

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K

Current report filing

Filing Date: **2006-08-03** | Period of Report: **2006-08-02**  
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### FILER

#### **CONSOLIDATED EDISON CO OF NEW YORK INC**

CIK:**23632** | IRS No.: **135009340** | State of Incorp.:**NY** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **001-01217** | Film No.: **061002896**  
SIC: **4931** Electric & other services combined

Business Address  
*4 IRVING PL  
NEW YORK NY 10003  
2124604600*

#### **CONSOLIDATED EDISON INC**

CIK:**1047862** | IRS No.: **133965100** | State of Incorp.:**NY** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **001-14514** | Film No.: **061002897**  
SIC: **4931** Electric & other services combined

Mailing Address  
*4 IRVING PLACE  
ROOM 1618 S  
NEW YORK NY 10003*

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2124604600*

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported)  
August 2, 2006

**Consolidated Edison, Inc.**

(Exact name of registrant as specified in its charter)

**New York**  
(State or Other Jurisdiction  
of Incorporation)

**1-14514**  
(Commission File Number)

**13-3965100**  
(IRS Employer  
Identification No.)

**4 Irving Place, New York, New York**  
(Address of principal executive offices)

**10003**  
(Zip Code)

Registrant's telephone number, including area code  
(212) 460-4600

**Consolidated Edison Company of New York, Inc.**

(Exact name of registrant as specified in its charter)

**New York**  
(State or Other Jurisdiction  
of Incorporation)

**1-1217**  
(Commission File Number)

**13-5009340**  
(IRS Employer  
Identification No.)

**4 Irving Place, New York, New York**  
(Address of principal executive offices)

**10003**  
(Zip Code)

Registrant's telephone number, including area code  
(212) 460-4600

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(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**ITEM 2.02 Results of Operations and Financial Condition**

On August 2, 2006, Consolidated Edison, Inc. (Con Edison) issued a press release reporting, among other things, its results of operations for the three months ended June 30, 2006. Con Edison's unaudited consolidated balance sheets at June 30, 2006 and December 31, 2005 and consolidated income statements for the three and six month periods ended June 30, 2006 and 2005 were attached to the press release. The press release (including its attachments) is "furnished" as an exhibit to this report pursuant to Item 2.02 of Form 8-K.

**ITEM 9.01 Financial Statements and Exhibits**

**(d) Exhibits**

Exhibit 99      Press release, dated August 2, 2006, furnished pursuant to Item 2.02 of Form 8-K.

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CONSOLIDATED EDISON, INC.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

By

/s/ Edward J. Rasmussen

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Edward J. Rasmussen  
Vice President and Controller

Date: August 3, 2006



**Media Relations**  
212 460 4111 (24 hours)

Consolidated Edison, Inc.  
4 Irving Place  
New York NY 10003  
www.conEdison.com

**FOR IMMEDIATE RELEASE**  
**August 2, 2006**

**Contact: Joseph Petta**  
**212-460-4111**

### **CON EDISON, INC. REPORTS 2006 SECOND QUARTER EARNINGS**

NEW YORK - Consolidated Edison, Inc. (Con Edison) [NYSE: ED] today reported 2006 second quarter earnings of \$124 million or \$0.50 a share, compared with earnings of \$115 million or \$0.47 cents a share for the second quarter of 2005.

“We are spending more than \$1.8 billion this year to improve our energy delivery systems,” said Kevin Burke, Chairman, President and Chief Executive Officer. “These investments reflect our commitment to our customers and our determination to meet New York’s growing demand for energy,” he said.

The company’s net income for common stock for the first six months of 2006 was \$305 million or \$1.24 a share compared with \$297 million or \$1.22 a share for the first six months of 2005.

During a July 2006 heat wave, electric service to a number of customers in Con Edison of New York’s Long Island City distribution network in Queens, New York was interrupted. The company now expects its earnings for the year 2006 to be in the range of \$2.75 to \$3.00 per share. The company’s previous forecast of 2006 earnings was in the range of \$2.90 to \$3.10 per share.

The Companies’ results of operations for the three and six months ended June 30, 2006, as compared with the 2005 periods, reflect growth in weather-adjusted sales, milder winter and spring weather, the Companies’ rate plans (including the electric rate plan that took effect in April 2005) and, for Con Edison, the results of the competitive energy businesses’ including net mark-to-market losses. The following table presents the effect on earnings per share and net income for the second quarter and first six months of 2006, as compared to the 2005 periods, resulting from these and other major factors:

**-more-**

	Second Quarter Variation		Six Months Ended Variation	
	Earnings per Share	Net Income (Millions of Dollars)	Earnings per Share	Net Income (Millions of Dollars)
Con Edison of New York				
Sales growth (estimated)	\$ 0.03	\$ 7	\$ 0.06	\$ 14
Impact of weather in 2006 versus 2005 (estimated)	(0.04 )	(10 )	(0.12 )	(29 )
Electric rate plan (estimated)	0.11	29	0.42	102
Gas rate plan (estimated)	0.02	4	0.05	11
Steam rate plan (estimated)	0.02	4	0.05	13
Higher operations and maintenance expense	(0.05 )	(13 )	(0.09 )	(21 )
Stock-based compensation expense	–	(1 )	(0.02 )	(6 )
Higher depreciation and property taxes	(0.06 )	(14 )	(0.17 )	(41 )
Higher interest charges	(0.04 )	(10 )	(0.06 )	(15 )
Other (includes effect of dilution on earnings per share)	(0.02 )	(1 )	(0.03 )	(1 )
Total Con Edison of New York	(0.03 )	(5 )	0.09	27
Orange and Rockland Utilities	–	(2 )	(0.03 )	(7 )
Competitive energy businesses				
Earnings excluding mark-to-market losses (net)	0.08	20	0.13	31

Mark-to-market losses (net)	(0.02 )	(5 )	(0.14 )	(34 )
Other, including parent company expenses	-	-	(0.04 )	(11 )
Discontinued operations	-	1	0.01	2
Total variation	<u>\$ 0.03</u>	<u>\$ 9</u>	<u>\$ 0.02</u>	<u>\$ 8</u>

The earnings per share variations shown above reflect the dilutive effect of a higher weighted average number of common shares outstanding in the 2006 three-month and six-month periods (246 million shares in each period) than in the 2005 three-month and six-month periods (243 million shares in each period).

For the three months ended June 30, 2006, amounts of electricity and steam delivered by Con Edison of New York, after adjusting for variations in weather and billing days in the period, increased by 2.0 percent and 0.3 percent compared with the 2005 period, respectively. Gas deliveries, after adjusting for variations in weather and billing days in the period, decreased 2.2 percent compared with the prior period.

For the first six months of 2006, amounts of electricity delivered by Con Edison of New York, after adjusting for variations in weather and billing days in the period, increased 1.3 percent. Gas and steam deliveries, after adjusting for variations in weather and billing days in the period, decreased 0.4 percent and 1.0 percent, respectively, as compared with the 2005 period.

Refer to the attachments to this press release for the consolidated balance sheets at June 30, 2006 and December 31, 2005 and the consolidated income statements for the three and six months ended June 30, 2006 and 2005. For additional information related to utility sales and revenues go to the Con Edison Web site at [www.conedison.com](http://www.conedison.com), select "Investor Information" and then select "Financial Reports."

**-more-**

This press release contains forward-looking statements that reflect expectations and not facts. Actual results may differ materially from those expectations because of factors such as those identified in reports the company has filed with the Securities and Exchange Commission.

Consolidated Edison, Inc. is one of the nation's largest investor-owned energy companies, with approximately \$12 billion in annual revenues and \$25 billion in assets. The company provides a wide range of energy-related products and services to its customers through the following subsidiaries: Consolidated Edison Company of New York, Inc., a regulated utility providing electric, gas, and steam service in New York City and Westchester County, New York; Orange and Rockland Utilities, Inc., a regulated utility serving customers in a 1,350 square mile area in southeastern New York state and adjacent sections of northern New Jersey and northeastern Pennsylvania; Consolidated Edison Solutions, Inc., a retail energy supply and services company; Consolidated Edison Energy, Inc., a wholesale energy supply company; and Consolidated Edison Development, Inc., a company that owns and operates generating plants and participates in other infrastructure projects.

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**Consolidated Edison, Inc.**  
**CONSOLIDATED BALANCE SHEET**  
(Unaudited)

	<u>June 30, 2006</u>	<u>December 31, 2005</u>
(Millions of Dollars)		
<b>ASSETS</b>		
<b>UTILITY PLANT, AT ORIGINAL COST</b>		
Electric	\$ 14,088	\$ 13,586
Gas	3,133	3,044
Steam	1,662	1,624
General	<u>1,585</u>	<u>1,541</u>
<b>TOTAL</b>	<b>20,468</b>	<b>19,795</b>
Less: Accumulated depreciation	<u>4,513</u>	<u>4,355</u>
Net	15,955	15,440
Construction work in progress	<u>915</u>	<u>771</u>
<b>NET UTILITY PLANT</b>	<b><u>16,870</u></b>	<b><u>16,211</u></b>
<b>NON-UTILITY PLANT</b>		
Unregulated generating assets, less accumulated depreciation of \$115 and \$102 in 2006 and 2005, respectively	797	810
Non-utility property, less accumulated depreciation of \$34 and \$31 in 2006 and 2005, respectively	35	38

Non-utility property held for sale	-	52
Construction work in progress	1	1
<b>NET PLANT</b>	<b>17,703</b>	<b>17,112</b>
<b>CURRENT ASSETS</b>		
Cash and temporary cash investments	63	81
Restricted cash	18	15
Accounts receivable - customers, less allowance for uncollectible accounts of \$40 and \$39 in 2006 and 2005, respectively	678	1,025
Accrued unbilled revenue	111	116
Other receivables, less allowance for uncollectible accounts of \$5 and \$6 in 2006 and 2005, respectively	388	350
Fuel oil, at average cost	60	47
Gas in storage, at average cost	205	248
Materials and supplies, at average cost	138	130
Prepayments	148	434
Fair value of derivative assets	107	331
Recoverable energy costs	200	221
Current assets held for sale	-	8
Deferred derivative losses	77	9

Other current assets	217	147
<b>TOTAL CURRENT ASSETS</b>	<b>2,410</b>	<b>3,162</b>
INVESTMENTS	269	265
<b>DEFERRED CHARGES, REGULATORY ASSETS AND NONCURRENT ASSETS</b>		
Goodwill	406	406
Intangible assets, less accumulated amortization of \$29 and \$24 in 2006 and 2005, respectively	85	90
Prepaid pension costs	1,437	1,474
Regulatory assets	2,066	2,017
Other deferred charges and noncurrent assets	278	324
<b>TOTAL DEFERRED CHARGES, REGULATORY ASSETS AND NONCURRENT ASSETS</b>	<b>4,272</b>	<b>4,311</b>
<b>TOTAL ASSETS</b>	<b>\$ 24,654</b>	<b>\$ 24,850</b>

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

**Consolidated Edison, Inc.**  
**CONSOLIDATED BALANCE SHEET**  
**(Unaudited)**

	<u>June 30, 2006</u>	<u>December 31, 2005</u>
	(Millions of Dollars)	
<b>CAPITALIZATION AND LIABILITIES</b>		
<b>CAPITALIZATION</b>		
Common shareholders' equity (See Statement of Common Shareholders' Equity)	\$ 7,375	\$ 7,310
Preferred stock of subsidiary	213	213
Long-term debt	<u>8,063</u>	<u>7,398</u>
<b>TOTAL CAPITALIZATION</b>	<u>15,651</u>	<u>14,921</u>
<b>MINORITY INTERESTS</b>	<u>42</u>	<u>42</u>
<b>NONCURRENT LIABILITIES</b>		
Obligations under capital leases	28	30
Provision for injuries and damages	166	167
Pensions and retiree benefits	284	223
Superfund and other environmental costs	264	238
Asset retirement obligations	97	94
Noncurrent liabilities held for sale	-	9
Other noncurrent liabilities	<u>104</u>	<u>64</u>

## TOTAL NONCURRENT LIABILITIES

943

825

## CURRENT LIABILITIES

Long-term debt due within one year

44

22

Notes payable

352

755

Accounts payable

963

1,236

Customer deposits

224

229

Accrued taxes

31

94

Accrued interest

125

102

Accrued wages

85

77

Fair value of derivative liabilities

260

133

Deferred derivative gains

14

224

Deferred income taxes - recoverable energy costs

82

90

Current liabilities held for sale

-

12

Other current liabilities

258

349

## TOTAL CURRENT LIABILITIES

2,438

3,323

## DEFERRED CREDITS AND REGULATORY LIABILITIES

Deferred income taxes and investment tax credits

3,726

3,644

Regulatory liabilities	1,831	2,062
Other deferred credits	23	33
<b>TOTAL DEFERRED CREDITS AND REGULATORY LIABILITIES</b>	<u>5,580</u>	<u>5,739</u>
<b>TOTAL CAPITALIZATION AND LIABILITIES</b>	<u>\$ 24,654</u>	<u>\$ 24,850</u>

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

**Consolidated Edison, Inc.**  
**CONSOLIDATED INCOME STATEMENT**  
**(Unaudited)**

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
(Millions of Dollars/Except Share Data)				
<b>OPERATING REVENUES</b>				
Electric	\$ 1,666	\$ 1,640	\$ 3,425	\$ 3,144
Gas	349	354	1,192	1,082
Steam	106	96	381	363
Non-utility	434	305	874	597
<b>TOTAL OPERATING REVENUES</b>	<u>2,555</u>	<u>2,395</u>	<u>5,872</u>	<u>5,186</u>
<b>OPERATING EXPENSES</b>				
Purchased power	1,019	958	2,203	1,888
Fuel	145	139	400	331
Gas purchased for resale	189	201	745	653
Other operations and maintenance	437	405	877	819
Depreciation and amortization	153	146	305	287
Taxes, other than income taxes	299	281	617	551
Income taxes	65	39	169	149
<b>TOTAL OPERATING EXPENSES</b>	<u>2,307</u>	<u>2,169</u>	<u>5,316</u>	<u>4,678</u>

OPERATING INCOME	248	226	556	508
OTHER INCOME (DEDUCTIONS)				
Investment and other income	8	11	20	17
Allowance for equity funds used during construction	1	-	2	8
Preferred stock dividend requirements of subsidiary	(3 )	(3 )	(6 )	(6 )
Other deductions	(4 )	(4 )	(9 )	(10 )
Income taxes	6	2	(2 )	6
TOTAL OTHER INCOME (DEDUCTIONS)	8	6	5	15
INTEREST EXPENSE				
Interest on long-term debt	119	113	232	219
Other interest	12	1	25	10
Allowance for borrowed funds used during construction	(1 )	-	(2 )	(6 )
NET INTEREST EXPENSE	130	114	255	223
INCOME FROM CONTINUING OPERATIONS	126	118	306	300
INCOME FROM DISCONTINUED OPERATIONS (NET OF INCOME TAXES)	(2 )	(3 )	(1 )	(3 )
NET INCOME	<u>\$ 124</u>	<u>\$ 115</u>	<u>\$ 305</u>	<u>\$ 297</u>



EARNINGS PER COMMON SHARE - BASIC

Continuing operations	\$ 0.51	\$ 0.48	\$ 1.24	\$ 1.23
Discontinued operations	(0.01 )	(0.01 )	-	(0.01 )
Net income	<u>\$ 0.50</u>	<u>\$ 0.47</u>	<u>\$ 1.24</u>	<u>\$ 1.22</u>

EARNINGS PER COMMON SHARE - DILUTED

Continuing operations	\$ 0.51	\$ 0.48	\$ 1.24	\$ 1.23
Discontinued operations	(0.01 )	(0.01 )	-	(0.01 )
Net income	<u>\$ 0.50</u>	<u>\$ 0.47</u>	<u>\$ 1.24</u>	<u>\$ 1.22</u>

DIVIDENDS DECLARED PER SHARE OF COMMON STOCK

	<u>\$ 0.575</u>	<u>\$ 0.570</u>	<u>\$ 1.150</u>	<u>\$ 1.140</u>
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AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC (IN MILLIONS)

	<u>245.9</u>	<u>243.4</u>	<u>245.7</u>	<u>243.1</u>
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AVERAGE NUMBER OF SHARES OUTSTANDING - DILUTED (IN MILLIONS)

	<u>246.7</u>	<u>244.2</u>	<u>246.7</u>	<u>243.8</u>
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The accompanying notes are an integral part of these financial statements.