	3.91	26
Com. Stock Dividends as a % of Earnings	67.7%	91.1%	98.8%	355.7%	55.9%	27
Return on Common Equity	13.8%	14.1%	11.5%	11.2%	11.1%	28
Internal Cash Generated as a % of Cash Outflows for Construction	-100.8%	-65.7%	87.0%	-470.9%	154.4%	29
Earnings per Share	\$2.23	\$2.22	\$1.80	\$2.43	\$2.93	30
Book Value per Share	\$16.60	\$15.88	\$15.66	\$15.61	\$27.65	31
Dividends per Share	\$1.51	\$2.03	\$1.78	\$8.64	\$1.64	32
Number of Employees (Electric)	682	720	723	761	948	33

Current Assets	89,407,231	98,689,363	144,337,088	170,732,248	153,235,862
Current Liabilities	63,202,707	63,201,703	55,450,565	46,497,625	90,645,499
Total Capitalization	632,886,177	598,704,461	582,549,266	555,180,387	930,239,646
Long-Term Debt	319,882,619	293,879,643	284,876,667	235,873,691	382,979,531
Preferred Stock	21,030,000	21,030,000	33,530,000	56,030,000	56,030,000
Common Stock and Retained Earnings (Excl. Preferred Stock)	279,973,558	267,794,818	264,142,599	263,276,696	466,230,115
Short-Term Debt	12,000,000	16,000,000			25,000,000
Pretax Income	84,925,206	87,816,529	78,941,913	65,048,671	120,592,601
Interest Expense	17,850,916	21,751,126	24,728,074	28,508,515	30,848,130
Common Dividends Paid	25,500,000	34,162,000	30,000,000	145,641,508	27,600,000
Net Income Before Extraordinary Items (Excl. Preferred Stock Dividends)	37,678,740	37,487,803	30,362,639	40,947,906	49,365,221
Internal Cash	59,078,723	35,556,755	32,923,772	(206,480,235)	93,233,890
Cash Outflows For Construction	(58,602,481)	(54,121,412)	37,821,904	43,851,837	60,378,690
Shares Outstanding (Millions)	16,862,087	16,862,087	16,862,087	16,862,087	16,862,087
Number of Employees (Electric)	682	720	723	761	948
Misc Deferred Debits - Net	(151,646,998)	(225,268,614)	(138,672,241)	(190,839,538)	29,168,170
<u>Pre-Tax Income</u>					
<u>Total Utility Operating Income</u>	<u>43,528,592</u>	<u>43,908,770</u>	<u>49,335,102</u>	<u>49,335,102</u>	<u>75,259,521</u>
+Income Taxes - Electric	17,805,500	17,730,150	12,025,400	12,025,400	30,861,600
+Income Taxes - Gas	6,959,500	7,747,850	5,717,100	5,717,100	5,512,100
+Other Income	18,818,298	20,698,965	17,983,613	17,983,613	11,152,548
- Other Income Deductions	2,043,134	2,135,268	19,889,873	19,889,873	2,075,033
- Other Taxes	143,550	133,938	129,720	122,671	118,135
Pre-Tax Income	84,925,206	87,816,529	65,041,622	65,048,671	120,592,601

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
UTILITY PLANT					
1 Electric Utility Plant	\$12,590,552,094	\$12,162,938,257	\$11,478,866,235	\$10,866,923,417	\$12,105,171,868
2 Less Accum. Prov. For Deprec. & Amort.	3,264,892,493	3,186,645,295	3,118,062,289	2,893,422,330	4,220,237,152
3 Net Electric Utility Plant	9,325,659,600	8,976,292,962	8,360,803,946	7,973,501,087	7,884,934,716
4 Gas Utility Plant	2,590,786,636	2,474,797,436	2,316,565,268	2,167,416,114	2,049,949,053
5 Less Accum. Prov. For Deprec. & Amort.	647,625,506	602,465,905	566,020,911	533,577,035	499,889,227
6 Net Gas Utility Plant	1,943,161,130	1,872,331,531	1,750,544,357	1,633,839,079	1,550,059,826
7 Other Utility Plant	2,979,201,245	2,476,135,564	2,318,891,551	2,148,285,231	2,133,469,272
8 Less Accum. Prov. For Deprec. & Amort.	659,574,800	628,635,578	580,060,548	656,760,693	625,467,614
9 Net Other Utility Plant	2,319,626,446	1,847,499,986	1,738,831,003	1,491,524,538	1,508,001,658
10 Total Utility Plant	18,160,539,975	17,113,871,257	16,114,323,054	15,182,624,762	16,288,590,192
11 Less Accum. Prov. For Deprec. & Amort.	4,572,092,799	4,417,746,778	4,264,143,749	4,083,760,058	5,345,593,993
12 Net Total Utility Plant	13,588,447,176	12,696,124,479	11,850,179,305	11,098,864,704	10,942,996,199
OTHER PROPERTY AND INVESTMENTS					
13 Nonutility Property	31,686,001	28,969,020	34,775,129	29,408,262	4,087,011
14 Accum. Prov. For Deprec. & Amort.	(12,559,211)	(3,500,096)			
15 Investment in Associated Companies					
16 Investment in Subsidiary Companies	903,905	13,533,314	13,354,268	13,164,730	13,084,898
17 Other Investments	2,185,456	2,523,234	2,639,618	4,214,816	14,362,862
18 Other Special Funds	66,745,427	50,575,246	37,025,474	28,109,895	369,426,922
19 Total Other Property and Investments	88,961,578	92,100,718	87,794,489	74,897,703	400,961,693
CURRENT AND ACCRUED ASSETS					
20 Cash	(62,704,917)	(25,691,872)	17,818,776	6,403,046	6,293,089
21 Special Deposits	1,952,546	2,018,812	277,241,319	2,769,542	2,434,605
22 Working Funds	9,993,670	2,916,733	4,697,159	4,782,040	4,880,603
23 Temporary Cash Investments	2,551,734	5,747,523	21,932,399	208,919,653	7,568,865
24 Notes Receivable					
25 Accounts Receivable	925,683,297	859,411,435	715,467,723	648,798,297	925,324,175
26 Accum. Prov. For Uncollectible Accts.	(32,138,807)	(34,459,022)	(29,411,000)	(29,400,000)	(25,800,000)
27 Notes Receivable from Associated Cos.					
28 Accounts Receivable from Assoc. Cos.			25,372,991		
29 Materials and Supplies	118,182,729	112,170,534	101,443,799	99,020,117	146,799,339
30 Gas Stored Underground - Current	115,077,337	105,525,998	54,705,955	76,569,393	58,639,923
31 Liquefied Natural Gas in Storage	10,410,498	9,846,715	8,359,482	8,964,281	5,504,326
32 Prepayments	1,514,898,219	1,330,836,759	1,079,916,621	756,434,807	427,874,123
33 Interest and Dividends Receivable				29,874	29,889
34 Rents Receivable	1,085,052	1,385,974	1,259,546	1,966,873	972,776
35 Accrued Utility Revenue					
36 Misc. Current and Accrued Assets	15,666,927	4,775,274	13,649,227	370,562	7,081,214
37 Total Current and Accrued Assets	2,620,658,285	2,374,484,863	2,292,453,997	1,785,628,485	1,567,602,927
DEFERRED DEBITS					
38 Unamort. Debt Expense	164,170,664	148,876,569	139,476,162	144,768,719	131,885,651
39 Extraordinary Property Losses					7,919,051
40 Prelim. Survey and Investigation Charges					172,471
41 Clearing Accounts					
42 Temporary Facilities					
43 Miscellaneous Deferred Debits	2,172,328,052	1,802,492,816	1,753,057,376	1,501,016,554	1,523,158,218
44 Deferred Losses from Disp. of Utility Plant					
45 Research and Development					
46 Accumulated Deferred Income Taxes	342,643,040	283,002,921	289,607,726	249,513,278	327,374,513
47 Total Deferred Debits	2,679,141,756	2,234,372,306	2,182,141,264	1,895,298,551	1,990,509,904
48 Total Assets and Other Debits	\$18,977,208,794	\$17,397,082,367	\$16,412,569,055	\$14,854,689,441	\$14,902,070,723

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
PROPRIETARY CAPITAL						
Common Stock Issued	\$588,720,235	\$588,720,234	\$588,720,235	\$588,720,235	\$588,720,235	1
Preferred Stock Issued	212,562,527	212,562,526	212,562,527	249,612,527	249,612,527	2
Capital Stock Subscribed						3
Stock Liability for Conversion						4
Premium on Capital Stock	1,788,086,732	1,260,348,414	879,678,116	879,678,116	879,678,116	5
Other Paid-in Capital	13,943,328	13,943,328	13,943,328	13,943,328	13,943,328	6
Installments Received on Capital Stock						7
Capital Stock Expense	(54,531,741)	(38,775,673)	(35,350,128)	(35,546,939)	(35,816,663)	8
Retained Earnings	4,747,432,952	4,625,268,971	4,405,023,399	4,182,492,648	3,994,692,098	9
Accumulated Other Comprehensive Income	(5,859,820)	(5,704,404)				
Unapp Undistributed Subsidiary Earnings	648,842	594,770	564,724	490,186	460,192	10
Reaquired Capital Stock	(962,092,492)	(962,092,492)	(962,092,492)	(962,092,492)	(962,092,492)	11
Total Proprietary Capital	6,328,910,563	5,694,865,674	5,103,049,709	4,917,297,609	4,729,197,342	12
LONG-TERM DEBT						
Bonds						13
Reaquired Bonds						14
Advances from Associated Companies						15
Other Long-Term Debt	5,703,187,935	5,608,224,192	5,844,762,213	5,337,060,000	5,242,610,000	16
Unamortized Premium on Long-Term Debt						17
Unamortized Discount on Long-Term Debt-Del	(17,819,646)	(22,841,441)	(25,741,064)	(25,308,156)	(27,502,034)	18
Total Long-Term Debt	5,685,368,289	5,585,382,751	5,819,021,149	5,311,751,844	5,215,107,966	19
CURRENT AND ACCRUED LIABILITIES						
Notes Payable					139,968,762	20
Accounts Payable	486,858,423	390,158,357	364,755,079	298,804,635	556,610,909	21
Notes Payable to Associated Companies	99,981,500	98,976,888				22
Accounts Payable to Associated Companies			19,308,896			23
Customer Deposits	217,921,097	214,312,603	208,718,338	204,872,736	195,761,930	24
Taxes Accrued	33,821,649	94,650,926	92,663,038	141,259,390	(20,501,013)	25
Interest Accrued	79,370,052	87,868,164	79,946,008	73,311,112	78,230,022	26
Dividends Declared	2,830,814	2,830,814	2,830,814	6,776,842	3,398,142	27
Matured Long-Term Debt		688	49,688	228,000	290,425	28
Matured Interest	1,700	1,700	1,700	47,562	51,889	29
Tax Collections Payable	5,381,628	(1,022,679)	(2,346,922)	(3,139,620)	15,562,596	30
Misc. Current and Accrued Liabilities	659,250,683	694,215,087	707,946,013	588,895,892	560,779,103	31
Total Current and Accrued Liabilities	1,585,417,546	1,581,992,547	1,473,872,652	1,311,056,549	1,530,152,765	32
DEFERRED CREDITS						
Customer Advances for Construction	3,801,981	3,888,466	3,858,977	4,566,047	5,293,496	33
Other Deferred Credits	1,319,589,586	1,010,713,923	876,202,597	568,334,164	482,823,908	34
Accumulated Deferred Investment Tax Credits	93,763,000	99,770,000	105,809,000	111,925,000	124,532,000	35
Deferred Gains from Disposition of Utility Plant						36
Accumulated Deferred Income Taxes	3,595,062,253	3,038,338,719	2,611,946,021	2,273,468,438	2,462,347,305	37
Total Deferred Credits	5,012,216,820	4,152,711,108	3,597,816,595	2,958,293,648	3,074,996,709	38
OPERATING RESERVES						
Property Insurance Reserve						39
Injuries and Damage Reserve	170,440,144	183,572,144	188,097,144	163,632,142	148,047,144	40
Pension and Benefits Reserve	108,977,054	107,313,723	107,626,695	101,758,688	105,123,966	41
Miscellaneous Operating Reserves	85,878,379	91,244,420	123,085,111	90,898,960	99,444,831	42
Total Operating Reserves	365,295,577	382,130,287	418,808,950	356,289,790	352,615,941	43
Total Liabilities and Other Credits	\$18,977,208,795	\$17,397,082,367	\$16,412,569,055	\$14,854,689,441	\$14,902,070,723	44

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
ELECTRIC OPERATING INCOME					
1 Operating Revenues	\$6,164,406,553	\$6,345,060,257	\$5,784,811,204	\$6,362,076,798	\$6,478,615,854
Operating Expense:					
2 Operation Expense	3,834,542,548	3,817,464,914	3,251,506,588	3,581,000,880	3,845,306,001
3 Maintenance Expense	249,798,245	251,411,533	273,932,075	308,117,220	332,105,591
4 Depreciation Expense	382,487,364	366,715,798	350,777,711	382,045,207	455,309,980
5 Amort. and Depletion of Utility Plant					
6 Amort. of Utility Plant Acq. Adj.					
7 Amort of Property Losses				716,288	1,417,090
8 Amort of Conversion Expenses					
9 Taxes Other than Income Taxes	823,290,083	849,412,857	850,907,533	878,469,752	863,447,152
10 Income Taxes	221,914,186	301,504,194	297,657,460	359,436,377	227,445,885
11 Gains from Disposition of Util. Plant					
12 Losses from Disposition of Util. Plant	451,152	451,152	803,162	338,348	
13 Total Operating Expenses	5,512,483,578	5,586,960,447	5,025,584,529	5,510,124,071	5,725,031,699
14 Net Operating Revenues	651,922,975	758,099,810	759,226,675	851,952,727	753,584,155
15 Other Electric Utility Operating Income					
16 Total Electric Utility Operating Income	651,922,975	758,099,810	759,226,675	851,952,727	753,584,155
GAS OPERATING INCOME					
17 Operating Revenues	1,305,702,694	1,298,192,751	1,047,590,844	1,271,276,033	1,084,647,317
Operating Expense:					
18 Operation Expense	832,049,544	834,788,047	574,827,411	775,445,034	604,039,228
19 Maintenance Expense	48,391,210	43,977,062	56,829,526	66,565,453	67,624,249
20 Depreciation Expense	74,907,540	72,080,624	67,955,062	64,161,517	60,278,977
21 Amort. and Depletion of Utility Plant					
22 Amort. of Utility Plant Acq. Adj.					
23 Amort of Property Losses					
24 Amort of Conversion Expenses					
25 Taxes Other than Income Taxes	130,539,195	132,688,361	127,597,733	128,193,643	123,783,349
26 Income Taxes	68,109,755	65,398,490	61,540,416	70,232,366	55,535,000
27 Gains from Disposition of Util. Plant					
28 Losses from Disposition of Util. Plant			30,434		
29 Total Operating Expenses	1,153,997,244	1,148,932,583	888,780,582	1,104,598,013	911,260,803
30 Net Operating Revenues	151,705,450	149,260,168	158,810,262	166,678,019	173,386,514
31 Other Gas Utility Operating Income					
32 Total Gas Utility Operating Income	151,705,450	149,260,168	158,810,262	166,678,019	173,386,514
33 Other Utility Operating Income	21,403,978	34,614,147	36,045,610	27,892,946	25,096,899
34 Total Utility Operating Income	\$825,032,403	\$941,974,125	\$954,082,547	\$1,046,523,692	\$952,067,568

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
OTHER INCOME						
Income - Merch., Jobbing & Contract Work						1
Income from Nonutility Operations	5,943,134	3,847,809	229,354	2,899,279		2
Nonoperating Rental Income	357,866	225,211	190,146	230,818	313,278	3
Equity in Earnings of Subsidiary Companies	54,072	30,046	146,551	29,994	130,510	4
Interest and Dividend Income	26,186,081	17,242,659	43,966,827	12,139,798	15,961,439	5
Allowance for Funds Used During Construction	24,686,227	14,646,812	9,531,062	1,293,811	1,086,343	6
Miscellaneous Nonoperating Income	6,223,592	5,972,948	(2,214,123)	(10,652,639)	3,557,705	7
Gain on Disposition of Property						8
Total Other Income	63,450,972	41,965,485	51,849,817	5,941,061	21,049,275	9
OTHER INCOME DEDUCTIONS						
Loss on Disposition of Property						10
Miscellaneous Amortization	321,544	321,544	423,623	496,536	496,536	11
Miscellaneous Income Deductions	10,622,317	9,457,275	8,168,942	11,342,974	14,550,217	12
Total Other Income Deductions	10,943,861	9,778,819	8,592,565	11,839,510	15,046,753	13
TAXES-OTHER INCOME AND DEDUCTIONS						
Taxes Other than Income Taxes	1,919,153	1,038,288	325,902	613,084	1,176,293	14
Income Taxes	(2,606,851)	(5,112,282)	(12,607,872)	(8,195,891)	4,078,805	15
Total Taxes-Other Income & Deductions	(687,698)	(4,073,994)	(12,281,970)	(7,582,807)	5,255,098	16
Net Other Income and Deductions	53,194,809	36,260,660	55,539,222	1,684,358	747,424	17
INTEREST CHARGES						
Interest on Long-term Debt	317,413,203	333,073,861	332,585,143	347,260,374	318,841,656	18
Amortization of Debt Discount and Expense	15,101,871	13,110,549	12,263,818	12,526,711	12,583,826	19
Amortization of Premium on Debt-Credit						20
Interest on Debt to Associated Company						21
Other Interest Expense	16,364,358	30,151,630	46,933,013	25,360,310	37,674,692	22
Total Interest Charges	348,879,432	376,336,040	391,781,974	385,147,395	369,100,174	23
Income Before Extraordinary Items	529,347,780	601,898,744	617,839,795	663,060,655	583,714,818	24
EXTRAORDINARY ITEMS						
Extraordinary Income						25
Extraordinary Deductions						26
Income Taxes, Extraordinary Items						27
Net Extraordinary Items						28
Net Income	\$529,347,780	\$601,898,744	\$617,839,795	\$663,060,655	\$583,714,818	29
RETAINED EARNINGS						
Unappropriated Retained Earnings (BOP)	\$4,625,268,971	\$4,405,023,398	\$4,182,492,646	\$3,994,692,098	\$3,887,663,867	30
Balance Transferred from Income	529,293,708	601,868,698	617,693,244	663,030,661	583,584,308	31
Appropriations of Retained Earnings						32
Dividends Declared-Preferred Stock	11,323,257	11,323,257	12,457,914	13,592,570	13,592,569	33
Dividends Declared-Common Stock	395,806,470	375,813,729	379,818,290	459,719,028	462,290,269	34
Adjustments to Retained Earnings		5,513,860	(2,886,288)	(1,918,515)	(673,239)	35
Net Change to Unapp. Retained Earnings	122,163,981	220,245,572	222,530,752	187,800,548	107,028,231	36
Unappropriated Retained Earnings (EOP)	4,747,432,952	4,625,268,971	4,405,023,398	4,182,492,646	3,994,692,098	37
Appropriated Retained Earnings (EOP)						38
Total Retained Earnings	\$4,747,432,952	\$4,625,268,971	\$4,405,023,398	\$4,182,492,646	\$3,994,692,098	39

Notes:

The debt component of AFDUC is included with other interest expense.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
Cash Flows from Operating Activities					
1 Net Income	\$529,347,780	\$601,898,744	\$617,839,795	\$663,060,655	\$583,714,818
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	461,085,700	448,291,150	174,789,431	188,373,214	539,596,383
3 Deferred Taxes & ITCs	491,076,416	426,958,505	259,570,000	(8,827,000)	158,743,000
4 Receivables and Inventory	(84,418,471)	(176,683,140)	(71,249,662)	263,202,644	(271,953,993)
5 Payables and Accrued Expenses	(14,780,063)	6,968,302	160,224,349	(77,668,787)	319,054,324
6 Regulatory Assets (Net)	(67,702,246)	78,392,537	(103,219,156)	193,931,828	(234,592,605)
7 Capitalized AFUDC - Equity 1		(14,646,812)	(9,531,062)	(1,293,811)	(1,086,343)
8 Undistributed Earnings of Affiliates 1					130,510
9 Removal Costs minus Salvage 1		(129,662,157)		(99,106,120)	(130,590,072)
10 Prepayments	(184,061,460)	(18,037,158)	(122,129,576)	(90,888,575)	(249,180,911)
11 Other	102,450	(187,039,440)	286,035,804	182,528,088	129,794,467
12 Net Cash From Operating Activities	<u>1,130,650,106</u>	<u>1,036,440,531</u>	<u>1,192,329,923</u>	<u>1,213,312,135</u>	<u>843,629,578</u>
Cash Flows From Investing Activities					
13 Cash Outflows For Construction	(1,368,702,492)	(1,197,787,601)	(1,154,461,296)	(380,402,326)	(985,854,152)
14 Acquisition Of Other Non-Current Assets		(13,612,435)			
15 Investments in & Advances to Affiliates			(189,538)	(79,832)	
16 Contributions & Advances from Affiliates					(220,510)
Net Proceeds - Sale Or Disposition Of:					
17 Property, Plant & Equipment					
18 Investments In Affiliated Companies	(3,202,994)				
19 Investment Securities					
20 Other Current Assets & Liabilities					
21 Other Cash Flows - Investing Activities	6,342,134			(89,184,644)	(21,301,000)
22					
23					
24 Net Cash From Investing Activities	<u>(1,365,563,352)</u>	<u>(1,211,400,036)</u>	<u>(1,154,650,834)</u>	<u>(469,666,802)</u>	<u>(1,007,375,662)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
25 Long-Term Debt	1,019,300,000	575,000,000	492,410,508	71,233,339	694,532,200
26 Common Stock	527,738,318				(29,453,695)
27 Preferred Stock		380,670,298	(37,050,000)		
28 Short-Term Debt	1,004,612	98,976,888		(139,968,762)	
29 Dividends Paid		(387,358,991)	(393,575,466)	(473,547,729)	(476,095,569)
30 Other Cash Flows - Financing Activities	(15,756,068)	275,222,507	(275,120,536)		(355,402,520)
31	(923,475,000)	(805,000,000)	(361)	361	
32	(407,030,513)	(24,027,147)			
33 Net Cash From Financing Activities	<u>201,781,349</u>	<u>113,483,555</u>	<u>(213,335,855)</u>	<u>(542,282,791)</u>	<u>(166,419,584)</u>
34 Net Increase/(Decrease) In Cash & Equivalent	(33,131,897)	(61,475,950)	(175,656,766)	201,362,542	(330,165,668)
35 Cash & Equivalents At Beginning Of Year	(17,027,616)	44,448,333	220,105,099	18,742,557	348,908,225
36 Cash & Cash Equiv. At End Of Year	(\$50,159,513)	(\$17,027,616)	\$44,448,333	\$220,105,099	\$18,742,557

1 Capitalized AFUDC - Equity, Undistributed Earnings of Affiliates, Other, and Removal Costs minus Salvage restated in 1998 to reflect correct numbers.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE - ELECTRIC
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
SALES AND CUSTOMER DATA						
ELECTRIC REVENUES						
Residential	\$2,438,718,443	\$2,461,794,771	\$2,121,994,059	\$2,179,051,215	\$2,149,745,339	1
Commercial	3,285,041,874	3,439,997,137	2,676,748,533	3,015,916,832	3,003,779,991	2
Industrial	78,107,556	69,604,342	69,779,273	80,623,220	88,013,673	3
Other Ultimate Customers	51,328,326	47,205,315	23,791,047	24,672,668	44,558,385	4
Total Revenues-Ultimate Customers	5,853,196,199	6,018,601,565	4,892,312,912	5,300,263,935	5,286,097,388	5
Resales	40,456,255	18,908,032	9,950,452	45,032,039	199,333,755	6
Other Operating Revenues	270,754,099	307,550,660	882,547,840	1,016,780,824	993,184,711	7
Total Electric Operating Revenues	\$6,164,406,553	\$6,345,060,257	\$5,784,811,204	\$6,362,076,798	\$6,478,615,854	8
KWH SALES (THOUSANDS)						
Residential	13,168,606	12,440,663	12,481,689	12,049,882	11,637,167	9
Commercial	29,391,980	17,451,830	18,454,537	19,222,099	19,261,388	10
Industrial	777,569	581,638	635,399	561,693	668,988	11
Other Ultimate Customers	673,193	153,951	180,837	166,072	353,163	12
Total Sales-Ultimate Customers	44,011,348	30,628,082	31,752,462	31,999,746	31,920,706	13
Resales	2,118	97,485	17,557	496,925	4,159,819	14
Total Kilowatt-Hour Sales	44,013,466	30,725,567	31,770,019	32,496,671	36,080,525	15
AVG CUSTOMERS PER MONTH						
Residential	2,696,196	2,691,906	2,683,349	2,676,565	2,661,874	16
Commercial	451,292	440,888	429,641	419,568	412,344	17
Industrial	410	353	388	360	367	18
Other Ultimate Customers	4,124	4,153	4,137	4,148	4,056	19
Total Ultimate Customers	3,152,022	3,137,300	3,117,515	3,100,641	3,078,641	20
Resales	1	1	1	1	7	21
Total Customers	3,152,023	3,137,300	3,117,516	3,100,642	3,078,648	22
ELECTRIC OPERATING REVENUE RELATIONSHIP						
Residential Sales						
Average Annual Bill Per Customer	\$905	\$915	\$791	\$814	\$808	23
Average KWH Consumption Per Customer	4,884	4,622	4,652	4,502	4,372	24
Average Revenue Per KWH Sold (Cents)	18.52	19.79	17.00	18.08	18.47	25
Commercial Sales						
Average Annual Bill Per Customer	\$7,279	\$7,802	\$6,230	\$7,188	\$7,285	26
Average KWH Consumption Per Customer	65,129	39,583	42,953	45,814	46,712	27
Average Revenue Per KWH Sold (Cents)	11.18	19.71	14.50	15.69	15.59	28
Industrial Sales						
Average Annual Bill Per Customer	\$190,506	\$197,179	\$179,843	\$223,953	\$239,819	29
Average KWH Consumption Per Customer	1,896,510	1,647,700	1,637,626	1,560,258	1,822,856	30
Average Revenue Per KWH Sold (Cents)	10.05	11.97	10.98	14.35	13.16	31
ELECTRIC OPERATION AND MAINTENANCE EXPENSES						
Steam Power Expense	\$182,079,958	\$142,364,970	\$122,750,371	\$160,845,216	\$189,863,590	32
Nuclear Power Expense	3,194,605	3,119,271	1,650,285	128,604,579	209,981,172	33
Hydraulic Power Expense						34
Other Power Generation Expense	963,899	834,302	1,040,909	2,483,548	359,505	35
Other Power Supply Expense	2,990,726,145	3,070,598,750	2,594,096,713	2,768,765,847	2,948,125,291	36
Total Power Production Expense	3,176,964,607	3,216,917,293	2,719,538,278	3,060,699,190	3,348,329,558	37
Transmission Expense	122,797,779	130,138,042	136,422,743	126,987,753	138,216,317	38
Distribution Expense	358,144,164	325,356,626	341,749,247	346,439,276	333,294,604	39
Customer Account Expense	182,057,403	181,047,051	185,720,247	199,342,289	200,853,239	40
Sales Expense						41
Administrative and General	244,376,841	148,213,333	142,008,148	155,649,592	156,717,875	42
Total Operation & Maintenance Expense	\$4,084,340,794	\$4,001,672,345	\$3,525,438,663	\$3,889,118,100	\$4,177,411,593	43

Notes:

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

**CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
DISTRIBUTION OF ELECTRIC REVENUES
YEARS ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
1 Total Revenues	\$6,164,406,553	\$6,345,060,257	\$5,784,811,204	\$6,362,076,798	\$6,478,615,854
2 Sales of Electricity (KWHs-000)	44,013,466	30,725,567	31,770,019	32,496,671	36,080,525
DOLLAR AMOUNTS					
3 Fuel and Purchased Power	\$3,130,625,355	\$3,164,436,247	\$2,661,763,340	\$2,888,644,839	\$3,068,923,097
4 Wages and Benefits	505,567,374	475,488,515	408,645,249	459,897,481	516,321,391
5 Other Expenses	448,599,217	362,198,735	455,833,236	540,914,128	592,167,105
6 Depreciation & Amortization Expenses	382,487,364	366,715,798	350,777,711	382,761,494	456,727,070
7 Income Taxes-Operating	151,705,450	301,504,194	297,657,460	359,436,377	227,445,885
8 Other Taxes-Operating	823,290,083	849,412,857	850,907,533	878,469,752	863,447,152
9 Capital Costs	722,131,710	825,303,911	759,226,675	851,952,727	753,584,154
10 Total	\$6,164,406,553	\$6,345,060,257	\$5,784,811,204	\$6,362,076,798	\$6,478,615,854
PERCENT OF REVENUE					
11 Fuel and Purchased Power	50.8	49.9	46.0	45.4	47.4
12 Wages and Benefits	8.2	7.5	7.1	7.2	8.0
13 Other Expenses	7.3	5.7	7.9	8.5	9.1
14 Depreciation & Amortization Expenses	6.2	5.8	6.1	6.0	7.0
15 Income Taxes-Operating	2.5	4.8	5.1	5.6	3.5
16 Other Taxes-Operating	13.4	13.4	14.7	13.8	13.3
17 Capital Costs	11.7	13.0	13.1	13.4	11.6
18 Total	100.0	100.0	100.0	100.0	100.0
CENTS PER KWH					
19 Fuel and Purchased Power	7.11	10.30	8.38	8.89	8.51
20 Wages and Benefits	1.15	1.55	1.29	1.42	1.43
21 Other Expenses	1.02	1.18	1.43	1.66	1.64
22 Depreciation & Amortization Expenses	0.87	1.19	1.10	1.18	1.27
23 Income Taxes-Operating	0.34	0.98	0.94	1.11	0.63
24 Other Taxes-Operating	1.87	2.76	2.68	2.70	2.39
25 Capital Costs	1.64	2.69	2.39	2.62	2.09
26 Total	14.01	20.65	18.21	19.58	17.96

Notes:

Includes Sales for Resale

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

Data Field Below**Fuel and Purchased Power**

Steam - Fuel	138,173,478	92,422,155	65,962,800	109,470,981	128,989,228
Nuclear - Fuel	3,189,739	3,118,507	3,060,570	11,473,666	(5,549,985)
Hydro - Water for Power					
Other Power - Fuel	579,263	265,624	645,272	1,014,239	602,509
Purchased Power	2,988,682,875	3,068,629,961	2,592,094,698	2,766,685,953	2,944,881,345
Total Fuel and Purchased Power	3,130,625,355	3,164,436,247	2,661,763,340	2,888,644,839	3,068,923,097
-Fuel and PP related to Sales for Resale					
Fuel and PP - Ultimate Customers	3,130,625,355	3,164,436,247	2,661,763,340	2,888,644,839	3,068,923,097

Wages and Benefits

Salaries	486,844,085	488,374,740	495,455,831	542,977,082	563,145,191
Pensions and Benefits	18,723,289	(12,886,225)	(86,810,582)	(83,079,601)	(46,823,800)
Total Wages and Benefits	505,567,374	475,488,515	408,645,249	459,897,481	516,321,391

Other Expenses

Total O&M Expenses	4,084,340,794	4,001,672,345	3,525,438,663	3,889,118,100	4,177,411,593
-Total Fuel and PP	3,130,625,355	3,164,436,247	2,661,763,340	2,888,644,839	3,068,923,097
-Wages and Benefits	505,567,374	475,488,515	408,645,249	459,897,481	516,321,391
-Other Gains					
+Other Losses	451,152	451,152	803,162	338,348	
-Other Revenues					
Other Expenses	448,599,217	362,198,735	455,833,236	540,914,128	592,167,105

Depreciation and Amortization

Depreciation Exp	382,487,364	366,715,798	350,777,711	382,045,207	455,309,980
Amort & Depl of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses				716,288	1,417,090
Amort of Conversion Expenses					
Total Depre and Amort	382,487,364	366,715,798	350,777,711	382,761,494	456,727,070

Fuel and PP related to Sales for Resale (Not Used)

Total Fuel and PP	3,130,625,355	3,164,436,247	2,661,763,340	2,888,644,839	3,068,923,097
divided by Total MWHs	44,013,466	30,725,567	31,770,019	32,496,671	36,080,525
Fuel Cost per KWH	0.0711	0.1030	0.0838	0.0889	0.0851
times Sales for Resale MWHs	2,118	97,485	17,557	496,925	4,159,819
Sales for Resale Fuel	150,651	10,040,012	1,470,965	44,171,904	353,824,248

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
ELECTRIC UTILITY PLANT						
Intangible						1
Production						
Steam	\$467,959,688	\$457,538,286	\$460,368,359	\$458,416,401	\$594,261,865	2
Nuclear					898,473,135	3
Hydraulic						4
Other	25,633,904	21,422,342	25,768,934	25,768,964	35,593,761	5
Transmission	1,919,786,303	1,833,604,662	1,801,185,249	1,761,955,476	1,752,306,265	6
Distribution	9,682,006,780	9,005,497,051	8,543,230,113	8,189,583,538	7,848,879,619	7
General						8
Electric - Purchased or Sold						9
Experimental - Unclassified						10
Nuclear Fuel Assemblies					633,609,247	11
Total Electric Plant In Service	12,095,386,675	11,318,062,341	10,830,552,655	10,435,724,379	11,763,123,892	12
Leased To Others						13
Held For Future Use	3,914,020	5,573,700	3,518,757	6,054,506	6,249,229	14
Construction Work in Progress	491,251,398	839,302,215	644,794,822	425,144,562	335,798,746	15
Aquisition Adjustments						16
Total Electric Utility Plant	12,590,552,093	12,162,938,256	11,478,866,234	10,866,923,447	12,105,171,867	17
Accum. Provision - Depr. & Amort.	3,264,892,493	3,186,645,295	3,118,062,289	2,893,422,330	4,220,237,153	18
Net Electric Plant	\$9,325,659,600	\$8,976,292,961	\$8,360,803,944	\$7,973,501,117	\$7,884,934,714	19
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	1.65	1.50	1.55	1.36	1.02	20
Total Capitalization	\$12,014,278,852	\$11,280,249,113	\$10,927,634,406	\$10,229,049,453	\$10,084,274,070	21
<u>Percent Of Capitalization (Incl S-T Debt)</u>						
Long-Term Debt	47.3%	49.5%	53.3%	51.9%	51.7%	22
Preferred Stock	1.8%	1.9%	1.9%	2.4%	2.5%	23
Common Stock & Retained Earnings	50.9%	48.6%	44.8%	45.6%	44.4%	24
Short-Term Debt		0.0%	0.0%		1.4%	25
Pretax Coverage of Interest Expense	3.34	3.56	3.46	3.82	3.37	26
Com. Stock Dividends as a % of Earnings	76.4%	63.6%	62.7%	70.8%	81.1%	27
Return on Common Equity	8.9%	11.4%	12.7%	14.2%	12.9%	28
Internal Cash Generated as a % of Cash Outflows for Construction	82.6%	86.5%	103.3%	319.0%	85.6%	29
Earnings per Share	\$2.20	\$2.51	\$2.57	\$2.76	\$2.42	30
Book Value per Share	\$25.97	\$23.28	\$20.77	\$19.82	\$19.02	31
Dividends per Share	\$1.68	\$1.60	\$1.61	\$1.95	\$1.96	32
Number of Employees (Electric)	9,924	9,868	10,090	9,825	10,306	33

Current Assets	2,620,658,285	2,374,484,863	2,278,804,770	1,785,628,485	1,567,602,927
Current Liabilities	1,585,417,546	1,581,992,547	1,473,872,652	1,311,056,549	1,530,152,765
Total Capitalization	12,014,278,852	11,280,249,113	10,927,634,406	10,229,049,453	10,084,274,070
Long term Debt	5,685,368,289	5,585,382,751	5,819,021,149	5,311,751,844	5,215,107,966
Preferred Stock	212,562,527	212,562,526	212,562,527	249,612,527	249,612,527
Common Stock and Retained Earnings (Excl. Preferred Stock)	6,116,348,036	5,482,303,148	4,890,487,182	4,667,685,082	4,479,584,815
Short Term Debt		688	49,688		139,968,762
Pre-Tax Income	1,165,644,302	1,340,025,187	1,356,211,773	1,469,680,902	1,242,761,495
Interest Expense	348,879,432	376,336,040	391,781,974	385,147,395	369,100,174
Common Dividends Declared	395,806,470	375,813,729	379,818,290	459,719,028	462,290,269
Net Income Before Extraordinary Items (Excl. Preferred Stock Dividends)	518,024,523	590,575,487	605,381,881	649,468,085	570,122,249
Internal Cash	1,130,650,106	1,036,440,531	1,192,329,923	1,213,312,135	843,629,578
Cash Outflows for Construction	1,368,702,492	1,197,787,601	1,154,461,296	380,402,326	985,854,152
Shares Outstanding (Millions)	235,488,094	235,488,094	235,488,094	235,488,094	235,488,094
Number of Employees (Electric)	9,924	9,868	10,090	9,825	10,306
Miscellaneous Deferred Debits - Net	852,738,466	791,778,893	876,854,779	932,682,390	1,040,334,310
<u>Pre-Tax Income</u>					
Total Utility Operating Income	825,032,403	941,974,125	954,082,547	1,046,523,692	952,067,568
+Income Taxes - Electric	221,914,186	301,504,194	297,657,460	359,436,377	227,445,885
+Income Taxes - Gas	68,109,755	65,398,490	61,540,416	70,232,366	55,535,000
+Income Taxes - Steam					2,886,813
+Other Income	63,450,972	41,965,485	51,849,817	5,941,061	21,049,275
- Other Income Deductions	10,943,861	9,778,819	8,592,565	11,839,510	15,046,753
- Other Taxes	1,919,153	1,038,288	325,902	613,084	1,176,293
Pre-Tax Income	1,165,644,302	1,340,025,187	1,356,211,773	1,469,680,902	1,242,761,495

**LONG ISLAND LIGHTING COMPANY
COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS
FOR THE YEAR ENDED DECEMBER 31,**

UTILITY PLANT

1	Electric Utility Plant
2	Less Accum. Prov. For Deprec. & Amort.
3	Net Electric Utility Plant
4	Gas Utility Plant
5	Less Accum. Prov. For Deprec. & Amort.
6	Net Gas Utility Plant
7	Other Utility Plant
8	Less Accum. Prov. For Deprec. & Amort.
9	Net Other Utility Plant
10	Total Utility Plant
11	Less Accum. Prov. For Deprec. & Amort.
12	Net Total Utility Plant

OTHER PROPERTY AND INVESTMENTS

13	Nonutility Property
14	Accum. Prov. For Deprec. & Amort.
15	Investment in Associated Companies
16	Investment in Subsidiary Companies
17	Other Investments
18	Other Special Funds
19	Total Other Property and Investments

CURRENT AND ACCRUED ASSETS

20	Cash
21	Special Deposits
22	Working Funds
23	Temporary Cash Investments
24	Notes Receivable
25	Accounts Receivable
26	Accum. Prov. For Uncollectible Accts.
27	Notes Receivable from Associated Cos.
28	Accounts Receivable from Assoc. Cos.
29	Materials and Supplies
30	Gas Stored Underground - Current
31	Liquefied Natural Gas in Storage
32	Prepayments
33	Interest and Dividends Receivable
34	Rents Receivable
35	Accrued Utility Revenue
36	Misc. Current and Accrued Assets
37	Total Current and Accrued Assets

DEFERRED DEBITS

38	Unamort. Debt Expense
39	Extraordinary Property Losses
40	Prelim. Survey and Investigation Charges
41	Clearing Accounts
42	Temporary Facilities
43	Miscellaneous Deferred Debits
44	Deferred Losses from Disp. of Utility Plant
45	Research and Development
46	Accumulated Deferred Income Taxes
47	Total Deferred Debits

48	Total Assets and Other Debits
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Notes:

The Electric Division of LILCO was acquired by the

**LONG ISLAND LIGHTING COMPANY
COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS
FOR THE YEAR ENDED DECEMBER 31,**

PROPRIETARY CAPITAL	
Common Stock Issued	1
Preferred Stock Issued	2
Capital Stock Subscribed	3
Stock Liability for Conversion	4
Premium on Capital Stock	5
Other Paid-in Capital	6
Installments Received on Capital Stock	7
Capital Stock Expense	8
Retained Earnings	9
Accumulated Other Comprehensive Income	
Unapp Undistributed Subsidiary Earnings	10
Reaquired Capital Stock	11
Total Proprietary Capital	12
LONG-TERM DEBT	
Bonds	13
Reaquired Bonds	14
Advances from Associated Companies	15
Other Long-Term Debt	16
Unamortized Premium on Long-Term Debt	17
Unamortized Discount on Long-Term Debt-D	18
Total Long-Term Debt	19
CURRENT AND ACCRUED LIABILITIES	
Notes Payable	20
Accounts Payable	21
Notes Payable to Associated Companies	22
Accounts Payable to Associated Companies	23
Customer Deposits	24
Taxes Accrued	25
Interest Accrued	26
Dividends Declared	27
Matured Long-Term Debt	28
Matured Interest	29
Tax Collections Payable	30
Misc. Current and Accrued Liabilities	31
Total Current and Accrued Liabilities	32
DEFERRED CREDITS	
Customer Advances for Construction	33
Other Deferred Credits	34
Accumulated Deferred Investment Tax Credit	35
Deferred Gains from Disposition of Utility Plan	36
Accumulated Deferred Income Taxes	37
Total Deferred Credits	38
OPERATING RESERVES	
Property Insurance Reserve	39
Injuries and Damage Reserve	40
Pension and Benefits Reserve	41
Miscellaneous Operating Reserves	42
Total Operating Reserves	43
Total Liabilities and Other Credits	44

Notes:

The Electric Division of LILCO was acquired by the

103 C

LONG ISLAND LIGHTING COMPANY
STATEMENT OF INCOME AND RETAINED
FOR THE YEAR ENDED DECEMBER 31,

ELECTRIC OPERATING INCOME

1	Operating Revenues
	Operating Expense:
2	Operation Expense
3	Maintenance Expense
4	Depreciation Expense
5	Amort. and Depletion of Utility Plant
6	Amort. of Utility Plant Acq. Adj.
7	Amort of Property Losses
8	Amort of Conversion Expenses
9	Taxes Other than Income Taxes
10	Income Taxes
11	Gains from Disposition of Util. Plant
12	Losses from Disposition of Util. Plant
13	Total Operating Expenses
14	Net Operating Revenues
15	Other Electric Utility Operating Income
16	Total Electric Utility Operating Income

GAS OPERATING INCOME

17	Operating Revenues
	Operating Expense:
18	Operation Expense
19	Maintenance Expense
20	Depreciation Expense
21	Amort. and Depletion of Utility Plant
22	Amort. of Utility Plant Acq. Adj.
23	Amort of Property Losses
24	Amort of Conversion Expenses
25	Taxes Other than Income Taxes
26	Income Taxes
27	Gains from Disposition of Util. Plant
28	Losses from Disposition of Util. Plant
29	Total Operating Expenses
30	Net Operating Revenues
31	Other Gas Utility Operating Income
32	Total Gas Utility Operating Income
33	Other Utility Operating Income
34	Total Utility Operating Income

Notes:

The Electric Division of LILCO was acquired by the

**LONG ISLAND LIGHTING COMPANIES
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 1996**

OTHER INCOME	
Income - Merch., Jobbing & Contract Work	1
Income from Nonutility Operations	2
Nonoperating Rental Income	3
Equity in Earnings of Subsidiary Companies	4
Interest and Dividend Income	5
Allowance for Funds Used During Construction	6
Miscellaneous Nonoperating Income	7
Gain on Disposition of Property	8
Total Other Income	9

OTHER INCOME DEDUCTIONS	
Loss on Disposition of Property	10
Miscellaneous Amortization	11
Miscellaneous Income Deductions	12
Total Other Income Deductions	13

TAXES-OTHER INCOME AND DEDUCTIONS	
Taxes Other than Income Taxes	14
Income Taxes	15
Total Taxes-Other Income & Deductions	16
Net Other Income and Deductions	17

INTEREST CHARGES	
Interest on Long-term Debt	18
Amortization of Debt Discount and Expense	19
Amortization of Premium on Debt-Credit	20
Interest on Debt to Associated Company	21
Other Interest Expense	22
Total Interest Charges	23
Income Before Extraordinary Items	24

EXTRAORDINARY ITEMS	
Extraordinary Income	25
Extraordinary Deductions	26
Income Taxes, Extraordinary Items	27
Net Extraordinary Items	28

Net Income 29

RETAINED EARNINGS	
Unappropriated Retained Earnings (BOP)	30
Balance Transferred from Income	31
Appropriations of Retained Earnings	32
Dividends Declared-Preferred Stock	33
Dividends Declared-Common Stock	34
Adjustments to Retained Earnings	35
Net Change to Unapp. Retained Earnings	36
Unappropriated Retained Earnings (EOP)	37
Appropriated Retained Earnings (EOP)	38
Total Retained Earnings	39

Notes:

Beginning in 1996, the debt component of AFDUC is

The Electric Division of LILCO was acquired by the

**LONG ISLAND LIGHTING COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,**

Cash Flows from Operating Activities

1	Net Income
	Adjustments to reconcile net income to net cash provided by operating activities:
2	Depreciation, Depletion & Amortization
3	Deferred Taxes & ITCs
4	Receivables and Inventory
5	Payables and Accrued Expenses
6	Regulatory Assets (Net)
7	Capitalized AFUDC - Equity
8	Undistributed Earnings of Affiliates
9	Other Adjustments
10	
11	
12	Net Cash From Operating Activities

Cash Flows From Investing Activities

13	Cash Outflows For Construction
14	Acquisition Of Other Non-Current Assets
15	Investments in & Advances to Affiliates
16	Contributions & Advances from Affiliates
	Net Proceeds - Sale Or Disposition Of:
17	Property, Plant & Equipment
18	Investments In Affiliated Companies
19	Investment Securities
20	Other Current Assets & Liabilities
21	Other Cash Flows - Investing Activities
22	
23	
24	Net Cash From Investing Activities

Cash Flows From Financing Activities

	Net Proceeds (Payments) - Issuing & Retiring:
25	Long-Term Debt
26	Common Stock
27	Preferred Stock
28	Short-Term Debt
29	Dividends Paid
30	Other Cash Flows - Financing Activities
31	
32	
33	Net Cash From Financing Activities
34	Net Increase/(Decrease) In Cash & Equivalents
35	Cash & Equivalents At Beginning Of Year
36	Cash & Cash Equiv. At End Of Year

Notes:

The Electric Division of LILCO was acquired by the

LONG ISLAND LIGHTING COMPANY
STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE EXPENSES
FOR THE YEAR ENDED DECEMBER 31,

SALES AND CUSTOMER DATA
ELECTRIC REVENUES

Residential	1
Commercial	2
Industrial	3
Other Ultimate Customers	4
Total Revenues-Ultimate Customers	5
Resales	6
Other Operating Revenues	7
Total Electric Operating Revenues	8

KWH SALES (THOUSANDS)

Residential	9
Commercial	10
Industrial	11
Other Ultimate Customers	12
Total Sales-Ultimate Customers	13
Resales	14
Total Kilowatt-Hour Sales	15

AVG CUSTOMERS PER MONTH

Residential	16
Commercial	17
Industrial	18
Other Ultimate Customers	19
Total Ultimate Customers	20
Resales	21
Total Customers	22

ELECTRIC OPERATING REVENUE RELATIONSHIPS

Residential Sales

Average Annual Bill Per Customer	23
Average KWH Consumption Per Customer	24
Average Revenue Per KWH Sold (Cents)	25

Commercial Sales

Average Annual Bill Per Customer	26
Average KWH Consumption Per Customer	27
Average Revenue Per KWH Sold (Cents)	28

Industrial Sales

Average Annual Bill Per Customer	29
Average KWH Consumption Per Customer	30
Average Revenue Per KWH Sold (Cents)	31

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Steam Power Expense	32
Nuclear Power Expense	33
Hydraulic Power Expense	34
Other Power Generation Expense	35
Other Power Supply Expense	36
Total Power Production Expense	37
Transmission Expense	38
Distribution Expense	39
Customer Account Expense	40
Sales Expense	41
Administrative and General	42
Total Operation & Maintenance Expenses	43

Notes:

N/A - Breakdown of Commercial and Industrial not available

The Electric Division of LILCO was acquired by the

**LONG ISLAND LIGHTING COMPANY
DISTRIBUTION OF ELECTRIC REVENUE
YEARS ENDED DECEMBER 31,**

- 1 Total Revenues
- 2 Sales of Electricity (KWHs-000)

DOLLAR AMOUNTS

- 3 Fuel and Purchased Power
- 4 Wages and Benefits
- 5 Other Expenses
- 6 Depreciation & Amortization Expenses
- 7 Income Taxes-Operating
- 8 Other Taxes-Operating
- 9 Capital Costs
- 10 Total

PERCENT OF REVENUE

- 11 Fuel and Purchased Power
- 12 Wages and Benefits
- 13 Other Expenses
- 14 Depreciation & Amortization Expenses
- 15 Income Taxes-Operating
- 16 Other Taxes-Operating
- 17 Capital Costs
- 18 Total

CENTS PER KWH

- 19 Fuel and Purchased Power
- 20 Wages and Benefits
- 21 Other Expenses
- 22 Depreciation & Amortization Expenses
- 23 Income Taxes-Operating
- 24 Other Taxes-Operating
- 25 Capital Costs
- 26 Total

Notes:

(1) Includes Sales for Resale

(2) Dep & Amort Exp increase from 1990 to 1994 a Adjustment (1988 settlement).

The Electric Division of LILCO was acquired by the

Data Field Below

Fuel and Purchased Power

Steam - Fuel
Nuclear - Fuel
Hydro - Water for Power
Other Power - Fuel
Purchased Power
 Total Fuel and Purchased Power
-Fuel and PP related to Sales for Resale
 Fuel and PP - Ultimate Customers

Wages and Benefits

Salaries
Pensions and Benefits
 Total Wages and Benefits

Other Expenses

Total O&M Expenses
-Total Fuel and PP
-Wages and Benefits
-Other Gains
+Other Losses
-Other Revenues
 Other Expenses

Depreciation and Amortization

Depreciation Exp
Amort & Depl of Utility Plant
Amort of Other Utility Plant
Amort of Property Losses
Amort of Conversion Expenses
 Total Depre and Amort

Fuel and PP related to Sales for Resale (Not Use

Total Fuel and PP
divided by Total MWHs
 Fuel Cost per KWH
times Sales for Resale MWHs
 Sales for Resale Fuel

LONG ISLAND LIGHTING COMPANY
FIVE STATEMENT OF UTILITY PLANT AND SEI
FOR THE YEAR ENDED DECEMBER 31,

ELECTRIC UTILITY PLANT

Intangible	1
Production	
Steam	2
Nuclear	3
Hydraulic	4
Other	5
Transmission	6
Distribution	7
General	8
Electric - Purchased or Sold	9
Experimental - Unclassified	10
Nuclear Fuel Assemblies	11
Total Electric Plant In Service	12
Leased To Others	13
Held For Future Use	14
Construction Work in Progress	15
Aquisition Adjustments	16
Total Electric Utility Plant	17
Accum. Provision - Depr. & Amort.	18
Net Electric Plant	19

SELECTED RATIOS AND STATISTICS

Current Assets / Current Liabilities	20
Total Capitalization	21
<u>Percent Of Capitalization (Incl S-T Debt)</u>	
Long-Term Debt	22
Preferred Stock	23
Common Stock & Retained Earnings	24
Short-Term Debt	25
Pretax Coverage of Interest Expense	26
Com. Stock Dividends as a % of Earnings	27
Return on Common Equity	28
Internal Cash Generated as a % of Cash Outflows for Construction	29
Earnings per Share	30
Book Value per Share	31
Dividends per Share	32
Number of Employees	33

Notes:

The Electric Division of LILCO was acquired by the

Current Assets

Current Liabilities

Total Capitalization

Long-Term Debt

Preferred Stock

Common Stock and Retained Earnings
(Excl. Preferred Stock)

Short-Term Debt

Pretax Income

Interest Expense

Dividends Paid

Net Income
(Excl. Preferred Stock Dividends)

Internal Cash

Cash Outflows for Construction

Shares Outstanding (Millions)

Number of Employees (Electric)

NEW YORK STATE ELECTRIC & GAS CORPORATION
COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
UTILITY PLANT					
1 Electric Utility Plant	\$2,675,548,507	\$2,619,875,601	\$2,576,046,989	\$2,576,392,830	\$3,408,760,353
2 Less Accum. Prov. For Deprec. & Amort.	1,284,264,386	1,211,519,430	1,146,934,978	1,126,230,369	1,943,060,851
3 Net Electric Utility Plant	1,391,284,121	1,408,356,171	1,429,112,011	1,450,162,461	1,465,699,502
4 Gas Utility Plant	717,442,908	703,832,386	688,099,196	670,290,718	651,667,010
5 Less Accum. Prov. For Deprec. & Amort.	215,144,061	200,771,686	192,854,761	180,580,270	167,933,736
6 Net Gas Utility Plant	502,298,847	503,060,700	495,244,435	489,710,448	483,733,274
7 Other Utility Plant	171,048,596	145,507,522	131,975,652	136,746,524	143,362,994
8 Less Accum. Prov. For Deprec. & Amort.	43,774,042	36,158,255	32,102,612	35,153,189	38,808,066
9 Net Other Utility Plant	127,274,554	109,349,267	99,873,040	101,593,335	104,554,928
10 Total Utility Plant	3,564,040,011	3,469,215,509	3,396,121,837	3,383,430,072	4,203,790,357
11 Less Accum. Prov. For Deprec. & Amort.	1,543,182,489	1,448,449,371	1,371,892,351	1,341,963,828	2,149,802,653
12 Net Total Utility Plant	2,020,857,522	2,020,766,138	2,024,229,486	2,041,466,244	2,053,987,704
OTHER PROPERTY AND INVESTMENTS					
13 Nonutility Property	5,544,945	5,775,537	6,020,795	6,028,546	7,027,486
14 Accum. Prov. For Deprec. & Amort.	(669,366)	(896,114)	(1,372,372)	(1,390,180)	(1,393,858)
15 Investment in Associated Companies					
16 Investment in Subsidiary Companies					
17 Other Investments	362,602	32,565,119	36,388,681	38,356,449	37,764,762
18 Other Special Funds	59,850,867	442,490	342,490	261,917	33,353,444
19 Total Other Property and Investments	65,089,048	37,887,032	41,379,594	43,256,732	76,751,834
CURRENT AND ACCRUED ASSETS					
20 Cash	(8,888,827)	10,070,467	8,244,414	9,710,752	10,094,638
21 Special Deposits	9,811,873	30,353,186	44,204,585	1,431,920	21,439,844
22 Working Funds	1,015,305	1,244,011	274,442	805,343	2,523,198
23 Temporary Cash Investments	10,748,731	3,143,345	2,971,480	11,100,582	4,999,971
24 Notes Receivable				12,126,100	
25 Accounts Receivable	237,572,658	218,808,883	185,612,976	222,460,319	170,831,522
26 Accum. Prov. For Uncollectible Accts.	(7,288,293)	(10,288,000)	(10,288,000)	(6,300,000)	(6,300,000)
27 Notes Receivable from Associated Cos.					
28 Accounts Receivable from Assoc. Cos.	3,195,778	6,283,584	4,865,693		
29 Materials and Supplies	8,205,739	5,912,769	5,580,300	7,039,474	7,409,802
30 Gas Stored Underground - Current	45,536,214	43,187,242	28,992,649	32,081,191	28,661,762
31 Liquefied Natural Gas in Storage					
32 Prepayments	27,390,114	28,917,118	26,571,517	26,421,103	27,892,840
33 Interest and Dividends Receivable	11,086	10,960	19,466	1,079,957	165,300
34 Rents Receivable	1,141,982	3,314,841	1,474,375	1,004,727	1,379,984
35 Accrued Utility Revenue	84,014,528	72,035,897	78,504,873	74,442,120	34,769,639
36 Misc. Current and Accrued Assets	5,155,807	48,832,597	54,956,371		
37 Total Current and Accrued Assets	417,622,695	461,826,900	431,985,141	393,403,588	303,868,500
DEFERRED DEBITS					
38 Unamort. Debt Expense	36,535,020	25,516,499	24,224,128	16,045,839	17,016,107
39 Extraordinary Property Losses	28,562	75,509	122,456	169,403	216,350
40 Prelim. Survey and Investigation Charges					
41 Clearing Accounts			(53,396)	1,680,446	1,675,572
42 Temporary Facilities	(7,440)	(5,223)	(5,177)	(5,224)	34,036
43 Miscellaneous Deferred Debits	752,894,386	697,211,766	558,463,245	570,649,582	469,987,204
44 Deferred Losses from Disp. of Utility Plant					
45 Research and Development			(503)		
46 Accumulated Deferred Income Taxes	195,786,968	181,810,247	162,852,200	153,549,171	127,928,036
47 Total Deferred Debits	985,237,496	904,608,798	745,602,953	742,089,217	616,857,305
48 Total Assets and Other Debits	\$3,488,806,761	\$3,425,088,868	\$3,243,197,174	\$3,220,215,781	\$3,051,465,343

NEW YORK STATE ELECTRIC & GAS CORPORATION
COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
PROPRIETARY CAPITAL						
Common Stock Issued	\$430,056,628	\$430,056,628	\$430,056,628	\$430,056,628	\$430,056,628	1
Preferred Stock Issued	10,158,900	10,158,900	10,158,900	10,158,900	10,158,900	2
Capital Stock Subscribed						3
Stock Liability for Conversion						4
Premium on Capital Stock	148,699,535	148,699,535	148,699,535	148,699,534	148,699,534	5
Other Paid-in Capital	135,463,873	135,178,361	135,013,119	112,316,443	29,878,685	6
Accumulated Other Comprehensive Income	9,749,051	25,759,952	26,744,300			7
Capital Stock Expense	(4,439,125)	(4,439,125)	(4,439,125)	(4,439,125)	(4,596,713)	8
Retained Earnings	244,110,663	227,071,740	204,543,513	162,221,112	33,352,938	9
Accumulated Other Comprehensive Income						10
Unapp Undistributed Subsidiary Earnings						11
Reaquired Capital Stock						12
Total Proprietary Capital	973,799,525	972,485,991	950,776,870	859,013,492	647,549,972	
LONG-TERM DEBT						
Bonds			150,000,000	571,340,000	571,340,000	13
Reaquired Bonds						14
Advances from Associated Companies						15
Other Long-Term Debt	1,063,000,000	1,063,000,000	863,000,000	613,000,000	613,000,000	16
Unamortized Premium on Long-Term Debt						17
Unamortized Discount on Long-Term Debt-D	(5,013,802)	(4,778,518)	(3,177,494)	(3,727,878)	(4,205,881)	18
Total Long-Term Debt	1,057,986,198	1,058,221,482	1,009,822,506	1,180,612,122	1,180,134,119	19
CURRENT AND ACCRUED LIABILITIES						
Notes Payable	57,967,308	41,400,000	64,000,000		123,000,000	20
Accounts Payable	149,981,920	132,668,655	160,361,808	109,714,241	157,024,161	21
Notes Payable to Associated Companies						22
Accounts Payable to Associated Companies	16,095,571	15,777,721	8,228,013	110,347	2,656,174	23
Customer Deposits	15,215,684	13,501,370	10,384,980	8,574,558	8,479,714	24
Taxes Accrued	(19,629,854)	15,367,268	11,091,185	7,499,378	9,005,978	25
Interest Accrued	7,059,183	10,068,058	12,288,711	15,967,288	15,925,105	26
Dividends Declared	1	99,036			99,035	27
Matured Long-Term Debt						28
Matured Interest				13,529		29
Tax Collections Payable	3,714,834	471,203	1,294,400	(348,897)	973,054	30
Misc. Current and Accrued Liabilities	42,889,025	61,921,522	50,261,765	53,187,432	59,224,160	31
Total Current and Accrued Liabilities	273,293,672	291,274,833	317,910,862	194,717,876	376,387,381	32
DEFERRED CREDITS						
Customer Advances for Construction	3,122,292	2,794,348	3,102,785	3,393,030	3,699,364	33
Other Deferred Credits		461,570,936	417,857,374	492,213,330	350,815,913	34
Accumulated Deferred Investment Tax Credit	22,592,449	23,272,549	23,952,649	24,317,293	25,139,106	35
Deferred Gains from Disposition of Utility Plant						36
Accumulated Deferred Income Taxes	649,976,024	604,861,528	508,222,131	453,060,726	453,829,540	37
Total Deferred Credits	675,690,765	1,092,499,361	953,134,939	972,984,379	833,483,923	38
OPERATING RESERVES						
Property Insurance Reserve						39
Injuries and Damage Reserve	3,980,621	2,861,976	3,473,007	4,365,068	4,794,956	40
Pension and Benefits Reserve	497,029,779					41
Miscellaneous Operating Reserves	7,026,201	7,745,225	8,078,990	8,522,844	9,114,992	42
Total Operating Reserves	508,036,601	10,607,201	11,551,997	12,887,912	13,909,948	43
Total Liabilities and Other Credits	\$3,488,806,761	\$3,425,088,868	\$3,243,197,174	\$3,220,215,781	\$3,051,465,343	44

NEW YORK STATE ELECTRIC & GAS CORPORATION
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
ELECTRIC OPERATING INCOME					
1 Operating Revenues	\$1,529,822,159	\$1,471,320,841	\$1,545,106,740	\$1,689,464,256	\$1,746,138,367
Operating Expense:					
2 Operation Expense	1,069,956,505	973,748,261	1,033,523,691	1,000,795,640	1,039,621,045
3 Maintenance Expense	62,892,768	89,801,605	77,527,815	77,610,940	79,093,152
4 Depreciation Expense	80,746,476	78,529,934	77,779,685	80,650,352	99,106,398
5 Amort. and Depletion of Utility Plant	3,487,525	1,756,992	1,581,813	1,743,851	1,668,838
6 Amort. of Utility Plant Acq. Adj.	(11,013,302)		3,140,790	71,803,000	(9,518,389)
7 Amort of Property Losses					
8 Amort of Conversion Expenses					
9 Taxes Other than Income Taxes	84,875,698	90,050,512	91,436,748	101,254,839	99,366,073
10 Income Taxes	63,316,016	66,904,393	65,611,938	156,580,806	138,453,042
11 Gains from Disposition of Util. Plant					
12 Losses from Disposition of Util. Plant					
13 Total Operating Expenses	1,354,261,686	1,300,791,697	1,350,602,480	1,490,439,428	1,447,790,159
14 Net Operating Revenues	175,560,473	170,529,144	194,504,260	199,024,828	298,348,208
15 Other Electric Utility Operating Income					
16 Total Electric Utility Operating Income	175,560,473	170,529,144	194,504,260	199,024,828	298,348,208
GAS OPERATING INCOME					
17 Operating Revenues	433,868,349	404,848,164	333,472,702	348,409,563	376,885,385
Operating Expense:					
18 Operation Expense	319,916,645	283,709,537	218,355,748	285,750,848	290,640,559
19 Maintenance Expense	13,375,921	7,345,045	7,485,027	8,203,173	8,367,251
20 Depreciation Expense	18,688,463	19,116,884	18,929,417	18,250,087	17,791,807
21 Amort. and Depletion of Utility Plant	1,157,138	69,031	51,260	55,517	52,675
22 Amort. of Utility Plant Acq. Adj.	(6,424,584)				
23 Amort of Property Losses					
24 Amort of Conversion Expenses					
25 Taxes Other than Income Taxes	27,413,883	27,941,026	27,266,683	26,930,920	27,479,521
26 Income Taxes	16,129,086	18,727,511	13,933,871	(2,498,039)	6,022,902
27 Gains from Disposition of Util. Plant					
28 Losses from Disposition of Util. Plant					
29 Total Operating Expenses	390,256,552	356,909,034	286,022,006	336,692,506	350,354,715
30 Net Operating Revenues	43,611,797	47,939,130	47,450,696	11,717,057	26,530,670
31 Other Gas Utility Operating Income					
32 Total Gas Utility Operating Income	43,611,797	47,939,130	47,450,696	11,717,057	26,530,670
33 Other Utility Operating Income					
34 Total Utility Operating Income	\$219,172,270	\$218,468,274	\$241,954,956	\$210,741,885	\$324,878,878

NEW YORK STATE ELECTRIC & GAS CORPORATION
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
OTHER INCOME						
Income - Merch., Jobbing & Contract Work	\$122,430	\$98,279	(\$7,048)	(\$160,824)		1
Income from Nonutility Operations	243,370	(31,595)	(41,936)	(38,732)		2
Nonoperating Rental Income	(117,067)	160,577	140,567	106,571	111,629	3
Equity in Earnings of Subsidiary Companies						4
Interest and Dividend Income	5,313,915	1,037,925	4,455,809	5,696,952	3,319,899	5
Allowance for Funds Used During Construction		87,874	253,962			6
Miscellaneous Nonoperating Income	(521,900)	7,152,021	4,745,507	3,879,253	3,574,317	7
Gain on Disposition of Property	90,954		3,732,145	84,083,128		8
Total Other Income	5,131,702	8,505,081	13,279,006	93,566,348	7,005,845	9
OTHER INCOME DEDUCTIONS						
Loss on Disposition of Property						10
Miscellaneous Amortization		481	9,519		22,114	11
Miscellaneous Income Deductions	3,383,280	1,870,816	2,414,110	4,045,741	11,180,654	12
Total Other Income Deductions	3,383,280	1,871,297	2,423,629	4,045,741	11,202,768	13
TAXES-OTHER INCOME AND DEDUCTIONS						
Taxes Other than Income Taxes		396,312	356,939	362,774	356,782	14
Income Taxes	93,697	2,387,649	10,846,973	1,613,484	(4,051,454)	15
	93,697	2,783,961	11,203,912	1,976,258	(3,694,672)	16
	1,654,725	3,849,823	(348,535)	87,544,349	(502,251)	17
INTEREST CHARGES						
Interest on Long-term Debt	45,083,386	52,220,421	62,752,270	79,355,274	81,026,659	18
Amortization of Debt Discount and Expense	7,455,797	7,024,696	23,653,670	5,280,356	5,438,732	19
Amortization of Premium on Debt-Credit			(578,472)	(144,777)	(144,777)	20
Interest on Debt to Associated Company				417		21
Other Interest Expense	20,852,742	20,148,606	23,060,405	18,988,148	16,812,951	22
Total Interest Charges	73,391,925	79,393,723	108,887,873	103,479,418	103,133,565	23
Income Before Extraordinary Items	147,435,070	142,924,374	132,718,548	194,806,816	221,243,062	24
EXTRAORDINARY ITEMS						
Extraordinary Income						25
Extraordinary Deductions					(2,766,424)	26
Income Taxes, Extraordinary Items					(1,121,093)	27
Net Extraordinary Items					(1,645,331)	28
Net Income	\$147,435,070	\$142,924,374	\$132,718,548	\$194,806,816	\$219,597,731	29
RETAINED EARNINGS						
Unappropriated Retained Earnings (BOP)	\$226,630,685	\$204,102,458	\$161,780,057	\$32,911,883	\$23,956,347	30
Balance Transferred from Income	147,435,070	142,924,374	132,718,548	194,806,816	219,597,731	31
Appropriations of Retained Earnings					(355,777)	32
Dividends Declared-Preferred Stock	396,147	396,147	396,147	396,147	396,147	33
Dividends Declared-Common Stock	130,000,000	120,000,000	90,000,000	65,542,495	210,601,825	34
Adjustments to Retained Earnings						35
Net Change to Unapp. Retained Earnings	17,038,923	22,528,227	42,322,401	128,868,174	8,955,536	36
Unappropriated Retained Earnings (EOP)	243,669,608	226,630,685	204,102,458	161,780,057	32,911,883	37
Appropriated Retained Earnings (EOP)	441,055	441,055	441,055	441,055	441,055	38
Total Retained Earnings	\$244,110,663	\$227,071,740	\$204,543,513	\$162,221,112	\$33,352,938	39

Notes:

The debt component of AFDUC is included with other interest expense.

NEW YORK STATE ELECTRIC & GAS CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
Cash Flows from Operating Activities					
1 Net Income	\$147,435,070	\$142,924,374	\$132,718,548	\$194,806,816	\$219,597,731
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	74,278,252	99,864,493	76,476,571	16,718,819	53,765,726
3 Deferred Taxes & ITCs	30,931,736	56,329,336	38,052,976	14,932,651	1,257,101
4 Receivables and Inventory	(11,055,201)	(44,503,841)	37,045,455	(94,889,778)	(62,841,735)
5 Payables and Accrued Expenses	(34,202,853)	(20,966,643)	25,230,246	(58,454,517)	2,854,316
6 Regulatory Assets (Net)	13,731,145	(33,139,636)	(10,419,397)	143,699,938	(6,397,102)
7 Capitalized AFUDC - Equity					
8 Undistributed Earnings of Affiliates					
9 Other Adjustments	(4,779,968)	(13,728,746)	25,751,000	(133,175,284)	51,229,449
10			(67,569,269)		1,645,331
11			(30,764,132)		10,094,638
12 Net Cash From Operating Activities	<u>216,338,181</u>	<u>186,779,337</u>	<u>226,521,998</u>	<u>83,638,645</u>	<u>271,205,455</u>
Cash Flows From Investing Activities					
13 Cash Outflows For Construction	(114,091,956)	(95,857,331)	(82,733,584)	(79,885,235)	(81,386,159)
14 Acquisition Of Other Non-Current Assets			59,441,501	59,441,501	
15 Investments in & Advances to Affiliates					
16 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
17 Property, Plant & Equipment					
18 Investments In Affiliated Companies					
19 Investment Securities					3,000,000
20 Other Current Assets & Liabilities					
21 Other Cash Flows - Investing Activities				29,740,600	
22		12,140,627	(4,312,108)	2,000	(13,066,574)
23					
24 Net Cash From Investing Activities	<u>(114,091,956)</u>	<u>(83,716,704)</u>	<u>(27,604,191)</u>	<u>9,298,866</u>	<u>(91,452,733)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
25 Long-Term Debt		42,901,000	(182,648,000)		(25,390,784)
26 Common Stock					
27 Preferred Stock					
28 Short-Term Debt	16,567,308	(22,600,000)	64,000,000	(123,000,000)	(40,240,000)
29 Dividends Paid	(130,396,147)	(120,396,146)	(90,396,147)	(65,938,642)	(210,997,972)
30 Other Cash Flows - Financing Activities				100,000,000	
31					
32					
33 Net Cash From Financing Activities	<u>(113,828,839)</u>	<u>(100,095,146)</u>	<u>(209,044,147)</u>	<u>(88,938,642)</u>	<u>(276,628,756)</u>
34 Net Increase/(Decrease) In Cash & Equivaler	(11,582,614)	2,967,487	(10,126,340)	3,998,869	(96,876,034)
35 Cash & Equivalents At Beginning Of Year	14,457,823	11,490,336	21,616,676	17,617,807	114,493,841
36 Cash & Cash Equiv. At End Of Year	\$2,875,209	\$14,457,823	\$11,490,336	\$21,616,676	\$17,617,807

NEW YORK STATE ELECTRIC & GAS CORPORATION
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE - ELECTRIC
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
SALES AND CUSTOMER DATA						
ELECTRIC REVENUES						
Residential	\$718,094,482	\$713,946,764	\$682,849,546	\$734,287,309	\$717,976,247	1
Commercial	324,254,194	332,761,205	303,533,656	335,979,784	338,282,584	2
Industrial	172,658,305	181,523,748	187,502,813	204,809,848	199,453,682	3
Other Ultimate Customers	128,047,522	131,139,014	109,560,246	128,786,951	120,819,179	4
Total Revenues-Ultimate Customers	1,343,054,503	1,359,370,731	1,283,446,261	1,403,863,892	1,376,531,692	5
Resales	156,606,959	88,053,064	75,082,623	139,467,287	176,833,814	6
Other Operating Revenues	30,160,697	23,897,045	186,577,856	146,133,077	192,772,861	7
Total Electric Operating Revenues	\$1,529,822,159	\$1,471,320,840	\$1,545,106,740	\$1,689,464,256	\$1,746,138,367	8
KWH SALES (THOUSANDS)						
Residential	5,974,424	5,977,242	5,544,411	5,288,097	5,221,057	9
Commercial	3,846,808	3,793,164	2,918,363	2,882,701	2,924,857	10
Industrial	3,328,987	3,288,941	2,891,026	2,848,457	2,916,103	11
Other Ultimate Customers	1,645,250	1,628,720	1,113,103	1,172,512	1,110,202	12
Total Sales-Ultimate Customers	14,795,469	14,688,067	12,466,903	12,191,767	12,172,219	13
Resales	3,001,486	1,449,079	1,831,970	2,714,900	4,987,334	14
Total Kilowatt-Hour Sales	17,796,955	16,137,146	14,298,873	14,906,667	17,159,553	15
AVG CUSTOMERS PER MONTH						
Residential	742,899	740,515	715,299	710,050	705,822	16
Commercial	96,855	94,012	82,376	80,008	79,370	17
Industrial	2,734	2,775	2,376	2,394	2,383	18
Other Ultimate Customers	13,666	13,518	10,729	10,782	10,658	19
Total Ultimate Customers	856,154	850,820	810,780	803,234	798,233	20
Resales	8					21
Total Customers	856,162	850,820	810,780	803,234	798,233	22
ELECTRIC OPERATING REVENUE RELATIONSHIP						
Residential Sales						
Average Annual Bill Per Customer	\$967	\$964	\$955	\$1,034	\$1,017	23
Average KWH Consumption Per Customer	8,042	8,072	7,751	7,447	7,397	24
Average Revenue Per KWH Sold (Cents)	12.02	11.94	12.32	13.89	13.75	25
Commercial Sales						
Average Annual Bill Per Customer	\$3,348	\$3,540	\$3,685	\$4,199	\$4,262	26
	39,717	40,348	35,427	36,030	36,851	27
Average Revenue Per KWH Sold (Cents)	8.43	8.77	10.40	11.66	11.57	28
Industrial Sales						
Average Annual Bill Per Customer	\$63,152	\$65,414	\$78,915	\$85,551	\$83,699	29
Average KWH Consumption Per Customer	1,217,625	1,185,204	1,216,762	1,189,832	1,223,711	30
Average Revenue Per KWH Sold (Cents)	5.19	5.52	6.49	7.19	6.84	31
ELECTRIC OPERATION AND MAINTENANCE EXPENSES						
Steam Power Expense			\$455	\$19,099	(\$736,374)	32
Nuclear Power Expense		\$1,683	(498,336)	31,924,770	39,287,106	33
Hydraulic Power Expense	\$1,482,172	966,675	1,238,536	1,146,736	1,209,457	34
Other Power Generation Expense	612,280	783,895	847,995	40,248	43,919	35
Other Power Supply Expense	860,108,141	801,904,666	841,747,354	797,937,073	827,421,170	36
Total Power Production Expense	862,202,593	803,656,919	843,336,004	831,067,926	867,225,278	37
Transmission Expense	29,961,851	23,577,520	23,695,708	24,989,445	23,766,717	38
Distribution Expense	91,906,564	100,075,178	87,919,642	77,642,598	75,803,513	39
Customer Account Expense	65,468,227	63,265,630	70,827,070	94,283,471	84,072,634	40
Sales Expense	2,961,519	2,004,031	2,871,862	2,628,829	3,136,343	41
Administrative and General	80,348,519	70,970,589	82,401,220	47,794,311	64,709,712	42
Total Operation & Maintenance Expenses	\$1,132,849,273	\$1,063,549,867	\$1,111,051,506	\$1,078,406,580	\$1,118,714,197	43

Notes:

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

NEW YORK STATE ELECTRIC & GAS CORPORATION
DISTRIBUTION OF ELECTRIC REVENUES
YEARS ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
1 Total Revenues	\$1,529,822,159	\$1,471,320,840	\$1,545,106,740	\$1,689,464,256	\$1,746,138,367
2 Sales of Electricity (KWHs-000)	17,796,955	16,137,146	14,298,873	14,906,667	17,159,553
DOLLAR AMOUNTS					
3 Fuel and Purchased Power	\$860,099,505	\$799,715,773	\$839,533,556	\$801,877,334	\$830,007,934
4 Wages and Benefits	114,088,828	116,622,128	121,322,445	91,640,366	113,889,829
5 Other Expenses	158,660,940	147,211,966	150,195,505	184,888,880	174,816,434
6 Depreciation & Amortization Expenses	73,220,699	80,286,926	82,502,288	154,197,203	91,256,847
7 Income Taxes-Operating	63,316,016	66,904,393	65,611,938	156,580,806	138,453,042
8 Other Taxes-Operating	84,875,698	90,050,512	91,436,748	101,254,839	99,366,073
9 Capital Costs	175,560,473	170,529,142	194,504,260	199,024,828	298,348,208
10 Total	\$1,529,822,159	\$1,471,320,840	\$1,545,106,740	\$1,689,464,256	\$1,746,138,367
PERCENT OF REVENUE					
11 Fuel and Purchased Power	56.2	54.4	54.3	47.5	47.5
12 Wages and Benefits	7.5	7.9	7.9	5.4	6.5
13 Other Expenses	10.4	10.0	9.7	10.9	10.0
14 Depreciation & Amortization Expenses	4.8	5.5	5.3	9.1	5.2
15 Income Taxes-Operating	4.1	4.5	4.2	9.3	7.9
16 Other Taxes-Operating	5.5	6.1	5.9	6.0	5.7
17 Capital Costs	11.5	11.6	12.6	11.8	17.1
18 Total	100.0	100.0	100.0	100.0	100.0
CENTS PER KWH					
19 Fuel and Purchased Power	4.83	4.96	5.87	5.38	4.84
20 Wages and Benefits	0.64	0.72	0.85	0.61	0.66
21 Other Expenses	0.89	0.91	1.05	1.24	1.02
22 Depreciation & Amortization Expenses	0.41	0.50	0.58	1.03	0.53
23 Income Taxes-Operating	0.36	0.41	0.46	1.05	0.81
24 Other Taxes-Operating	0.48	0.56	0.64	0.68	0.58
25 Capital Costs	0.99	1.06	1.36	1.34	1.74
26 Total	8.60	9.12	10.81	11.33	10.18

Notes:

Includes Sales for Resale

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

Data Field Below**Fuel and Purchased Power**

Steam - Fuel					
Nuclear - Fuel				6,399,845	5,314,209
Hydro - Water for Power					
Other Power - Fuel	33	66,112	49,204	9,915	8,120
Purchased Power	860,099,472	799,649,661	839,484,352	795,467,574	824,685,605
Total Fuel and Purchased Power	860,099,505	799,715,773	839,533,556	801,877,334	830,007,934
-Fuel and PP related to Sales for Resale					
Fuel and PP - Ultimate Customers	860,099,505	799,715,773	839,533,556	801,877,334	830,007,934

Wages and Benefits

Salaries	113,739,324	125,396,686	130,527,251	125,995,413	133,411,723
Pensions and Benefits	349,504	(8,774,558)	(9,204,806)	(34,355,047)	(19,521,894)
Total Wages and Benefits	114,088,828	116,622,128	121,322,445	91,640,366	113,889,829

Other Expenses

Total O&M Expenses	1,132,849,273	1,063,549,867	1,111,051,506	1,078,406,580	1,118,714,197
-Total Fuel and PP	860,099,505	799,715,773	839,533,556	801,877,334	830,007,934
-Wages and Benefits	114,088,828	116,622,128	121,322,445	91,640,366	113,889,829
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses/Income	158,660,940	147,211,966	150,195,505	184,888,880	174,816,434

Depreciation and Amortization

Depreciation Exp	80,746,476	78,529,934	77,779,685	80,650,352	99,106,398
Amort & Depl of Utility Plant	3,487,525	1,756,992	1,581,813	1,743,851	1,668,838
Amort of Other Utility Plant	(11,013,302)		3,140,790	71,803,000	(9,518,389)
Amort of Property Losses					
Amort of Conversion Expenses					
Total Depre and Amort	73,220,699	80,286,926	82,502,288	154,197,203	91,256,847

Fuel and PP related to Sales for Resale (Not Used)

Total Fuel and PP	860,099,505	799,715,773	839,533,556	801,877,334	830,007,934
divided by Total MWHs	17,796,955	16,137,146	14,298,873	14,906,667	17,159,553
Fuel Cost per KWH	0.0483	0.0496	0.0587	0.0538	0.0484
times Sales for Resale MWHs	3,001,486	1,449,079	1,831,970	2,714,900	4,987,334
Sales for Resale Fuel	145,057,209	71,812,657	107,560,945	146,043,161	241,237,449

NEW YORK STATE ELECTRIC & GAS CORPORATION
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
ELECTRIC UTILITY PLANT						
Intangible	\$5,285,457	\$1,579,645	\$1,579,645	\$1,564,326	\$1,579,645	1
Production						
Steam	533,840	658,460	658,460	658,460	658,460	2
Nuclear				1	753,514,531	3
Hydraulic	119,283,944	116,393,756	116,214,636	115,875,826	115,650,509	4
Other	391,459	300,710	286,524	286,524	286,524	5
Transmission	632,515,978	620,741,968	616,351,072	612,062,628	614,878,750	6
Distribution	1,738,675,455	1,684,835,201	1,653,070,202	1,628,529,182	1,607,520,414	7
General	170,273,220	167,252,057	162,287,211	201,573,349	203,846,488	8
Electric - Purchased or Sold						9
Experimental - Unclassified						10
Nuclear Fuel Assemblies					92,082,082	11
Total Electric Plant In Service	2,666,959,353	2,591,761,797	2,550,447,750	2,560,550,296	3,390,017,403	12
Leased To Others	4,700,109					13
Held For Future Use	1,327,628	1,327,628	1,327,628	1,643,883	1,643,884	14
Construction Work in Progress	2,561,417	26,786,177	24,271,610	14,198,651	17,099,066	15
Aquisition Adjustments						16
Total Electric Utility Plant	2,675,548,507	2,619,875,602	2,576,046,988	2,576,392,830	3,408,760,353	17
Accum. Provision - Depr. & Amort.	1,284,264,386	1,211,519,430	1,146,934,978	1,126,230,369	1,943,060,851	18
Net Electric Plant	\$1,391,284,121	\$1,408,356,172	\$1,429,112,010	\$1,450,162,461	\$1,465,699,502	19
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	1.52	1.43	1.36	2.02	0.81	20
Total Capitalization	\$2,080,003,980	\$2,046,347,521	\$2,024,599,376	\$2,039,625,614	\$1,950,684,091	21
<u>Percent Of Capitalization (Incl S-T Debt)</u>						
Long-Term Debt	50.9%	51.7%	49.9%	57.9%	60.5%	22
Preferred Stock	0.5%	0.5%	0.5%	0.5%	0.5%	23
Common Stock & Retained Earnings	45.9%	45.8%	46.5%	41.6%	32.7%	24
Short-Term Debt	2.8%	2.0%	3.2%		6.3%	25
Pretax Coverage of Interest Expense	4.07	3.83	3.05	4.39	4.51	26
Com. Stock Dividends as a % of Earnings	59.4%	55.0%	68.0%	33.7%	95.4%	27
Return on Common Equity	23.1%	23.2%	14.8%	26.2%	34.9%	28
Internal Cash Generated as a % of Cash Outflows for Construction	189.6%	194.9%	273.8%	104.7%	333.2%	29
Earnings per Share	\$3.39	\$3.38	\$2.05	\$3.01	\$3.42	30
Book Value per Share	\$14.76	\$14.52	\$14.58	\$13.16	\$9.88	31
Dividends per Share	\$2.01	\$1.86	\$1.40	\$1.02	\$3.26	32
Number of Employees (Electric)	2,296	2,163	2,332	2,393	2,364	33

Current Assets	412,466,888	412,994,303	431,985,141	393,403,588	303,868,500
Current Liabilities	270,633,389	288,420,214	317,910,862	194,717,876	376,387,381
Total Capitalization	2,080,003,980	2,046,347,521	2,024,599,376	2,039,625,614	1,950,684,091
Long-Term Debt	1,057,986,198	1,058,221,482	1,009,822,506	1,180,612,122	1,180,134,119
Preferred Stock	10,158,900	10,158,900	10,158,900	10,158,900	10,158,900
Common Stock and Retained Earnings (Excl. Preferred Stock)	953,891,574	936,567,139	940,617,970	848,854,592	637,391,072
Short-Term Debt	57,967,308	41,400,000	64,000,000		123,000,000
Pretax Income	298,617,372	304,100,178	331,999,203	453,982,485	464,801,117
Interest Expense	73,391,925	79,393,723	108,887,873	103,479,418	103,133,565
Common Dividends Paid	130,000,000	120,000,000	90,000,000	65,542,495	210,601,825
Net Income Before Extraordinary Items (Excl. Preferred Stock Dividends)	218,776,123	218,072,127	132,322,401	194,410,669	220,846,915
Internal Cash	216,338,181	186,779,337	226,521,998	83,638,645	271,205,455
Cash Outflows for Construction	114,091,956	95,857,331	82,733,584	79,885,235	81,386,159
Shares Outstanding (Millions)	64,610,066	64,508,477	64,508,477	64,508,477	64,508,477
Misc Deferred Debits - Net	579,318,882	(422,707,826)	140,605,871	78,436,252	119,171,291
Number of Employees	2,296	2,163	2,332	2,393	2,364

NIAGARA MOHAWK POWER CORPORATION
COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
UTILITY PLANT					
1 Electric Utility Plant	\$6,371,180,810	\$6,271,854,908	\$6,203,782,634	\$5,077,199,661	\$8,110,723,577
2 Less Accum. Prov. For Deprec. & Amort.	1,830,593,059	1,797,176,510	1,762,444,826	1,677,997,704	3,537,074,108
3 Net Electric Utility Plant	4,540,587,751	4,474,678,398	4,441,337,808	3,399,201,957	4,573,649,468
4 Gas Utility Plant	1,749,828,136	1,707,282,553	1,630,178,341	1,370,613,669	1,336,665,861
5 Less Accum. Prov. For Deprec. & Amort.	498,786,317	471,909,094	449,133,199	424,196,938	397,588,109
6 Net Gas Utility Plant	1,251,041,819	1,235,373,459	1,181,045,143	946,416,731	939,077,753
7 Other Utility Plant	333,037,964	341,628,230	352,249,942	364,154,206	354,232,004
8 Less Accum. Prov. For Deprec. & Amort.	92,567,239	89,537,555	93,166,365	92,078,391	84,620,025
9 Net Other Utility Plant	240,470,725	252,090,675	259,083,578	272,075,816	269,611,979
10 Total Utility Plant	8,454,046,910	8,320,765,691	8,186,210,918	6,811,967,536	9,801,621,442
11 Less Accum. Prov. For Deprec. & Amort.	2,421,946,615	2,358,623,159	2,304,744,389	2,194,273,033	4,019,282,242
12 Net Total Utility Plant	6,032,100,295	5,962,142,532	5,881,466,528	4,617,694,503	5,782,339,200
OTHER PROPERTY AND INVESTMENTS					
13 Nonutility Property	10,200,489	4,591,559	3,740,616	4,083,963	4,274,519
14 Accum. Prov. For Deprec. & Amort.	(823,177)	(955,298)	(922,519)	(922,519)	(888,936)
15 Investment in Associated Companies					
16 Investment in Subsidiary Companies	9,295,163	238,310,409	240,080,520	235,376,730	328,302,623
17 Other Investments	8,903,284	7,849,351	8,651,911	8,736,361	133,862
18 Other Special Funds	29,460,596	52,496,285	64,740,251	81,539,073	407,789,663
19 Total Other Property and Investments	57,036,355	302,292,306	316,290,780	328,813,609	739,611,731
CURRENT AND ACCRUED ASSETS					
20 Cash	6,543,965	7,424,069	38,455,698	23,385,718	23,340,733
21 Special Deposits	48,536,482	31,522,662	9,378,163	28,745,030	(19,050,031)
22 Working Funds	763,228	1,148,515	(881,471)	(999,176)	213,359
23 Temporary Cash Investments		343,115	342,695	71,226,033	37,298,518
24 Notes Receivable	72,976	72,976	72,976	249,882,571	144,076
25 Accounts Receivable	512,982,793	516,293,650	446,296,166	65,068,663	70,994,378
26 Accum. Prov. For Uncollectible Accts.	(122,203,600)	(122,497,000)	(87,594,900)		
27 Notes Receivable from Associated Cos.				117,700,000	19,900,000
28 Accounts Receivable from Assoc. Cos.	11,137,238	413,108	1,833,929	(27,873,631)	(27,558,447)
29 Materials and Supplies	15,249,059	16,803,898	17,814,481	19,500,112	93,451,722
30 Gas Stored Underground - Current	85,649,337	79,015,723	48,040,461	56,110,877	50,947,408
31 Liquefied Natural Gas in Storage					
32 Prepayments	53,721,245	52,654,811	34,253,318	36,677,809	70,494,826
33 Interest and Dividends Receivable	2,988	36,724	17,113	4,271,766	292,047
34 Rents Receivable	4,777,223	4,303,334	3,955,359	7,198,705	3,965,805
35 Accrued Utility Revenue	131,154,450	136,548,950	147,019,000		
36 Misc. Current and Accrued Assets	1,922,964	12,085,280	17,793,736	790,642	10,931,421
37 Total Current and Accrued Assets	750,310,348	736,169,815	676,796,724	651,685,119	335,365,815
DEFERRED DEBITS					
38 Unamort. Debt Expense	36,590,232	37,810,773	37,037,696	85,409,370	99,864,316
39 Extraordinary Property Losses					10,179,215
40 Prelim. Survey and Investigation Charges	1,813,319	1,379,668	772,314	327,316	184,177
41 Clearing Accounts	4,647,376	154,234	1	(11,285)	(31,240)
42 Temporary Facilities		(31,533)	26,664	(29,111)	(20,034)
43 Miscellaneous Deferred Debits	5,003,651,123	5,318,423,724	5,293,780,183	5,866,807,407	5,409,305,299
44 Deferred Losses from Disp. of Utility Plant					
45 Research and Development			(277,917)	(54,243)	
46 Accumulated Deferred Income Taxes	1,282,932,913	1,394,478,000	1,493,787,000	1,101,575,135	1,415,901,135
47 Total Deferred Debits	6,329,634,963	6,752,214,866	6,825,125,941	7,054,024,589	6,935,382,868
48 Total Assets and Other Debits	\$13,169,081,961	\$13,752,819,519	\$13,699,679,974	\$12,652,217,821	\$13,792,699,614

NIAGARA MOHAWK POWER CORPORATION
COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
PROPRIETARY CAPITAL						
Common Stock Issued	\$187,364,863	\$187,364,863	\$187,364,863	\$187,364,863	\$187,364,863	1
Preferred Stock Issued	41,171,500	66,325,500	98,821,900	493,750,000	501,370,025	2
Capital Stock Subscribed						3
Stock Liability for Conversion						4
Premium on Capital Stock			2,640,684,663	2,061,830,237	2,061,830,237	5
Other Paid-in Capital	2,929,499,520	2,929,500,500		334,494,268	334,494,268	6
Installments Received on Capital Stock						7
Capital Stock Expense				(32,470,134)	(33,920,470)	8
Retained Earnings	365,642,720	160,480,078	49,825,453	238,572,833	288,897,963	9
Accumulated Other Comprehensive Income	(342,366)	532,888				
Unapp Undistributed Subsidiary Earnings			550,708	4,398,998	2,748,441	10
Reaquired Capital Stock				(407,192,671)	(407,192,671)	11
Total Proprietary Capital	3,523,336,237	3,344,203,829	2,977,247,586	2,880,748,394	2,935,592,655	12
LONG-TERM DEBT						
Bonds	759,286,000	991,711,000	1,466,968,000	1,938,000,000	2,248,000,000	13
Reaquired Bonds						14
Advances from Associated Companies	1,200,000,000	1,200,000,000	500,000,000			15
Other Long-Term Debt	1,516,199,000	1,816,371,585	2,595,389,298	3,022,079,493	3,161,110,688	16
Unamortized Premium on Long-Term Debt			27,256	91,395	216,753	17
Unamortized Discount on Long-Term Debt-Debit	(1,612,821)	(2,193,117)	(6,352,864)	(9,146,508)	(10,867,802)	18
Total Long-Term Debt	3,473,872,179	4,005,889,468	4,556,031,690	4,951,024,380	5,398,459,639	19
CURRENT AND ACCRUED LIABILITIES						
Notes Payable						20
Accounts Payable	234,884,824	261,468,391	253,353,418	230,559,618	344,906,180	21
Notes Payable to Associated Companies	704,499,680	701,600,000	291,000,000			22
Accounts Payable to Associated Companies	56,054,708	260,873,593	224,766,510	(4,463,869)	(10,869,285)	23
Customer Deposits	26,013,039	25,665,285	23,456,585	18,883,845	18,806,848	24
Taxes Accrued	9,853,980	5,241,897	30,804,217	8,534,606	10,857,799	25
Interest Accrued	45,896,266	54,131,507	69,466,777	82,272,473	98,407,938	26
Dividends Declared						27
Matured Long-Term Debt					22,291	28
Matured Interest						29
Tax Collections Payable			1,277,149	837,868	601,448	30
Misc. Current and Accrued Liabilities	128,288,094	114,052,336	104,429,692	139,530,263	462,123,112	31
Total Current and Accrued Liabilities	1,205,490,591	1,423,033,009	998,554,349	476,154,804	924,856,331	32
DEFERRED CREDITS						
Customer Advances for Construction	2,532,939	2,276,670	1,909,946	1,924,324		33
Other Deferred Credits	2,320,673,134	2,404,917,632	2,665,659,481	1,769,705,393	1,622,807,129	34
Accumulated Deferred Investment Tax Credits	41,547,000	44,494,000	47,108,418	49,890,418	135,924,418	35
Deferred Gains from Disposition of Utility Plant						36
Accumulated Deferred Income Taxes	2,593,763,503	2,518,182,793	2,439,393,647	2,510,178,728	2,759,477,728	37
Total Deferred Credits	4,958,516,576	4,969,871,095	5,154,071,491	4,331,698,863	4,518,209,275	38
OPERATING RESERVES						
Property Insurance Reserve						39
Injuries and Damage Reserve	3,104,500	4,127,500	7,147,500			40
Pension and Benefits Reserve						41
Miscellaneous Operating Reserves	4,761,878	5,694,618	6,627,358	12,591,380	15,581,714	42
Total Operating Reserves	7,866,378	9,822,118	13,774,858	12,591,380	15,581,714	43
Total Liabilities and Other Credits	\$13,169,081,961	\$13,752,819,519	\$13,699,679,974	\$12,652,217,821	\$13,792,699,614	44

NIAGARA MOHAWK POWER CORPORATION
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
ELECTRIC OPERATING INCOME					
1 Operating Revenues	\$3,175,168,934	\$3,247,128,695	\$3,286,720,234	\$3,401,819,822	\$3,239,177,324
Operating Expense:					
2 Operation Expense	1,918,221,615	2,117,990,976	2,148,001,171	2,373,030,760	2,225,392,334
3 Maintenance Expense	111,503,744	133,969,806	134,022,446	153,622,067	153,178,821
4 Depreciation Expense	156,446,331	157,600,968	154,527,831	254,251,298	268,196,811
5 Amort. and Depletion of Utility Plant	7,719,149	7,040,963	7,048,977	7,056,856	6,700,086
6 Amort. of Utility Plant Acq. Adj.	247,920,799	176,752,579			35,566
7 Amort of Property Losses			133,799,998	955,865	1,124,547
8 Amort of Conversion Expenses	36,912	36,913	36,913	33,837	
9 Taxes Other than Income Taxes	173,878,309	179,333,612	204,166,240	179,615,628	231,718,202
10 Income Taxes	129,307,464	68,350,263	77,949,565	14,000	(28,922,963)
11 Gains from Disposition of Util. Plant					
12 Losses from Disposition of Util. Plant	6,788,413				
13 Total Operating Expenses	2,751,822,736	2,841,076,080	2,859,553,141	2,968,580,310	2,857,423,404
14 Net Operating Revenues	423,346,198	406,052,615	427,167,093	433,239,512	381,753,920
15 Other Electric Utility Operating Income					
16 Total Electric Utility Operating Income	423,346,198	406,052,615	427,167,093	433,239,512	381,753,920
GAS OPERATING INCOME					
17 Operating Revenues	762,882,044	778,695,872	599,067,253	\$721,500,586	\$659,116,622
Operating Expense:					
18 Operation Expense	547,113,833	584,879,577	433,066,092	530,131,127	468,001,258
19 Maintenance Expense	38,465,081	31,529,651	32,732,280	32,419,972	29,661,702
20 Depreciation Expense	36,191,107	35,852,898	35,935,529	35,763,843	35,745,507
21 Amort. and Depletion of Utility Plant	930,863				
22 Amort. of Utility Plant Acq. Adj.					
23 Amort of Property Losses					
24 Amort of Conversion Expenses					
25 Taxes Other than Income Taxes	46,857,972	50,634,883	48,874,752	54,781,131	51,911,408
26 Income Taxes	42,059,040	39,816,040	10,541,621	12,985,000	25,773,124
27 Gains from Disposition of Util. Plant					
28 Losses from Disposition of Util. Plant	567,010				
29 Total Operating Expenses	712,184,906	742,713,049	561,150,274	666,081,072	611,092,999
30 Net Operating Revenues	50,697,138	35,982,823	37,916,979	55,419,514	48,023,623
31 Other Gas Utility Operating Income					
32 Total Gas Utility Operating Income	50,697,138	35,982,823	37,916,979	55,419,514	48,023,623
33 Other Utility Operating Income	414,763	(68,089)	(71,740)	70,134	75,891
34 Total Utility Operating Income	\$474,458,099	\$441,967,349	\$465,012,332	\$488,729,160	\$429,853,434

NIAGARA MOHAWK POWER CORPORATION
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
OTHER INCOME						
Income - Merch., Jobbing & Contract Work						1
Income from Nonutility Operations	(9,133,389)	(2,079,261)	(8,412,693)			2
Nonoperating Rental Income	(199,333)	(371,368)	136,620	(561,245)	(307,213)	3
Equity in Earnings of Subsidiary Companies	(221,715,235)	(693,153)	3,850,711	8,067,926	29,796,624	4
Interest and Dividend Income	2,266,909	2,326,185	17,810,297	15,321,275	12,553,428	5
Allowance for Funds Used During Construction	(74,582)	(228,837)	785,891	2,296,216	2,450,059	6
Miscellaneous Nonoperating Income	220,973,693	1,968,629	(3,978,808)	(1,755,029)	(6,977,613)	7
Gain on Disposition of Property	113,857	53,448	12,543	(1,819)	17,288	8
Total Other Income	(7,768,080)	975,643	10,204,561	23,367,324	37,532,573	9
OTHER INCOME DEDUCTIONS						
Loss on Disposition of Property		79,863	374,530	123,213,079	151,381	10
Miscellaneous Amortization			113,617	1,564,753	1,612,304	11
Miscellaneous Income Deductions	6,814,158	3,745,459	16,487,087	28,230,758	31,385,161	12
Total Other Income Deductions	6,814,158	3,825,322	16,975,234	153,008,590	33,148,846	13
TAXES-OTHER INCOME AND DEDUCTIONS						
Taxes Other than Income Taxes	652,812	650,297	518,847	395,689	340,917	14
Income Taxes	(2,947,000)	(2,614,000)	(2,782,000)	(86,034,000)	(7,368,000)	15
Total Taxes-Other Income & Deductions	(2,294,188)	(1,963,703)	(2,263,153)	(85,638,311)	(7,027,083)	16
Net Other Income and Deductions	(12,288,050)	(885,976)	(4,507,520)	(44,002,954)	11,410,810	17
INTEREST CHARGES						
Interest on Long-term Debt	164,034,175	231,654,131	316,966,282	367,290,568	407,287,978	18
Amortization of Debt Discount and Expense	15,129,250	14,757,363	16,266,612	18,262,870	23,637,906	19
Amortization of Premium on Debt-Credit	86,243	113,499	150,383	211,601	155,547	20
Interest on Debt to Associated Company	64,093,584	47,660,886	8,588,839			21
Other Interest Expense	10,307,018	31,904,262	20,908,706	29,863,407	32,806,498	22
Total Interest Charges	253,477,784	325,863,143	362,580,056	415,205,243	463,576,835	23
Income Before Extraordinary Items	208,692,265	115,218,230	97,924,756	29,520,962	(22,312,591)	24
EXTRAORDINARY ITEMS						
Extraordinary Income						25
Extraordinary Deductions						26
Income Taxes, Extraordinary Items						27
Net Extraordinary Items						28
Net Income	\$208,692,265	\$115,218,230	\$97,924,756	\$29,520,962	(\$22,312,591)	29
<hr/>						
RETAINED EARNINGS						
Unappropriated Retained Earnings (BOP) 1	\$159,151,852	\$48,890,197	\$255,316,831	\$295,456,605	\$396,208,824	30
Balance Transferred from Income	(11,272,481)	115,911,383	94,074,045	21,453,036	(52,109,215)	31
Appropriations of Retained Earnings						32
Dividends Declared-Preferred Stock	3,362,729	4,974,394	11,793,509	30,850,180	31,436,777	33
Dividends Declared-Common Stock			63,913,966	37,160,000	46,132,160	34
Adjustments to Retained Earnings	220,839,981	(675,334)	(224,793,204)	6,417,370	28,925,933	35
Net Change to Unapp. Retained Earnings	206,204,771	110,261,655	(206,426,634)	(40,139,774)	(100,752,219)	36
Unappropriated Retained Earnings (EOP)	365,356,623	159,151,852	48,890,197	255,316,831	295,456,605	37
Appropriated Retained Earnings (EOP)	286,097	1,328,226	935,257	(16,743,995)	(6,558,641)	38
Total Retained Earnings	\$365,642,720	\$160,480,078	\$49,825,454	\$238,572,836	\$288,897,964	39

Notes:

Beginning in 1996, the debt component of AFDUC is included with other interest expense.
Retained Earnings is Being Restated. This creates the mismatch between ending 2002 and beginning 2002.

NIAGARA MOHAWK POWER CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
Cash Flows from Operating Activities					
1 Net Income	\$208,692,265	\$115,218,230	\$97,924,756	\$29,520,962	(\$22,312,592)
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	449,305,905	377,636,869	331,694,211	358,606,482	341,181,822
3 Deferred Taxes & ITCs	178,010,814	175,483,728	(413,407,946)	(114,750,002)	(96,175,055)
4 Receivables and Inventory	(6,591,988)	(33,031,564)	(176,785,907)	(437,014,663)	(6,520,992)
5 Payables and Accrued Expenses	(231,054,698)	46,805,315	228,258,979	(86,291,319)	60,155,246
6 Regulatory Assets (Net)	95,383,062	(157,877,813)	(33,777,470)	(66,252,299)	(54,048,957)
7 Capitalized AFUDC - Equity	74,582	878,968	(483,430)	(2,296,216)	(2,450,060)
8 Undistributed Earnings of Affiliates	221,715,235	693,153	(3,850,711)	8,067,926	(29,796,624)
9 Other Adjustments	(6,633,614)	(30,975,262)	8,070,416	(5,163,469)	(12,695,165)
10	8,912,411	(106,975,690)	(211,536,681)	(53,070,817)	292,234,716
11	(112,397,392)	(223,407,703)	455,388,389	420,018,758	
12 Net Cash From Operating Activities	<u>805,416,582</u>	<u>164,448,231</u>	<u>(173,893,783)</u>	<u>86,744,974</u>	<u>889,591,097</u>
Cash Flows From Investing Activities					
13 Cash Outflows For Construction	(272,350,190)	(293,969,625)	(208,221,985)	(216,138,545)	(271,379,613)
14 Acquisition Of Other Non-Current Assets			(9,529,492)	671,657,849	(18,163,387)
15 Investments in & Advances to Affiliates	7,300,011	1,076,958		84,857,967	2,608,613
16 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:		12,228,362			
17 Property, Plant & Equipment			17,226,619		
18 Investments In Affiliated Companies			(853,079)		
19 Investment Securities			249,799,000		
20 Other Current Assets & Liabilities					
21 Other Cash Flows - Investing Activities	16,240,705		(15,185,044)	(22,506,943)	14,167,451
22					
23					
24 Net Cash From Investing Activities	<u>(248,809,474)</u>	<u>(280,664,305)</u>	<u>33,236,019</u>	<u>517,870,328</u>	<u>(272,766,936)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
25 Long-Term Debt	(532,597,585)	(574,730,192)	(299,849,225)	(386,225,131)	(641,845,637)
26 Common Stock			(86,086,034)		
27 Preferred Stock	(25,154,000)	(32,496,400)	(70,398,599)	(7,620,025)	(7,620,025)
28 Short-Term Debt	2,899,680	410,600,000	291,000,000	(110,000,000)	110,000,000
29 Dividends Paid	(3,362,729)	(4,974,394)	(75,707,475)	(68,010,180)	(77,568,937)
30 Other Cash Flows - Financing Activities	(980)	288,815,837	(23,255,025)		
31			348,708,576		
32			549,893		
33 Net Cash From Financing Activities	<u>(558,215,614)</u>	<u>87,214,851</u>	<u>84,962,111</u>	<u>(571,855,336)</u>	<u>(617,034,599)</u>
34 Net Increase/(Decrease) In Cash & Equivalents	(1,608,506)	(29,001,223)	(55,695,653)	32,759,966	(210,438)
35 Cash & Equivalents At Beginning Of Year	8,915,700	37,916,923	93,612,576	60,852,610	61,063,048
36 Cash & Cash Equiv. At End Of Year	\$7,307,194	\$8,915,700	\$37,916,923	\$93,612,576	\$60,852,610

Notes:

1998 result impacted by non-recurring charge related to Niagara Mohawk's Master Restructuring Agreement.

NIAGARA MOHAWK POWER CORPORATION
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE - ELECTRIC
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
SALES AND CUSTOMER DATA						
ELECTRIC REVENUES						
Residential	\$1,304,277,211	\$1,254,424,579	\$1,254,199,931	\$1,211,177,621	\$1,186,973,939	1
Commercial	829,258,463	917,502,633	983,134,974	1,062,047,613	1,033,960,018	2
Industrial	337,959,752	393,834,601	445,116,784	513,669,974	516,235,178	3
Other Ultimate Customers	32,396,162	34,817,268	33,806,934	31,188,694	39,765,483	4
Total Revenues-Ultimate Customers	2,503,891,588	2,600,579,081	2,716,258,623	2,818,083,902	2,776,934,618	5
Resales	152,636,495	195,403,502	143,880,122	230,959,866	112,969,674	6
Other Operating Revenues	518,640,850	451,146,112	426,581,489	352,776,057	349,273,031	7
Total Electric Operating Revenues	\$3,175,168,933	\$3,247,128,695	\$3,286,720,234	\$3,401,819,825	\$3,239,177,323	8
KWH SALES (THOUSANDS)						
Residential	10,168,684	10,232,341	10,119,984	9,833,764	9,838,852	9
Commercial	6,872,037	7,933,870	8,984,374	9,897,376	10,051,929	10
Industrial	7,627,079	8,025,107	9,152,225	10,069,048	10,219,250	11
Other Ultimate Customers	133,531	141,214	138,986	155,023	167,198	12
Total Sales-Ultimate Customers	24,801,331	26,332,532	28,395,569	29,955,211	30,277,229	13
Resales	3,075,774	4,113,127	4,297,779	6,068,447	2,016,970	14
Total Kilowatt-Hour Sales	27,877,105	30,445,659	32,693,348	36,023,658	32,294,199	15
AVG CUSTOMERS PER MONTH						
Residential	1,350,849	1,357,582	1,369,959	1,382,740	1,391,591	16
Commercial	137,305	141,499	146,566	145,892	145,273	17
Industrial	1,036	1,218	1,469	1,589	1,728	18
Other Ultimate Customers	4,751	4,797	4,899	1,968	3,358	19
Total Ultimate Customers	1,493,941	1,505,096	1,522,893	1,532,189	1,541,950	20
Resales	167	162	158	168	181	21
Total Customers	1,494,108	1,505,258	1,523,051	1,532,357	1,542,131	22
ELECTRIC OPERATING REVENUE RELATIONSHIP						
Residential Sales						
Average Annual Bill Per Customer	\$966	\$924	\$916	\$876	\$853	23
Average KWH Consumption Per Customer	7,528	7,537	7,387	7,112	7,070	24
Average Revenue Per KWH Sold (Cents)	12.83	12.26	12.39	12.32	12.06	25
Commercial Sales						
Average Annual Bill Per Customer	\$6,040	\$6,484	\$6,708	\$7,280	\$7,117	26
Average KWH Consumption Per Customer	50,049	56,070	61,299	67,840	69,193	27
Average Revenue Per KWH Sold (Cents)	12.07	11.56	10.94	10.73	10.29	28
Industrial Sales						
Average Annual Bill Per Customer	\$326,216	\$323,345	\$303,007	\$323,266	\$298,747	29
Average KWH Consumption Per Customer	7,362,045	6,588,758	6,230,242	6,336,720	5,913,918	30
Average Revenue Per KWH Sold (Cents)	4.43	4.91	4.86	5.10	5.05	31
ELECTRIC OPERATION AND MAINTENANCE EXPENSES						
Steam Power Expense	\$1,283	\$10,644	\$14,680	\$5,279,952	\$47,903,875	32
Nuclear Power Expense	1,878	(853,807)	3,129,527	146,047,502	177,125,873	33
Hydraulic Power Expense	(4,842)	86,891	249,386	405,181	1,272,835	34
Other Power Generation Expense			1,069	211,628	301,312	35
Other Power Supply Expense	1,441,728,967	1,583,811,694	1,528,895,100	1,305,154,338	1,176,387,528	36
Total Power Production Expense	1,441,727,286	1,583,055,422	1,532,289,761	1,457,098,601	1,402,991,423	37
Transmission Expense	48,173,698	46,962,795	40,445,751	93,767,486	59,795,807	38
Distribution Expense	161,353,978	152,491,570	149,473,528	130,213,565	113,227,065	39
Customer Account Expense	135,047,010	154,435,202	162,426,454	103,090,419	112,272,035	40
Sales Expense	18,712	73,094	234,457	331,295	1,951,209	41
Administrative and General	243,404,675	314,942,699	397,153,667	742,151,461	688,333,616	42
Total Operation & Maintenance Expense	\$2,029,725,359	\$2,251,960,782	\$2,282,023,618	\$2,526,652,827	\$2,378,571,155	43

Notes:

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

**NIAGARA MOHAWK POWER CORPORATION
DISTRIBUTION OF ELECTRIC REVENUES
YEARS ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
1 Total Revenues	\$3,175,168,933	\$3,247,128,695	\$3,286,720,234	\$3,401,819,825	\$3,239,177,323
2 Sales of Electricity (KWHs-000)	27,877,105	30,445,659	32,693,348	36,023,658	32,294,199
DOLLAR AMOUNTS					
3 Fuel and Purchased Power	\$1,441,698,895	\$1,583,436,003	\$1,528,991,900	\$1,341,513,351	\$1,250,003,132
4 Wages and Benefits	303,641,072	353,916,483	399,795,836	441,894,726	450,169,493
5 Other Expenses	291,173,805	314,608,296	353,235,882	743,244,750	678,398,530
6 Depreciation & Amortization Expenses	412,123,191	341,431,423	321,951,543	262,297,856	276,057,010
7 Income Taxes-Operating	129,307,464	68,350,263	77,949,565	14,000	(28,922,963)
8 Other Taxes-Operating	173,878,309	179,333,612	204,166,240	179,615,628	231,718,202
9 Capital Costs	423,346,197	406,052,615	400,629,268	433,239,515	381,753,919
10 Total	\$3,175,168,933	\$3,247,128,695	\$3,286,720,234	\$3,401,819,825	\$3,239,177,323
PERCENT OF REVENUE					
11 Fuel and Purchased Power	45.4	48.8	46.5	39.4	38.6
12 Wages and Benefits	9.6	10.9	12.2	13.0	13.9
13 Other Expenses	9.2	9.7	10.7	21.8	20.9
14 Depreciation & Amortization Expenses	13.0	10.5	9.8	7.7	8.5
15 Income Taxes-Operating	4.1	2.1	2.4	0.0	-0.9
16 Other Taxes-Operating	5.5	5.5	6.2	5.3	7.2
17 Capital Costs	13.3	12.5	12.2	12.7	11.8
18 Total	100.0	100.0	100.0	100.0	100.0
CENTS PER KWH					
19 Fuel and Purchased Power	5.17	5.20	4.68	3.72	3.87
20 Wages and Benefits	1.09	1.16	1.22	1.23	1.39
21 Other Expenses	1.04	1.03	1.08	2.06	2.10
22 Depreciation & Amortization Expenses	1.48	1.12	0.98	0.73	0.85
23 Income Taxes-Operating	0.46	0.22	0.24	0.00	(0.09)
24 Other Taxes-Operating	0.62	0.59	0.62	0.50	0.72
25 Capital Costs	1.52	1.33	1.23	1.20	1.18
26 Total	11.39	10.67	10.05	9.44	10.03

Notes:

(1) Includes Sales for Resale

(2) Large increase in other expenses in 1996 was due to an increase in uncollectible expense of \$72.3 million.

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from that utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

Data Field Below

Fuel and Purchased Power

Steam - Fuel				5,186,866	34,994,616
Nuclear - Fuel			2,248,182	31,952,037	38,989,618
Hydro - Water for Power		32,313	64,830	100,825	55,153
Other Power - Fuel				31,202	41,015
Purchased Power	1,441,698,895	1,583,403,690	1,526,678,889	1,304,242,421	1,175,922,730
Total Fuel and Purchased Power	1,441,698,895	1,583,436,003	1,528,991,900	1,341,513,351	1,250,003,132
-Fuel and PP related to Sales for Resale					
Fuel and PP - Ultimate Customers	1,441,698,895	1,583,436,003	1,528,991,900	1,341,513,351	1,250,003,132

Wages and Benefits

Salaries	217,879,498	223,347,420	251,026,444	336,993,347	355,560,727
Pensions and Benefits	85,761,574	130,569,063	148,769,392	104,901,379	94,608,766
Total Wages and Benefits	303,641,072	353,916,483	399,795,836	441,894,726	450,169,493

Other Expenses

Total O&M Expenses	2,029,725,359	2,251,960,782	2,282,023,618	2,526,652,827	2,378,571,155
-Total Fuel and PP	1,441,698,895	1,583,436,003	1,528,991,900	1,341,513,351	1,250,003,132
-Wages and Benefits	303,641,072	353,916,483	399,795,836	441,894,726	450,169,493
-Other Gains					
+Other Losses	6,788,413				
-Other Revenues					
Other Expenses/Income	291,173,805	314,608,296	353,235,882	743,244,750	678,398,530

Depreciation and Amortization

Depreciation Exp	156,446,331	157,600,968	318,060,406	254,251,298	268,196,811
Amort & Depl of Utility Plant	7,719,149	7,040,963	2,728,186	7,056,856	6,700,086
Amort of Other Utility Plant	247,920,799	176,752,579			35,566
Amort of Property Losses			1,128,750	955,865	1,124,547
Amort of Conversion Expenses	36,912	36,913	34,201	33,837	
Total Depre and Amort	412,123,191	341,431,423	321,951,543	262,297,856	276,057,010

Fuel and PP related to Sales for Resale (Not Used)

Total Fuel and PP	1,441,698,895	1,583,436,003	1,528,991,900	1,341,513,351	1,250,003,132
divided by Total MWHs	27,877,105	30,445,659	32,693,348	36,023,658	32,294,199
Fuel Cost per KWH	0.0517	0.0520	0.0468	0.0372	0.0387
times Sales for Resale MWHs	3,075,774	4,113,127	4,297,779	6,068,447	2,016,970
Sales for Resale Fuel	159,067,449	213,917,967	200,997,127	225,987,674	78,070,331

NIAGARA MOHAWK POWER CORPORATION
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
ELECTRIC UTILITY PLANT						
Intangible	\$77,175,727	\$77,175,727	\$77,175,727	\$76,717,055	\$74,719,823	1
Production						
Steam	3,251	3,251	3,251	70,984	93,003,248	2
Nuclear			544	139,385	2,275,385,703	3
Hydraulic	355,844	2,340,173	2,340,173	2,340,173	2,359,008	4
Other						5
Transmission	1,417,593,738	1,396,015,936	1,383,151,071	1,357,880,155	1,334,947,697	6
Distribution	3,421,725,168	3,378,643,380	3,300,483,605	3,189,170,270	3,055,090,274	7
General	276,883,963	289,351,584	265,910,082	271,448,749	337,834,859	8
Electric - Purchased or Sold						9
Experimental - Unclassified						10
Nuclear Fuel Assemblies					672,258,668	11
Total Electric Plant In Service	5,193,737,691	5,143,530,051	5,029,064,453	4,897,766,771	7,845,599,280	12
Leased To Others	3,399,224	3,403,815	3,403,815	3,403,815	3,400,580	13
Held For Future Use	2,503,781	2,596,713	2,596,713	2,596,713	2,596,713	14
Construction Work in Progress	160,385,592	111,169,807	148,737,092	173,432,362	259,127,003	15
Aquisition Adjustments	1,011,154,522	1,011,154,522	1,019,980,561			16
Total Electric Utility Plant	6,371,180,810	6,271,854,908	6,203,782,633	5,077,199,661	8,110,723,575	17
Accum. Provision - Depr. & Amort.	1,830,593,059	1,797,176,510	1,762,444,826	1,677,997,704	3,537,074,108	18
Net Electric Plant	\$4,540,587,751	\$4,474,678,398	\$4,441,337,807	\$3,399,201,957	\$4,573,649,468	19
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.62	0.52	0.68	1.37	0.36	20
Total Capitalization	\$7,701,708,096	\$8,051,693,297	\$7,533,279,276	\$7,831,772,774	\$8,334,052,294	21
<u>Percent Of Capitalization (Incl S-T Debt)</u>						
Long-Term Debt	45.1%	49.8%	60.5%	63.2%	64.8%	22
Preferred Stock	0.5%	0.8%	1.3%	6.3%	6.0%	23
Common Stock & Retained Earnings	45.2%	40.7%	38.2%	30.5%	29.2%	24
Short-Term Debt						25
Pretax Coverage of Interest Expense	2.49	1.69	1.51	0.90	0.93	26
Com. Stock Dividends as a % of Earnings			74.2%	-2795.6%	-85.8%	27
Return on Common Equity	6.1%	14.2%	3.3%	-0.1%	-2.1%	28
Internal Cash Generated as a % of Cash Outflows for Construction *	295.7%	691.4%	-83.5%	40.1%	327.8%	29
Earnings per Share	\$1.10	\$2.33	\$0.46	(\$0.01)	(\$0.29)	30
Book Value per Share	\$18.58	\$17.49	\$15.36	\$12.74	\$12.99	31
Dividends per Share			\$0.34	\$0.20	\$0.25	32
Number of Employees (Electric)	4,506	4,506	4,857	5,717	6,582	33

Notes:

* 1998 result impacted by non-recurring charge related to Niagara Mohawk's Master Restructuring Agreement.

Current Assets	750,310,348	736,169,815	676,796,724	651,685,119	335,365,815
Current Liabilities	1,205,490,591	1,423,033,009	998,554,349	476,154,804	924,856,331
Total Capitalization	7,701,708,096	8,051,693,297	7,533,279,276	7,831,772,774	8,334,052,294
Long-Term Debt	3,473,872,179	4,005,889,468	4,556,031,690	4,951,024,380	5,398,459,639
Preferred Stock	41,171,500	66,325,500	98,821,900	493,750,000	501,370,025
Common Stock and Retained Earnings (Excl. Preferred Stock)	3,482,164,737	3,277,878,329	2,878,425,686	2,386,998,394	2,434,222,630
Short-Term Debt	704,499,680	701,600,000			
Pretax Income	630,589,553	550,133,652	546,213,998	371,691,205	430,746,405
Interest Expense	253,477,784	325,863,143	362,580,056	415,205,243	463,576,835
Common Dividends Paid			63,913,966	37,160,000	46,132,160
Net Income Before Extraordinary Items (Excl. Preferred Stock Dividends)	205,329,536	436,992,955	86,131,247	(1,329,218)	(53,749,368)
Internal Cash	805,416,582	133,185,766	(173,893,783)	86,744,974	889,591,097
Cash Outflows for Construction	272,350,190	19,263,486	208,221,985	216,138,545	271,379,613
Shares Outstanding (Millions)	187,364,863	187,364,863	187,364,863	187,364,863	187,364,863
Number of Employees (Electric)	4,506	4,506	4,857	5,717	6,582
Misc Deferred Debits - Net	2,682,977,989	2,913,506,092	2,628,120,702	4,097,102,014	3,786,498,170

ORANGE AND ROCKLAND UTILITIES, INC.
COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
UTILITY PLANT					
1 Electric Utility Plant	\$607,914,881	\$592,949,406	\$564,096,335	\$543,281,968	\$514,913,616
2 Less Accum. Prov. For Deprec. & Amort.	204,894,388	200,305,428	186,422,843	178,144,182	167,274,706
3 Net Electric Utility Plant	403,020,493	392,643,978	377,673,492	365,137,786	347,638,910
4 Gas Utility Plant	339,665,873	318,380,785	302,811,597	293,502,022	282,376,054
5 Less Accum. Prov. For Deprec. & Amort.	105,833,448	103,810,870	98,746,664	97,786,702	93,000,626
6 Net Gas Utility Plant	233,832,425	214,569,915	204,064,933	195,715,320	189,375,428
7 Other Utility Plant	127,167,284	123,376,105	121,940,659	119,053,286	112,646,569
8 Less Accum. Prov. For Deprec. & Amort.	58,857,920	53,883,217	51,477,265	47,688,783	43,728,990
9 Net Other Utility Plant	68,309,364	69,492,888	70,463,394	71,364,503	68,917,579
10 Total Utility Plant	1,074,748,038	1,034,706,296	988,848,591	955,837,276	909,936,239
11 Less Accum. Prov. For Deprec. & Amort.	369,585,756	357,999,515	336,646,772	323,619,667	304,004,322
12 Net Total Utility Plant	705,162,282	676,706,781	652,201,819	632,217,609	605,931,917
OTHER PROPERTY AND INVESTMENTS					
13 Nonutility Property	65,168	113,927	152,316	207,950	207,950
14 Accum. Prov. For Deprec. & Amort.	(87,091)	(141,824)	(151,500)	(200,571)	(185,674)
15 Investment in Associated Companies					
16 Investment in Subsidiary Companies	132,915,554	160,275,213	149,261,072	139,738,699	130,648,720
17 Other Investments				2,993	2,992
18 Other Special Funds					
19 Total Other Property and Investments	132,893,631	160,247,316	149,261,888	139,749,071	130,673,988
CURRENT AND ACCRUED ASSETS					
20 Cash	2,026,111	4,747,811	146,941	666,576	4,001,016
21 Special Deposits	1,000	1,000	1,000	1,000	1,000
22 Working Funds	15,700	15,700	15,700	19,100	19,850
23 Temporary Cash Investments	4,616,316	3,233	70,925	89,739	231,070
24 Notes Receivable	36,737	35,598	34,458	33,156	32,017
25 Accounts Receivable	46,205,532	57,007,929	50,589,894	42,885,527	82,054,872
26 Accum. Prov. For Uncollectible Accts.	(3,784,957)	(3,617,957)	(2,435,000)	(3,075,000)	(4,128,417)
27 Notes Receivable from Associated Cos.					
28 Accounts Receivable from Assoc. Cos.	40,998,554	23,081,706	20,279,377	32,389,226	32,970,858
29 Materials and Supplies	4,416,239	4,708,206	4,542,505	4,362,365	4,482,796
30 Gas Stored Underground - Current	42,528,761	28,843,178	15,702,861	21,226,894	15,874,024
31 Liquefied Natural Gas in Storage					
32 Prepayments	11,314,221	10,291,971	11,488,997	12,211,786	20,424,512
33 Interest and Dividends Receivable					
34 Rents Receivable					
35 Accrued Utility Revenue	22,214,869	14,584,364	16,163,017	15,515,422	21,514,106
36 Misc. Current and Accrued Assets	19,694,045	10,143,479	9,171,682	11,532,294	20,734,699
37 Total Current and Accrued Assets	190,283,128	149,846,218	125,772,357	137,858,085	198,212,403
DEFERRED DEBITS					
38 Unamort. Debt Expense	3,469,142	3,716,479	3,973,660	4,259,639	4,524,167
39 Extraordinary Property Losses					
40 Prelim. Survey and Investigation Charges		13,920	95,594	59,150	564,928
41 Clearing Accounts			(1,323)		
42 Temporary Facilities					
43 Miscellaneous Deferred Debits	183,292,755	140,606,788	153,570,097	151,856,215	150,751,479
44 Deferred Losses from Disp. of Utility Plant					
45 Research and Development	1,073,411	673,469	304,104	(435,467)	(1,005,091)
46 Accumulated Deferred Income Taxes	50,107,334	36,892,967	47,034,834	58,304,091	28,206,841
47 Total Deferred Debits	237,942,642	181,903,623	204,976,966	214,043,628	183,042,324
48 Total Assets and Other Debits	\$1,266,281,683	\$1,168,703,938	\$1,132,213,030	\$1,123,868,393	\$1,117,860,632

ORANGE AND ROCKLAND UTILITIES, INC.
COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
PROPRIETARY CAPITAL						
Common Stock Issued	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	1
Preferred Stock Issued						2
Capital Stock Subscribed						3
Stock Liability for Conversion						4
Premium on Capital Stock	193,995,052	194,498,787	194,498,787	194,498,787	194,498,787	5
Other Paid-in Capital	(10,034,344)	(10,590,692)	(14,965,622)	(10,904,777)	(1,473,960)	6
Installments Received on Capital Stock						7
Capital Stock Expense						8
Retained Earnings	52,738,323	45,733,571	39,282,740	31,908,734	28,816,398	9
Accumulated Other Comprehensive Income						
Unapp Undistributed Subsidiary Earnings	151,060,699	140,420,358	129,406,218	119,883,845	110,793,866	10
Required Capital Stock						11
Total Proprietary Capital	387,764,730	370,067,024	348,227,123	335,391,589	332,640,091	12
LONG-TERM DEBT						
Bonds						13
Required Bonds						14
Advances from Associated Companies						15
Other Long-Term Debt	279,000,000	279,000,000	314,000,000	314,000,000	314,001,841	16
Unamortized Premium on Long-Term Debt						17
Unamortized Discount on Long-Term Debt-D	(1,064,509)	(1,180,210)	(1,295,910)	(1,411,611)	(1,527,311)	18
Total Long-Term Debt	277,935,491	277,819,790	312,704,090	312,588,389	312,474,530	19
CURRENT AND ACCRUED LIABILITIES						
Notes Payable		14,974,350	1,000,000	16,600,000	40,820,000	20
Accounts Payable	59,209,816	63,029,718	53,543,939	51,539,197	57,409,243	21
Notes Payable to Associated Companies	35,775,000	23,110,000	14,285,000	14,405,000	17,285,000	22
Accounts Payable to Associated Companies	42,696,230	31,879,696	17,227,688	19,041,004	29,158,658	23
Customer Deposits	11,984,906	10,325,823	9,684,426	6,346,027	4,430,011	24
Taxes Accrued	1,834,601	1,017,193	538,664	2,446,980	2,742,364	25
Interest Accrued	4,474,591	4,668,252	7,257,186	6,247,972	5,341,859	26
Dividends Declared						27
Matured Long-Term Debt						28
Matured Interest						29
Tax Collections Payable	1,253,365	647,920		237,477		30
Misc. Current and Accrued Liabilities	81,427,386	59,889,902	63,789,761	49,792,498	50,480,546	31
Total Current and Accrued Liabilities	238,655,895	209,542,854	167,326,664	166,656,155	207,667,681	32
DEFERRED CREDITS						
Customer Advances for Construction	1,461,953	884,970	867,842	793,672	1,075,768	33
Other Deferred Credits	62,981,698	45,374,817	53,198,686	71,950,445	52,750,393	34
Accumulated Deferred Investment Tax Credit	3,732,806	4,067,077	4,404,937	4,751,862	5,087,992	35
Deferred Gains from Disposition of Utility Plant						36
Accumulated Deferred Income Taxes	184,631,810	162,653,605	139,083,097	135,440,148	120,887,132	37
Total Deferred Credits	252,808,267	212,980,469	197,554,562	212,936,127	179,801,285	38
OPERATING RESERVES						
Property Insurance Reserve						39
Injuries and Damage Reserve	6,220,000	6,760,268	7,100,000	7,650,000	7,144,619	40
Pension and Benefits Reserve	87,249,760	85,976,950	86,089,779	73,286,275	62,469,102	41
Miscellaneous Operating Reserves	15,647,540	5,556,583	13,210,812	15,359,858	15,663,324	42
Total Operating Reserves	109,117,300	98,293,801	106,400,591	96,296,133	85,277,045	43
Total Liabilities and Other Credits	\$1,266,281,683	\$1,168,703,938	\$1,132,213,030	\$1,123,868,393	\$1,117,860,632	44

ORANGE AND ROCKLAND UTILITIES, INC.
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
ELECTRIC OPERATING INCOME					
1 Operating Revenues	\$368,129,383	\$409,970,601	\$356,013,756	\$520,388,252	\$484,098,899
Operating Expense:					
2 Operation Expense	259,672,954	281,903,838	233,745,550	395,513,252	366,713,533
3 Maintenance Expense	16,809,361	21,275,139	16,487,518	15,252,362	17,202,532
4 Depreciation Expense	18,029,539	17,090,281	16,166,702	15,500,745	12,547,076
5 Amort. and Depletion of Utility Plant			4,507,728	4,318,208	3,093,649
6 Amort. of Utility Plant Acq. Adj.					
7 Amort of Property Losses					
8 Amort of Conversion Expenses	3,564,823	4,256,341			
9 Taxes Other than Income Taxes	28,173,010	29,025,293	30,465,629	28,402,017	35,841,049
10 Income Taxes	5,750,346	17,773,042	13,575,980	21,254,417	11,178,594
11 Gains from Disposition of Util. Plant		15,905			
12 Losses from Disposition of Util. Plant		217,658			
13 Total Operating Expenses	332,000,033	371,525,687	314,949,107	480,241,001	446,576,433
14 Net Operating Revenues	36,129,350	38,444,914	41,064,649	40,147,251	37,522,466
15 Other Electric Utility Operating Income					
16 Total Electric Utility Operating Income	36,129,350	38,444,914	41,064,649	40,147,251	37,522,466
GAS OPERATING INCOME					
17 Operating Revenues	204,637,085	197,406,843	159,418,205	197,706,533	183,301,005
Operating Expense:					
18 Operation Expense	159,106,988	145,741,849	112,787,709	152,487,631	143,746,708
19 Maintenance Expense	5,747,207	5,967,021	5,750,632	6,327,045	5,771,245
20 Depreciation Expense	7,496,463	7,103,841	6,849,178	6,635,534	5,025,059
21 Amort. and Depletion of Utility Plant			1,253,367	1,234,890	1,459,583
22 Amort. of Utility Plant Acq. Adj.					
23 Amort of Property Losses					
24 Amort of Conversion Expenses	1,075,534	1,214,455			
25 Taxes Other than Income Taxes	11,653,977	12,826,053	13,094,412	14,161,794	15,235,546
26 Income Taxes	3,731,779	8,261,817	4,382,846	3,639,195	905,455
27 Gains from Disposition of Util. Plant					
28 Losses from Disposition of Util. Plant					
29 Total Operating Expenses	188,811,948	181,115,036	144,118,144	184,486,089	172,143,596
30 Net Operating Revenues	15,825,137	16,291,807	15,300,061	13,220,444	11,157,409
31 Other Gas Utility Operating Income					
32 Total Gas Utility Operating Income	15,825,137	16,291,807	15,300,061	13,220,444	11,157,409
33 Other Utility Operating Income					
34 Total Utility Operating Income	\$51,954,487	\$54,736,721	\$56,364,710	\$53,367,695	\$48,679,875

ORANGE AND ROCKLAND UTILITIES, INC.
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
OTHER INCOME						
Income - Merch., Jobbing & Contract Work						1
Income from Nonutility Operations						2
Nonoperating Rental Income		(971)	(6,563)	(13,758)	(741)	3
Equity in Earnings of Subsidiary Companies	10,640,341	11,014,140	9,522,373	9,089,979	12,318,857	4
Interest and Dividend Income	288,343	2,022,670	463,629	1,200,765	1,949,477	5
Allowance for Funds Used During Constructi	135,233	4,591	388,337	(17,612)	209,387	6
Miscellaneous Nonoperating Income	815,035	(2,865,318)	(158,362)	(170,477)	(139,652)	7
Gain on Disposition of Property			(25)	1	1,531,119	8
Total Other Income	11,878,952	10,175,112	10,209,389	10,088,898	15,868,447	9
OTHER INCOME DEDUCTIONS						
Loss on Disposition of Property						10
Miscellaneous Amortization						11
Miscellaneous Income Deductions	427,549	1,300,154	362,419	536,182	604,504	12
Total Other Income Deductions	427,549	1,300,154	362,419	536,182	604,504	13
TAXES-OTHER INCOME AND DEDUCTIONS						
Taxes Other than Income Taxes	108,901	151,576	111,233	54,324	110,079	14
Income Taxes	219,486	402,498	(501,216)	(249,410)	428,829	15
Total Taxes-Other Income & Deductions	306,793	(782,518)	(389,983)	(195,086)	538,908	16
Net Other Income and Deductions	11,144,610	9,657,476	10,236,953	9,747,802	14,725,035	17
INTEREST CHARGES						
Interest on Long-term Debt	16,455,767	16,762,955	18,605,087	19,209,922	19,621,337	18
Amortization of Debt Discount and Expense	613,838	638,432	740,986	778,277	773,785	19
Amortization of Premium on Debt-Credit						20
Interest on Debt to Associated Company	415,419	213,690	267,130	754,113	1,609,741	21
Other Interest Expense	(31,019)	1,314,149	2,092,081	2,190,870	2,330,619	22
Total Interest Charges	17,454,005	18,929,226	21,705,284	22,933,182	24,335,482	23
Income Before Extraordinary Items	45,645,092	45,464,971	44,896,379	40,182,315	39,069,428	24
EXTRAORDINARY ITEMS						
Extraordinary Income						25
Extraordinary Deductions						26
Income Taxes, Extraordinary Items						27
Net Extraordinary Items						28
Net Income	\$45,645,092	\$45,464,971	\$44,896,379	\$40,182,315	\$39,069,428	29
RETAINED EARNINGS						
Unappropriated Retained Earnings (BOP)	\$45,733,571	\$39,282,740	\$31,908,734	\$28,816,398	(\$121,238,680)	30
Balance Transferred from Income	35,004,751	34,450,831	35,374,006	31,092,336	26,750,571	31
Appropriations of Retained Earnings						32
Dividends Declared-Preferred Stock						33
Dividends Declared-Common Stock	28,000,000	28,000,000	28,000,000	28,000,000	37,000,000	34
Adjustments to Retained Earnings					160,304,507	35
Net Change to Unapp. Retained Earnings	7,004,751	6,450,831	7,374,006	3,092,336	150,055,078	36
Unappropriated Retained Earnings (EOP)	52,738,322	45,733,571	39,282,740	31,908,734	28,816,398	37
Appropriated Retained Earnings (EOP)						38
Total Retained Earnings	\$52,738,322	\$45,733,571	\$39,282,740	\$31,908,734	\$28,816,398	39

Notes:

The debt component of AFDUC is included with other interest expense.

ORANGE AND ROCKLAND UTILITIES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
Cash Flows from Operating Activities					
1 Net Income	\$45,645,093	\$45,464,971	\$44,896,379	\$40,182,315	\$39,069,428
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	38,105,224	33,190,336	30,269,088	28,467,654	22,899,152
3 Deferred Taxes & ITCs	8,429,567	33,374,515	14,565,281	(15,880,364)	(4,840,780)
4 Receivables and Inventory	(27,972,711)	(19,765,912)	8,460,478	39,462,666	(42,563,829)
5 Payables and Accrued Expenses	31,422,391	20,167,967	15,639,382	(13,911,526)	73,383,036
6 Regulatory Assets (Net)	(26,896,596)	(6,584,237)	1,231,987	(14,821,133)	(13,810,107)
7 Capitalized AFUDC - Equity	(147,181)	(4,591)	(388,337)	17,612	(209,387)
8 Undistributed Earnings of Affiliates	(10,640,341)	(11,014,140)	(9,519,380)	(9,089,979)	(3,069,991)
9 Other Adjustments	15,568,777	(9,086,395)	(7,448,568)	18,396,364	11,703,327
10	(10,572,816)	225,229	3,083,401	17,415,131	(7,065,266)
11	(7,545,905)	6,329,451	(6,958,654)	17,565,496	(20,361,758)
12 Net Cash From Operating Activities	<u>55,395,502</u>	<u>92,297,194</u>	<u>93,831,057</u>	<u>107,804,236</u>	<u>55,133,825</u>
Cash Flows From Investing Activities					
13 Cash Outflows For Construction	(59,151,702)	(45,853,114)	(48,951,307)	(56,514,854)	(49,060,289)
14 Acquisition Of Other Non-Current Assets	(2,043,065)	(1,710,253)	(1,701,599)	334,097	585,531
15 Investments in & Advances to Affiliates					
16 Contributions & Advances from Affiliates	38,000,000				
Net Proceeds - Sale Or Disposition Of:					
17 Property, Plant & Equipment					
18 Investments In Affiliated Companies					
19 Investment Securities					
20 Other Current Assets & Liabilities					
21 Other Cash Flows - Investing Activities					
22					
23					
24 Net Cash From Investing Activities	<u>(23,194,767)</u>	<u>(47,563,367)</u>	<u>(50,652,906)</u>	<u>(56,180,757)</u>	<u>(48,474,758)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
25 Long-Term Debt	12,665,000	8,825,000	(120,000)	(2,880,000)	(27,745,000)
26 Common Stock					
27 Preferred Stock					
28 Short-Term Debt	(14,974,350)	(21,025,650)	(15,600,000)	(24,220,000)	24,535,000
29 Dividends Paid	(28,000,000)	(28,000,000)	(28,000,000)	(28,000,000)	(37,000,000)
30 Other Cash Flows - Financing Activities					
31					
32					
33 Net Cash From Financing Activities	<u>(30,309,350)</u>	<u>(40,200,650)</u>	<u>(43,720,000)</u>	<u>(55,100,000)</u>	<u>(40,210,000)</u>
34 Net Increase/(Decrease) In Cash & Equivalen	1,891,385	4,533,177	(541,849)	(3,476,521)	(33,550,933)
35 Cash & Equivalents At Beginning Of Year	4,766,743	233,566	775,415	4,251,936	37,802,869
36 Cash & Cash Equiv. At End Of Year	\$6,658,128	\$4,766,743	\$233,566	\$775,415	\$4,251,936

ORANGE AND ROCKLAND UTILITIES, INC.
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE - ELECTRIC
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
SALES AND CUSTOMER DATA						
ELECTRIC REVENUES						
Residential	\$170,327,446	\$174,102,695	\$160,372,962	\$177,911,748	\$171,355,272	1
Commercial	139,112,080	151,351,849	133,319,322	158,269,274	142,196,826	2
Industrial	24,622,076	25,458,483	23,575,059	42,834,286	43,276,774	3
Other Ultimate Customers	12,161,242	12,234,397	10,571,902	11,808,066	10,193,310	4
Total Revenues-Ultimate Customers	346,222,844	363,147,424	327,839,245	390,823,374	367,022,182	5
Resales	21,629,565	21,668,750	20,980,584	119,682,497	107,301,621	6
Other Operating Revenues	276,974	25,154,427	7,193,927	9,882,381	9,775,096	7
Total Electric Operating Revenues	\$368,129,383	\$409,970,601	\$356,013,756	\$520,388,252	\$484,098,899	8
KWH SALES (THOUSANDS)						
Residential	1,500,375	1,473,586	1,452,311	1,322,643	1,300,731	9
Commercial	1,781,445	1,722,217	1,684,364	1,597,626	1,520,388	10
Industrial	693,967	672,691	698,365	692,099	656,658	11
Other Ultimate Customers	114,869	112,815	111,879	110,476	382,402	12
Total Sales-Ultimate Customers	4,090,656	3,981,309	3,946,919	3,722,844	3,860,179	13
Resales	284,327	289,229	480,923	1,665,135	1,622,430	14
Total Kilowatt-Hour Sales	4,374,983	4,270,538	4,427,842	5,387,979	5,482,609	15
AVG CUSTOMERS PER MONTH						
Residential	185,562	183,914	181,890	179,856	177,356	16
Commercial	28,713	28,377	27,947	27,546	26,961	17
Industrial	117	121	125	127	135	18
Other Ultimate Customers	564	560	550	539	530	19
Total Ultimate Customers	214,956	212,972	210,512	208,068	204,982	20
Resales	3	2	2		2	21
Total Customers	214,959	212,974	210,514	208,068	204,984	22
ELECTRIC OPERATING REVENUE RELATIONSHIP						
Residential Sales						
Average Annual Bill Per Customer	\$918	\$947	\$882	\$989	\$966	23
Average KWH Consumption Per Customer	8,086	8,012	7,985	7,354	7,334	24
Average Revenue Per KWH Sold (Cents)	11.35	11.81	11.04	13.45	13.17	25
Commercial Sales						
Average Annual Bill Per Customer	\$4,845	\$5,334	\$4,770	\$5,746	\$5,274	26
Average KWH Consumption Per Customer	62,043	60,691	60,270	57,998	56,392	27
Average Revenue Per KWH Sold (Cents)	7.81	8.79	7.92	9.91	9.35	28
Industrial Sales						
Average Annual Bill Per Customer	\$210,445	\$210,401	\$188,600	\$337,278	\$320,569	29
Average KWH Consumption Per Customer	5,931,342	5,559,430	5,586,920	5,449,598	4,864,133	30
Average Revenue Per KWH Sold (Cents)	3.55	3.78	3.38	6.19	6.59	31
ELECTRIC OPERATION AND MAINTENANCE EXPENSES						
Steam Power Expense					\$160,845	32
Nuclear Power Expense						33
Hydraulic Power Expense					14,319	34
Other Power Generation Expense					11,045	35
Other Power Supply Expense	\$182,638,722	\$199,137,081	\$166,697,614	\$329,828,625	306,120,056	36
Total Power Production Expense	182,638,722	199,137,081	166,697,614	329,828,625	306,306,265	37
Transmission Expense	6,877,843	7,613,332	9,386,953	8,081,453	9,279,516	38
Distribution Expense	25,186,770	31,320,446	24,688,749	21,444,527	21,344,089	39
Customer Account Expense	20,854,199	21,564,778	19,047,212	21,550,310	18,344,283	40
Sales Expense	25,033	23,551	36,376	23,513	7,760	41
Administrative and General	40,899,748	43,519,789	30,376,164	29,837,185	28,634,149	42
Total Operation & Maintenance Expens:	\$276,482,315	\$303,178,977	\$250,233,068	\$410,765,613	\$383,916,062	43

Notes:

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

**ORANGE AND ROCKLAND UTILITIES, INC.
DISTRIBUTION OF ELECTRIC REVENUES
YEARS ENDED DECEMBER 31,**

	2004	2003	2002	2001	2000
1 Total Revenues	\$368,129,383	\$409,970,601	\$356,013,756	\$520,388,252	\$484,098,899
2 Sales of Electricity (KWHs-000)	4,374,983	4,270,538	4,427,842	5,387,979	5,482,609
DOLLAR AMOUNTS					
3 Fuel and Purchased Power	\$180,785,265	\$197,367,977	\$164,635,381	\$327,923,786	\$299,908,462
4 Wages and Benefits	55,367,233	59,816,787	43,894,853	41,186,853	39,957,338
5 Other Expenses	40,329,817	46,195,966	41,702,834	41,654,974	44,050,262
6 Depreciation & Amortization Expenses	21,594,362	21,346,622	20,674,430	19,818,953	15,640,725
7 Income Taxes-Operating	5,750,346	17,773,042	13,575,980	21,254,417	11,178,594
8 Other Taxes-Operating	28,173,010	29,025,293	30,465,629	28,402,017	35,841,049
9 Capital Costs	36,129,350	38,444,914	41,064,649	40,147,252	37,522,469
10 Total	\$368,129,383	\$409,970,601	\$356,013,756	\$520,388,252	\$484,098,899
PERCENT OF REVENUE					
11 Fuel and Purchased Power	49.1	48.1	46.2	63.0	62.0
12 Wages and Benefits	15.0	14.6	12.3	7.9	8.3
13 Other Expenses	11.0	11.3	11.7	8.0	9.1
14 Depreciation & Amortization Expenses	5.9	5.2	5.8	3.8	3.2
15 Income Taxes-Operating	1.6	4.3	3.8	4.1	2.3
16 Other Taxes-Operating	7.7	7.1	8.6	5.5	7.4
17 Capital Costs	9.8	9.4	11.5	7.7	7.8
18 Total	100.0	100.0	100.0	100.0	100.0
CENTS PER KWH					
19 Fuel and Purchased Power	4.13	4.62	3.72	6.09	5.47
20 Wages and Benefits	1.27	1.40	0.99	0.76	0.73
21 Other Expenses	0.92	1.08	0.94	0.77	0.80
22 Depreciation & Amortization Expenses	0.49	0.50	0.47	0.37	0.29
23 Income Taxes-Operating	0.13	0.42	0.31	0.39	0.20
24 Other Taxes-Operating	0.64	0.68	0.69	0.53	0.65
25 Capital Costs	0.83	0.90	0.93	0.75	0.68
26 Total	8.41	9.60	8.04	9.66	8.83

Notes:

Includes Sales for Resale

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

Data Field Below**Fuel and Purchased Power**

Steam - Fuel					39,123
Nuclear - Fuel					
Hydro - Water for Power					
Other Power - Fuel					
Purchased Power	180,785,265	197,367,977	164,635,381	327,923,786	299,869,339
Total Fuel and Purchased Power	180,785,265	197,367,977	164,635,381	327,923,786	299,908,462
-Fuel and PP related to Sales for Resale					
Fuel and PP - Ultimate Customers	180,785,265	197,367,977	164,635,381	327,923,786	299,908,462

Wages and Benefits

Salaries	35,859,744	34,726,017	33,373,673	31,061,780	28,963,567
Pensions and Benefits	19,507,489	25,090,770	10,521,180	10,125,073	10,993,771
Total Wages and Benefits	55,367,233	59,816,787	43,894,853	41,186,853	39,957,338

Other Expenses

Total O&M Expenses	276,482,315	303,178,977	250,233,068	410,765,613	383,916,062
-Total Fuel and PP	180,785,265	197,367,977	164,635,381	327,923,786	299,908,462
-Wages and Benefits	55,367,233	59,816,787	43,894,853	41,186,853	39,957,338
-Other Gains		15,905			
+Other Losses		217,658			
-Other Revenues					
Other Expenses/Income	40,329,817	46,195,966	41,702,834	41,654,974	44,050,262

Depreciation and Amortization

Depreciation Exp	18,029,539	17,090,281	16,166,702	15,500,745	12,547,076
Amort & Depl of Utility Plant			4,507,728	4,318,208	3,093,649
Amort of Other Utility Plant					
Amort of Property Losses					
Amort of Conversion Expenses	3,564,823	4,256,341			
Total Depre and Amort	21,594,362	21,346,622	20,674,430	19,818,953	15,640,725

Fuel and PP related to Sales for Resale (Not Used)

Total Fuel and PP	180,785,265	197,367,977	164,635,381	327,923,786	299,908,462
divided by Total MWHs	4,374,983	4,270,538	4,427,842	5,387,979	5,482,609
Fuel Cost per KWH	0.0413	0.0462	0.0372	0.0609	0.0547
times Sales for Resale MWHs	284,327	289,229	480,923	1,665,135	1,622,430
Sales for Resale Fuel	11,749,104	13,367,061	17,881,609	101,343,634	88,749,806

ORANGE AND ROCKLAND UTILITIES, INC.
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
ELECTRIC UTILITY PLANT						
Intangible	\$1,250,930	\$1,250,930	\$866,357	\$866,357	\$866,357	1
Production						
Steam						2
Nuclear						3
Hydraulic						4
Other						5
Transmission	118,657,594	122,361,418	122,920,411	115,930,934	98,482,620	6
Distribution	445,184,769	426,298,727	400,637,563	379,588,080	367,597,389	7
General	30,251,713	27,767,204	27,669,436	28,833,348	29,377,173	8
Electric - Purchased or Sold	65,422	65,422	65,422	65,422	65,422	9
Experimental - Unclassified						10
Nuclear Fuel Assemblies						11
Total Electric Plant In Service	595,410,428	577,743,701	552,159,189	525,284,141	496,388,961	12
Leased To Others						13
Held For Future Use	759,907	1,064,970	1,332,146	1,332,146	1,535,240	14
Construction Work in Progress	11,744,545	14,140,743	10,605,008	16,665,682	16,989,415	15
Aquisition Adjustments						16
Total Electric Utility Plant	607,914,880	592,949,414	564,096,343	543,281,969	514,913,616	17
Accum. Provision - Depr. & Amort.	204,894,388	200,305,436	186,422,843	178,144,182	167,274,706	18
Net Electric Plant	\$403,020,492	\$392,643,978	\$377,673,500	\$365,137,787	\$347,638,910	19
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.81	0.78	0.75	0.83	0.95	20
Total Capitalization	\$711,509,565	\$696,561,856	\$676,216,213	\$678,984,978	\$685,934,621	21
<u>Percent Of Capitalization (Incl S-T Debt)</u>						
Long-Term Debt	39.1%	39.9%	46.2%	46.0%	45.6%	22
Preferred Stock						23
Common Stock & Retained Earnings	55.9%	54.6%	51.5%	49.4%	48.5%	24
Short-Term Debt	5.0%	5.5%	2.3%	4.6%	6.0%	25
Pretax Coverage of Interest Expense	3.52	4.27	3.42	3.41	3.12	26
Com. Stock Dividends as a % of Earnings	53.9%	51.2%	49.7%	52.5%	94.7%	27
Return on Common Equity	13.3%	15.0%	16.5%	16.0%	11.8%	28
Internal Cash Generated as a % of Cash Outflows for Construction	93.6%	201.3%	191.7%	190.8%	112.4%	29
Earnings per Share	\$51,954.49	\$54,736.72	\$56,364.71	\$53,367.70	\$39,069.43	30
Book Value per Share	\$397,799.07	\$380,657.72	\$348,227.12	\$335,391.59	\$332,640.09	31
Dividends per Share	\$28,000.00	\$28,000.00	\$28,000.00	\$28,000.00	\$37,000.00	32
Number of Employees	573	575	616	591	569	33

Current Assets	181,257,061	149,846,218	125,772,357	137,858,085	198,212,403
Current Liabilities	222,962,276	192,780,135	167,326,664	166,656,155	207,667,681
Total Capitalization	711,509,565	696,561,856	676,216,213	678,984,978	685,934,621
Long-Term Debt	277,935,491	277,819,790	312,704,090	312,588,389	312,474,530
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	397,799,074	380,657,716	348,227,123	335,391,589	332,640,091
Short-Term Debt	35,775,000	38,084,350	15,281,000	31,005,000	40,820,000
Pretax Income	61,436,612	80,771,580	74,323,536	78,261,307	75,917,788
Interest Expense	17,454,004	18,929,226	21,705,284	22,933,182	24,335,482
Common Dividends Paid	28,000,000	28,000,000	28,000,000	28,000,000	37,000,000
Net Income Before Extraordinary Items (Excl. Preferred Stock Dividends)	51,954,487	54,736,721	56,364,710	53,367,695	39,069,428
Internal Cash	55,395,502	92,297,194	93,831,057	107,804,236	55,133,825
Cash Outflows for Construction	59,151,702	45,853,114	48,951,307	56,514,854	49,060,289
Shares Outstanding (Millions)	1,000	1,000	1,000	1,000	1,000
Number of Employees	573	575	616	591	569

ROCHESTER GAS AND ELECTRIC CORPORATION
COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
UTILITY PLANT					
1 Electric Utility Plant	\$1,237,367,966	\$2,150,300,196	\$2,008,139,863	\$1,941,304,900	\$2,826,431,939
2 Less Accum. Prov. For Deprec. & Amort.	438,809,526	1,314,570,650	1,400,155,342	1,336,399,932	1,874,965,424
3 Net Electric Utility Plant	798,558,440	835,729,546	607,984,521	604,904,968	951,466,515
4 Gas Utility Plant	558,778,274	548,054,766	533,747,036	510,272,996	483,382,062
5 Less Accum. Prov. For Deprec. & Amort.	187,337,947	181,592,201	179,473,291	169,776,880	168,526,536
6 Net Gas Utility Plant	371,440,327	366,462,565	354,273,745	340,496,116	314,855,526
7 Other Utility Plant	208,425,129	204,432,898	184,517,357	182,816,447	149,651,569
8 Less Accum. Prov. For Deprec. & Amort.	80,822,479	64,865,673	49,948,809	48,954,446	43,564,068
9 Net Other Utility Plant	127,602,650	139,567,225	134,568,548	133,862,001	106,087,501
10 Total Utility Plant	2,004,571,369	2,902,787,860	2,726,404,256	2,634,394,343	3,459,465,570
11 Less Accum. Prov. For Deprec. & Amort.	706,969,952	1,561,028,524	1,629,577,442	1,555,131,258	2,087,056,028
12 Net Total Utility Plant	1,297,601,417	1,341,759,336	1,096,826,814	1,079,263,085	1,372,409,542
OTHER PROPERTY AND INVESTMENTS					
13 Nonutility Property	291,859	106,499	106,499	106,499	106,499
14 Accum. Prov. For Deprec. & Amort.					
15 Investment in Associated Companies					
16 Investment in Subsidiary Companies					
17 Other Investments	961,923	826,874	955,718	1,013,988	410,095
18 Other Special Funds	12,005,637	286,451,640	238,774,449	221,739,653	244,514,578
19 Total Other Property and Investments	13,259,419	287,385,013	239,836,666	222,860,140	245,031,172
CURRENT AND ACCRUED ASSETS					
20 Cash	(4,678,541)	4,095,926	4,134,677	6,461,548	4,548,533
21 Special Deposits	2,127,290				
22 Working Funds	1,290,140	3,705,965	2,841,585	1,169,585	302,808
23 Temporary Cash Investments	69,223,808	9,500,000	82,250,000	13,000,000	
24 Notes Receivable				10,096,826	
25 Accounts Receivable	117,827,981	107,913,963	97,460,845	100,022,671	125,967,245
26 Accum. Prov. For Uncollectible Accts.	(21,481,685)	(27,181,685)	(31,181,685)	(29,481,685)	(33,481,705)
27 Notes Receivable from Associated Cos.				26,403,794	
28 Accounts Receivable from Assoc. Cos.	12,422,676	24,524,090	20,330,106	52,394,709	51,557,782
29 Materials and Supplies	11,683,815	12,439,576	11,608,050	10,767,377	12,261,300
30 Gas Stored Underground - Current	35,120,005	23,885,654	15,413,810	38,623,439	29,821,766
31 Liquefied Natural Gas in Storage					
32 Prepayments	19,551,887	13,231,618	35,323,172	34,806,363	23,781,604
33 Interest and Dividends Receivable	89,685	171,043	693,294	993,391	2,656
34 Rents Receivable	679,503	656,691	646,074	787,644	642,274
35 Accrued Utility Revenue	44,231,515	49,954,095	58,608,934	50,786,556	61,838,000
36 Misc. Current and Accrued Assets				3,730,376	
37 Total Current and Accrued Assets	288,088,079	222,896,936	298,128,862	320,562,594	277,242,263
DEFERRED DEBITS					
38 Unamort. Debt Expense	23,623,014	27,186,525	28,027,003	22,620,069	16,601,590
39 Extraordinary Property Losses					
40 Prelim. Survey and Investigation Charges					138,064
41 Clearing Accounts					
42 Temporary Facilities					
43 Miscellaneous Deferred Debits	598,873,681	819,278,672	768,094,821	740,721,449	486,518,318
44 Deferred Losses from Disp. of Utility Plant					
45 Research and Development					
46 Accumulated Deferred Income Taxes	212,037,538	153,625,587	127,823,568	146,473,245	151,247,008
47 Total Deferred Debits	834,534,233	1,000,090,784	923,945,392	909,814,763	654,504,980
48 Total Assets and Other Debits	\$2,433,483,148	\$2,852,132,069	\$2,558,737,734	\$2,532,500,582	\$2,549,187,957

ROCHESTER GAS AND ELECTRIC CORPORATION
COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
PROPRIETARY CAPITAL						
Common Stock Issued	\$194,429,065	\$194,429,065	\$194,429,065	\$194,429,065	\$194,429,065	1
Preferred Stock Issued		72,000,000	72,000,000	72,000,000	72,000,000	2
Capital Stock Subscribed						3
Stock Liability for Conversion						4
Premium on Capital Stock	519,275,675	519,275,675	519,275,675	519,275,675	519,275,675	5
Other Paid-in Capital	(21,080,524)	53,356,328	53,054,482	3,054,481	3,054,481	6
Installments Received on Capital Stock						7
Capital Stock Expense	(16,441,654)	(16,441,654)	(16,441,654)	(16,441,654)	(16,441,654)	8
Retained Earnings	19,559,729	121,031,957	154,266,891	174,054,047	166,247,775	9
Accumulated Other Comprehensive Income	(26,335)					
Unapp Undistributed Subsidiary Earnings						10
Required Capital Stock	(117,238,171)	(117,238,171)	(117,238,171)	(117,238,171)	(117,238,171)	11
Total Proprietary Capital	578,477,785	826,413,200	859,346,288	829,133,443	821,327,171	12
LONG-TERM DEBT						
Bonds	571,500,000	700,500,000	625,500,000	580,500,000	580,500,000	13
Required Bonds						14
Advances from Associated Companies						15
Other Long-Term Debt	127,400,000	127,400,000	127,400,000	207,470,060	215,930,286	16
Unamortized Premium on Long-Term Debt	5,711	9,628	13,545	17,462	21,378	17
Unamortized Discount on Long-Term Debt-D	(1,440,567)	(1,398,473)	(659,352)	(744,292)	(389,186)	18
Total Long-Term Debt	697,465,144	826,511,155	752,254,193	787,243,230	796,062,478	19
CURRENT AND ACCRUED LIABILITIES						
Notes Payable				4,387,201	98,000,000	20
Accounts Payable	74,990,755	69,977,442	67,675,921	77,659,214	106,573,881	21
Notes Payable to Associated Companies						22
Accounts Payable to Associated Companies	7,740,026	6,915,588	7,365,253	26,871,432	6,247,960	23
Customer Deposits	2,538,664	2,151,886	2,325,074	2,025,392	14,444,582	24
Taxes Accrued	19,596,681	24,130,017	3,450,804	4,381,093	9,051,419	25
Interest Accrued	9,294,782	11,540,084	10,508,531	12,338,383	12,339,299	26
Dividends Declared		512,500	925,000	16,523,594	16,515,481	27
Matured Long-Term Debt						28
Matured Interest						29
Tax Collections Payable	737,423	583,105	111,379	636,098	(448,376)	30
Misc. Current and Accrued Liabilities	49,475,144	26,977,703	197,207,789	149,354,679	17,745,948	31
Total Current and Accrued Liabilities	164,373,475	142,788,325	289,569,751	294,177,086	280,470,194	32
DEFERRED CREDITS						
Customer Advances for Construction						33
Other Deferred Credits	412,002,490	136,188,841	206,424,552	139,309,707	135,291,783	34
Accumulated Deferred Investment Tax Credit	9,173,009	15,300,540	16,996,075	18,691,501	33,619,335	35
Deferred Gains from Disposition of Utility Plant						36
Accumulated Deferred Income Taxes	348,981,183	367,310,349	336,152,769	370,179,660	391,926,859	37
Total Deferred Credits	770,156,682	518,799,730	559,573,396	528,180,868	560,837,977	38
OPERATING RESERVES						
Property Insurance Reserve						39
Injuries and Damage Reserve	1,587,975	1,757,800	2,019,600	2,050,000	2,050,000	40
Pension and Benefits Reserve	76,396,272	72,572,471	67,107,156	61,280,267	55,563,212	41
Miscellaneous Operating Reserves	145,025,815	463,289,388	28,867,350	30,435,688	32,876,925	42
Total Operating Reserves	223,010,062	537,619,659	97,994,106	93,765,955	90,490,137	43
Total Liabilities and Other Credits	\$2,433,483,148	\$2,852,132,069	\$2,558,737,734	\$2,532,500,582	\$2,549,187,957	44

ROCHESTER GAS AND ELECTRIC CORPORATION
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
ELECTRIC OPERATING INCOME					
1 Operating Revenues	\$663,962,122	\$676,677,706	\$705,981,975	\$728,099,152	\$721,736,451
Operating Expense:					
2 Operation Expense	386,482,895	397,631,825	399,574,418	361,132,022	326,916,986
3 Maintenance Expense	44,843,632	52,666,372	50,418,199	45,412,992	51,051,823
4 Depreciation Expense	66,911,660	88,821,915	87,817,222	99,901,006	99,583,643
5 Amort. and Depletion of Utility Plant	1,400,835				
6 Amort. of Utility Plant Acq. Adj.					
7 Amort of Property Losses					
8 Amort of Conversion Expenses		78,303	78,303	78,303	78,303
9 Taxes Other than Income Taxes	52,428,527	57,403,428	63,628,654	62,353,083	65,095,855
10 Income Taxes	143,645,578	4,292,470	53,721,269	45,193,634	49,613,718
11 Gains from Disposition of Util. Plant					
12 Losses from Disposition of Util. Plant					
13 Total Operating Expenses	695,713,127	600,894,313	655,238,065	614,071,040	592,340,328
14 Net Operating Revenues	(31,751,005)	75,783,393	50,743,910	114,028,112	129,396,123
15 Other Electric Utility Operating Income					
16 Total Electric Utility Operating Income	(31,751,005)	75,783,393	50,743,910	114,028,112	129,396,123
GAS OPERATING INCOME					
17 Operating Revenues	369,008,467	350,481,037	289,624,104	309,270,909	332,115,066
Operating Expense:					
18 Operation Expense	276,150,681	262,209,515	212,157,643	230,062,580	256,932,591
19 Maintenance Expense	10,862,011	5,801,352	6,541,026	5,110,847	5,102,887
20 Depreciation Expense	18,023,111	17,078,499	14,940,785	12,663,962	12,447,762
21 Amort. and Depletion of Utility Plant	713,588				
22 Amort. of Utility Plant Acq. Adj.					
23 Amort of Property Losses					
24 Amort of Conversion Expenses					
25 Taxes Other than Income Taxes	22,483,007	24,641,229	25,740,936	25,364,686	24,994,054
26 Income Taxes	7,617,227	15,268,965	(5,124,410)	9,990,561	9,836,880
27 Gains from Disposition of Util. Plant					
28 Losses from Disposition of Util. Plant					
29 Total Operating Expenses	335,849,625	324,999,560	254,255,980	283,192,636	309,314,174
30 Net Operating Revenues	33,158,842	25,481,477	35,368,124	26,078,273	22,800,892
31 Other Gas Utility Operating Income					
32 Total Gas Utility Operating Income	33,158,842	25,481,477	35,368,124	26,078,273	22,800,892
33 Other Utility Operating Income					
34 Total Utility Operating Income	\$1,407,837	\$101,264,870	\$86,112,034	\$140,106,385	\$152,197,015

ROCHESTER GAS AND ELECTRIC CORPORATION
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
OTHER INCOME						
Income - Merch., Jobbing & Contract Work						1
Income from Nonutility Operations	1,087,698	108,541	194,345	40,151	53,173	2
Nonoperating Rental Income	(1,880)					3
Equity in Earnings of Subsidiary Companies						4
Interest and Dividend Income	4,533,739	3,829,318	14,128,397	13,345,485	11,413,991	5
Allowance for Funds Used During Constructi	128,691	1,557,699	1,694,448	946,462	825,264	6
Miscellaneous Nonoperating Income	7,378,445	(216,403)	(58,210)	478,959	(3,316)	7
Gain on Disposition of Property	111,954,335			(3,129)		8
Total Other Income	125,081,028	5,279,155	15,958,980	14,807,928	12,289,112	9
OTHER INCOME DEDUCTIONS						
Loss on Disposition of Property						10
Miscellaneous Amortization						11
Miscellaneous Income Deductions	(743,310)	2,435,277	6,074,738	39,471,637	2,466,961	12
Total Other Income Deductions	(743,310)	2,435,277	6,074,738	39,471,637	2,466,961	13
TAXES-OTHER INCOME AND DEDUCTIONS						
Taxes Other than Income Taxes		18,210	118,626	100,400	99,764	14
Income Taxes	2,064,489	(1,496,322)	(16,976,738)	(26,264,771)	221,459	15
Total Taxes-Other Income & Deductions	2,064,489	(1,478,112)	(16,858,112)	(26,164,371)	321,223	16
Net Other Income and Deductions	123,759,849	4,321,990	26,742,354	1,500,662	9,500,928	17
INTEREST CHARGES						
Interest on Long-term Debt	45,030,090	52,357,245	49,646,398	58,953,105	56,672,870	18
Amortization of Debt Discount and Expense	3,697,646	2,612,658	2,390,684	2,135,626	1,651,037	19
Amortization of Premium on Debt-Credit	3,917	3,917	(2,007,176)	3,917	3,917	20
Interest on Debt to Associated Company		45,963	20,050			21
Other Interest Expense	6,126,718	20,934,845	8,723,106	6,872,395	7,848,584	22
Total Interest Charges	54,850,537	75,946,794	62,787,414	67,957,209	66,168,574	23
Income Before Extraordinary Items	70,317,149	29,640,066	50,066,974	73,649,838	95,529,369	24
EXTRAORDINARY ITEMS						
Extraordinary Income						25
Extraordinary Deductions						26
Income Taxes, Extraordinary Items						27
Net Extraordinary Items						28
Net Income	\$70,317,149	\$29,640,066	\$50,066,974	\$73,649,838	\$95,529,369	29
RETAINED EARNINGS						
Unappropriated Retained Earnings (BOP)	\$120,795,968	\$154,030,902	\$173,818,058	\$166,011,788	\$137,780,660	30
Balance Transferred from Income	70,317,149	29,640,066	50,066,974	73,649,838	95,529,369	31
Appropriations of Retained Earnings						32
Dividends Declared-Preferred Stock	1,789,377	2,875,000	3,700,000	3,700,000	3,700,000	33
Dividends Declared-Common Stock	170,000,000	60,000,000	66,154,130	62,270,410	62,988,728	34
Adjustments to Retained Earnings				126,842	(609,513)	35
Net Change to Unapp. Retained Earnings	(101,472,228)	(33,234,934)	(19,787,156)	7,806,270	28,231,128	36
Unappropriated Retained Earnings (EOP)	19,323,740	120,795,968	154,030,902	173,818,058	166,011,788	37
Appropriated Retained Earnings (EOP)	235,987	235,987	235,987	235,987	235,987	38
Total Retained Earnings	\$19,559,727	\$121,031,955	\$154,266,889	\$174,054,045	\$166,247,775	39

Notes:

Beginning in 1996, the debt component of AFDUC is included with other interest expense.

ROCHESTER GAS AND ELECTRIC CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
Cash Flows from Operating Activities					
1 Net Income	\$70,317,149	\$29,640,066	\$50,066,974	\$73,649,838	\$95,529,369
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	166,468,042	178,589,502	164,832,933	141,383,807	122,451,705
3 Deferred Taxes & ITCs	37,944,757	2,502,568	(12,837,546)	(56,844,848)	(40,383,400)
4 Receivables and Inventory	(15,767,009)	(15,667,380)	1,816,637	12,663,771	(69,133,057)
5 Payables and Accrued Expenses	(77,384,663)	24,034,348	(1,940,164)	(11,877,964)	30,744,846
6 Regulatory Assets (Net)	(55,405,285)	(46,705,080)	(8,142,350)	(238,262,546)	57,540,239
7 Capitalized AFUDC - Equity	(128,691)	(2,883,027)	(3,136,125)	946,462	(825,264)
8 Undistributed Earnings of Affiliates					
9 Other Adjustments	(11,256,271)	13,643,419	(22,147,939)		
10	(58,219,182)	(13,319,768)	(8,212,129)	120,583,972	(13,411,617)
11		31,548,893	(9,660,784)	176,704,184	12,852,618
12 Net Cash From Operating Activities	<u>56,568,847</u>	<u>201,383,541</u>	<u>150,639,507</u>	<u>218,946,676</u>	<u>195,365,439</u>
Cash Flows From Investing Activities					
13 Cash Outflows For Construction	(90,516,808)	(118,815,318)	(89,665,697)	(123,888,936)	(162,139,300)
14 Acquisition Of Other Non-Current Assets	530,270,854				
15 Investments in & Advances to Affiliates					144,865
16 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
17 Property, Plant & Equipment					
18 Investments In Affiliated Companies					
19 Investment Securities					
20 Other Current Assets & Liabilities					
21 Other Cash Flows - Investing Activities					
22		(5,442,641)	(5,661,726)	1,515,718	1,942,936
23					
24 Net Cash From Investing Activities	<u>439,754,046</u>	<u>(124,257,959)</u>	<u>(95,327,423)</u>	<u>(122,373,218)</u>	<u>(160,051,499)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
25 Long-Term Debt	(129,000,000)	(85,762,453)	70,477,942	91,073,774	(67,767,735)
26 Common Stock					
27 Preferred Stock	(72,000,000)				
28 Short-Term Debt				(93,612,799)	98,000,000
29 Dividends Paid	(246,789,377)	(63,287,500)	(58,866,896)	(65,962,297)	(67,250,913)
30 Other Cash Flows - Financing Activities			1,672,001	(12,292,347)	112,825
31					
32					
33 Net Cash From Financing Activities	<u>(447,789,377)</u>	<u>(149,049,953)</u>	<u>13,283,047</u>	<u>(80,793,669)</u>	<u>(36,905,823)</u>
34 Net Increase/(Decrease) In Cash & Equivalen	48,533,516	(71,924,371)	68,595,131	15,779,789	(1,591,883)
35 Cash & Equivalents At Beginning Of Year	17,301,891	89,226,262	20,631,131	4,851,342	6,443,225
36 Cash & Cash Equiv. At End Of Year	\$65,835,407	\$17,301,891	\$89,226,262	\$20,631,131	\$4,851,342

ROCHESTER GAS AND ELECTRIC CORPORATION
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE - ELECTRIC
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
SALES AND CUSTOMER DATA						
ELECTRIC REVENUES						
Residential	\$235,738,190	\$214,025,232	\$228,753,078	\$229,630,149	\$240,536,219	1
Commercial	132,827,211	131,353,683	152,218,401	157,894,449	165,040,676	2
Industrial	77,886,398	81,248,741	92,023,202	98,159,627	104,995,292	3
Other Ultimate Customers	34,833,353	26,907,702	37,749,698	46,007,142	41,662,490	4
Total Revenues-Ultimate Customers	481,285,152	453,535,358	510,744,379	531,691,367	552,234,677	5
Resales	166,965,197	220,823,852	201,533,257	199,769,003	173,162,658	6
Other Operating Revenues	15,711,773	2,318,496	(6,295,661)	(3,361,218)	(3,660,884)	7
Total Electric Operating Revenues	\$663,962,122	\$676,677,706	\$705,981,975	\$728,099,152	\$721,736,451	8
KWH SALES (THOUSANDS)						
Residential	2,478,221	1,996,897	2,156,036	2,044,601	2,153,567	9
Commercial	2,490,705	1,381,318	1,645,668	1,702,176	1,680,022	10
Industrial	1,476,407	1,196,974	1,380,190	1,471,716	1,557,478	11
Other Ultimate Customers	556,261	236,909	356,345	383,937	390,828	12
Total Sales-Ultimate Customers	7,001,594	4,812,098	5,538,239	5,602,430	5,781,895	13
Resales	3,406,069	4,051,623	3,620,866	3,602,002	2,770,518	14
Total Kilowatt-Hour Sales	10,407,663	8,863,721	9,159,105	9,204,432	8,552,413	15
AVG CUSTOMERS PER MONTH						
Residential	318,354	278,996	281,565	284,898	284,437	16
Commercial	34,957	26,472	26,570	26,639	25,653	17
Industrial	1,141	809	900	882	821	18
Other Ultimate Customers	2,993	1,985	2,133	2,147	1,998	19
Total Ultimate Customers	357,445	308,262	311,168	314,566	312,909	20
Resales	10	47,705	43,221	37,944	38,149	21
Total Customers	357,455	355,967	354,389	352,510	351,058	22
ELECTRIC OPERATING REVENUE RELATIONSHIP						
Residential Sales						
Average Annual Bill Per Customer	\$740	\$767	\$812	\$806	\$846	23
Average KWH Consumption Per Customer	7,784	7,157	7,657	7,177	7,571	24
Average Revenue Per KWH Sold (Cents)	9.51	10.72	10.61	11.23	11.17	25
Commercial Sales						
Average Annual Bill Per Customer	\$3,800	\$4,962	\$5,729	\$5,927	\$6,434	26
Average KWH Consumption Per Customer	71,251	52,180	61,937	63,898	65,490	27
Average Revenue Per KWH Sold (Cents)	5.33	9.51	9.25	9.28	9.82	28
Industrial Sales						
Average Annual Bill Per Customer	\$68,262	\$100,431	\$102,248	\$111,292	\$127,887	29
Average KWH Consumption Per Customer	1,293,959	1,479,572	1,533,544	1,668,612	1,897,050	30
Average Revenue Per KWH Sold (Cents)	5.28	6.79	6.67	6.67	6.74	31
ELECTRIC OPERATION AND MAINTENANCE EXPENSES						
Steam Power Expense	\$47,520,152	\$56,159,575	\$53,224,834	\$51,073,807	\$43,919,647	32
Nuclear Power Expense	40,401,875	86,125,457	75,545,586	88,080,916	82,245,951	33
Hydraulic Power Expense	2,716,967	515,803	704,540	1,124,102	924,637	34
Other Power Generation Expense	5,925,901	1,440,124	415,958	309,078	391,947	35
Other Power Supply Expense	190,653,522	96,577,622	136,705,911	91,554,964	77,358,034	36
Total Power Production Expense	287,218,417	240,818,581	266,596,829	232,142,867	204,840,216	37
Transmission Expense	12,805,505	29,702,766	33,250,336	40,761,741	40,136,525	38
Distribution Expense	31,568,981	28,867,963	42,680,363	36,240,244	35,428,135	39
Customer Account Expense	19,017,101	19,884,950	25,186,133	18,923,851	22,494,810	40
Sales Expense	3,456,506	15,830	23,346	51,629	48,773	41
Administrative and General	77,260,017	131,008,107	85,204,838	78,424,682	75,020,350	42
Total Operation & Maintenance Expens:	\$431,326,527	\$450,298,197	\$452,941,845	\$406,545,014	\$377,968,809	43

Notes:

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

ROCHESTER GAS AND ELECTRIC CORPORATION
DISTRIBUTION OF ELECTRIC REVENUES
YEARS ENDED DECEMBER 31,

	2004	2003	2002	2001	2000
1 Total Revenues	\$663,962,122	\$676,677,706	\$705,981,975	\$728,099,152	\$721,736,451
2 Sales of Electricity (KWHs-000)	10,407,663	8,863,721	9,159,105	9,204,432	8,552,413
DOLLAR AMOUNTS					
3 Fuel and Purchased Power	\$222,790,762	\$148,976,069	\$187,030,089	\$148,076,172	\$128,954,589
4 Wages and Benefits	57,290,752	94,842,490	103,964,042	94,645,313	90,782,725
5 Other Expenses	151,245,013	206,479,638	161,947,714	163,823,529	158,231,495
6 Depreciation & Amortization Expenses	68,312,495	88,900,218	87,895,525	99,979,309	99,661,946
7 Income Taxes-Operating	143,645,578	4,292,470	53,721,269	45,193,634	49,613,718
8 Other Taxes-Operating	52,428,527	57,403,428	63,628,654	62,353,083	65,095,855
9 Capital Costs	(31,751,005)	75,783,393	47,794,682	114,028,112	129,396,123
10 Total	\$663,962,122	\$676,677,706	\$705,981,975	\$728,099,152	\$721,736,451
PERCENT OF REVENUE					
11 Fuel and Purchased Power	33.6	22.0	26.5	20.3	17.9
12 Wages and Benefits	8.6	14.0	14.7	13.0	12.6
13 Other Expenses	22.8	30.5	22.9	22.5	21.9
14 Depreciation & Amortization Expenses	10.3	13.1	12.5	13.7	13.8
15 Income Taxes-Operating	21.6	0.6	7.6	6.2	6.9
16 Other Taxes-Operating	7.9	8.5	9.0	8.6	9.0
17 Capital Costs	-4.8	11.2	6.8	15.7	17.9
18 Total	100.0	100.0	100.0	100.0	100.0
CENTS PER KWH					
19 Fuel and Purchased Power	2.14	1.68	2.04	1.61	1.51
20 Wages and Benefits	0.55	1.07	1.14	1.03	1.06
21 Other Expenses	1.45	2.33	1.77	1.78	1.85
22 Depreciation & Amortization Expenses	0.66	1.00	0.96	1.09	1.17
23 Income Taxes-Operating	1.38	0.05	0.59	0.49	0.58
24 Other Taxes-Operating	0.50	0.65	0.69	0.68	0.76
25 Capital Costs	-0.31	0.85	0.52	1.24	1.51
26 Total	6.38	7.63	7.71	7.91	8.44

Notes:

Includes Sales for Resale

These figures represent revenues and sales to full-service customers only (customers who receive their commodity and transportation services from the utility). Reductions in the Average Annual Bill Per Customer and Average KWH Consumption Per Customer in 1999 reflect the migration of some full-service customers to partial-service status (i.e., Esco customers) which are not included in this publication.

Data Field Below**Fuel and Purchased Power**

Steam - Fuel	28,071,767	35,445,001	34,049,984	33,443,798	25,719,162
Nuclear - Fuel	6,283,409	16,321,649	16,105,538	23,196,226	21,851,480
Hydro - Water for Power		545	24,474	161,022	106,981
Other Power - Fuel	5,829,876	612,788	280,108	235,158	339,101
Purchased Power	182,605,710	96,596,086	136,569,985	91,039,968	80,937,865
Total Fuel and Purchased Power	222,790,762	148,976,069	187,030,089	148,076,172	128,954,589
-Fuel and PP related to Sales for Resale					
Fuel and PP - Ultimate Customers	222,790,762	148,976,069	187,030,089	148,076,172	128,954,589

Wages and Benefits

Salaries	61,145,079	88,198,322	99,190,449	91,115,751	87,233,161
Pensions and Benefits	(3,854,327)	6,644,168	4,773,593	3,529,562	3,549,564
Total Wages and Benefits	57,290,752	94,842,490	103,964,042	94,645,313	90,782,725

Other Expenses

Total O&M Expenses	431,326,527	450,298,197	452,941,845	406,545,014	377,968,809
-Total Fuel and PP	222,790,762	148,976,069	187,030,089	148,076,172	128,954,589
-Wages and Benefits	57,290,752	94,842,490	103,964,042	94,645,313	90,782,725
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses/Income	151,245,013	206,479,638	161,947,714	163,823,529	158,231,495

Depreciation and Amortization

Depreciation Exp	66,911,660	88,821,915	87,817,222	99,901,006	99,583,643
Amort & Depl of Utility Plant	1,400,835				
Amort of Other Utility Plant					
Amort of Property Losses					
Amort of Conversion Expenses		78,303	78,303	78,303	
Total Depre and Amort	68,312,495	88,900,218	87,895,525	99,979,309	99,583,643

Fuel and PP related to Sales for Resale (Not Used)

Total Fuel and PP	222,790,762	148,976,069	187,030,089	148,076,172	128,954,589
divided by Total MWHs	10,407,663	8,863,721	9,159,105	9,204,432	8,552,413
Fuel Cost per KWH	0.0214	0.0168	0.0204	0.0161	0.0151
times Sales for Resale MWHs	3,406,069	4,051,623	3,620,866	3,602,002	2,770,518
Sales for Resale Fuel	72,911,729	68,097,232	73,938,544	57,947,157	41,774,293

ROCHESTER GAS AND ELECTRIC CORPORATION
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2004	2003	2002	2001	2000	
ELECTRIC UTILITY PLANT						
Intangible						1
Production						
Steam	\$128,801,875	\$127,652,981	\$118,825,006	\$118,156,176	\$116,854,270	2
Nuclear	(29,623)	595,677,440	578,921,217	580,805,899	1,455,604,924	3
Hydraulic	43,219,797	29,148,910	28,377,299	28,083,706	26,552,606	4
Other	4,141,152	4,141,151	4,141,151	4,141,151	4,139,764	5
Transmission	255,547,372	247,961,808	247,194,026	234,544,188	226,478,955	6
Distribution	778,209,425	686,586,900	679,528,298	645,957,882	611,666,758	7
General	20,413,720	22,799,025	22,444,793	23,138,349	22,828,561	8
Electric - Purchased or Sold						9
Experimental - Unclassified						10
Nuclear Fuel Assemblies		253,980,346	237,246,878	224,493,956	292,166,847	11
Total Electric Plant In Service	1,230,303,718	1,967,948,561	1,916,678,667	1,859,321,307	2,756,292,685	12
Leased To Others						13
Held For Future Use	1,834,852	2,346,191	2,346,129	2,066,870	2,066,871	14
Construction Work in Progress	5,229,396	89,319,793	88,175,457	78,898,749	66,975,980	15
Aquisition Adjustments		90,685,651	939,667	1,017,970	1,096,271	16
Total Electric Utility Plant	1,237,367,966	2,150,300,196	2,008,139,920	1,941,304,896	2,826,431,807	17
Accum. Provision - Depr. & Amort.	438,809,526	1,314,570,650	1,400,155,342	1,336,399,932	1,874,965,424	18
Net Electric Plant	\$798,558,440	\$835,729,546	\$607,984,578	\$604,904,964	\$951,466,383	19
		0				
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	1.78	1.56	1.03	1.09	0.99	20
Total Capitalization	\$1,275,969,264	\$1,652,924,355	\$1,611,600,481	\$1,620,763,874	\$1,715,389,649	21
<u>Percent Of Capitalization (Incl S-T Debt)</u>						
Long-Term Debt	54.7%	50.0%	46.7%	48.6%	46.4%	22
Preferred Stock		4.4%	4.5%	4.4%	4.2%	23
Common Stock & Retained Earnings	45.3%	45.6%	48.9%	46.7%	43.7%	24
Short-Term Debt				0.3%	5.7%	25
Pretax Coverage of Interest Expense	2.78	1.59	2.30	2.51	3.35	26
Com. Stock Dividends as a % of Earnings	-44556.3%	61.0%	142.7%	89.0%	68.6%	27
Return on Common Equity	-0.1%	12.8%	6.0%	9.3%	12.2%	28
Internal Cash Generated as a % of Cash Outflows for Construction	62.5%	146.4%	168.0%	176.7%	120.5%	29
Earnings per Share	(\$0.01)	\$2.53	\$1.19	\$1.80	\$2.36	30
Book Value per Share	\$14.88	\$19.40	\$20.25	\$19.47	\$19.27	31
Dividends per Share	\$4.37	\$1.54	\$1.70	\$1.60	\$1.62	32
Number of Employees				1,926	N/A	33

Current Assets	283,920,675	222,896,936	298,128,862	320,562,594	277,242,263
Current Liabilities	159,413,973	142,788,325	289,569,751	294,177,086	280,470,194
Total Capitalization	1,275,969,264	1,652,924,355	1,611,600,481	1,620,763,874	1,715,389,649
Long-Term Debt	697,465,144	826,511,155	752,254,193	787,243,230	796,062,478
Preferred Stock		72,000,000	72,000,000	72,000,000	72,000,000
Common Stock and Retained Earnings (Excl. Preferred Stock)	578,504,120	754,413,200	787,346,288	757,133,443	749,327,171
Short-Term Debt				4,387,201	98,000,000
Pretax Income	152,670,642	120,826,305	144,474,509	170,526,471	221,370,000
Interest Expense	54,850,537	75,946,794	62,787,414	67,957,209	66,168,574
Common Dividends Paid	170,000,000	60,000,000	66,154,130	62,270,410	62,988,728
Net Income Before Extraordinary Items (Excl. Preferred Stock Dividends)	(381,540)	98,389,870	46,366,974	69,949,838	91,829,369
Internal Cash	56,568,847	174,000,280	150,639,507	218,946,676	195,365,439
Cash Outflows for Construction	90,516,808	118,815,318	89,665,697	123,888,936	162,139,300
Shares Outstanding (Millions)	38,885,813	38,885,813	38,885,813	38,885,813	38,885,813
Number of Employees (Total)	1,061	N/A	N/A	N/A	N/A
Misc Deferred Debits - Net	186,871,191	683,089,831	561,670,269	601,411,742	351,226,535