

CONSOLIDATED EDISON INC
 Form 10-Q
 November 05, 2015

Table of Contents

UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549
 FORM 10-Q

x Quarterly Report Pursuant To Section 13 or 15(d) of the Securities Exchange Act of 1934
 FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2015

OR

“ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

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

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

Consolidated Edison, Inc. (Con Edison)	Yes x	No “
Consolidated Edison Company of New York, Inc. (CECONY)	Yes x	No “

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

Con Edison	Yes x	No “
CECONY	Yes x	No “

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

Con Edison	Large accelerated filer x	Accelerated filer “	Non-accelerated filer “	Smaller reporting company “
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CECONY	Large accelerated filer “	Accelerated filer “	Non-accelerated filer x	Smaller reporting company “
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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Con Edison	Yes “	No x
CECONY	Yes “	No x

As of October 30, 2015, Con Edison had outstanding 293,192,258 Common Shares (\$.10 par value). All of the outstanding common equity of CECONY is held by Con Edison.

Filing Format

This Quarterly Report on Form 10-Q is a combined report being filed separately by two different registrants: Consolidated Edison, Inc. (Con Edison) and Consolidated Edison Company of New York, Inc. (CECONY). CECONY is a wholly-owned subsidiary of Con Edison and, as such, the information in this report about CECONY also applies

to Con Edison. As used in this report, the term the “Companies” refers to Con Edison and CECONY. However, CECONY makes no representation as to the information contained in this report relating to Con Edison or the subsidiaries of Con Edison other than itself.

Table of Contents

Glossary of Terms

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

Con Edison Companies

Con Edison	Consolidated Edison, Inc.
CECONY	Consolidated Edison Company of New York, Inc.
Con Edison Development	Consolidated Edison Development, Inc.
Con Edison Energy	Consolidated Edison Energy, Inc.
Con Edison Solutions	Consolidated Edison Solutions, Inc.
Con Edison Transmission	Consolidated Edison Transmission, LLC
O&R	Orange and Rockland Utilities, Inc.
Pike	Pike County Light & Power Company
RECO	Rockland Electric Company
The Companies	Con Edison and CECONY
The Utilities	CECONY and O&R
Regulatory Agencies, Government Agencies, and Other Organizations	
EPA	U. S. Environmental Protection Agency
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
IRS	Internal Revenue Service
NJBPU	New Jersey Board of Public Utilities
NJDEP	New Jersey Department of Environmental Protection
NYISO	New York Independent System Operator
NYPA	New York Power Authority
NYSDEC	New York State Department of Environmental Conservation
NYSERDA	New York State Energy Research and Development Authority
NYSPSC	New York State Public Service Commission
NYSRC	New York State Reliability Council, LLC
PAPUC	Pennsylvania Public Utility Commission
PJM	PJM Interconnection LLC
SEC	U.S. Securities and Exchange Commission
Accounting	
ASU	Accounting Standards Update
GAAP	Generally Accepted Accounting Principles in the United States of America
LILO	Lease In/Lease Out
OCI	Other Comprehensive Income
VIE	Variable interest entity
Environmental	
CO2	Carbon dioxide
GHG	Greenhouse gases
MGP Sites	Manufactured gas plant sites
PCBs	Polychlorinated biphenyls
PRP	Potentially responsible party
Superfund	Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 and similar state statutes

Table of Contents

Units of Measure

AC	Alternating current
Dt	Dekatherms
kV	Kilovolt
kWh	Kilowatt-hour
MDt	Thousand dekatherms
MMlb	Million pounds
MVA	Megavolt ampere
MW	Megawatt or thousand kilowatts
MWH	Megawatt hour
Other	
AFUDC	Allowance for funds used during construction
COSO	Committee of Sponsoring Organizations of the Treadway Commission
DER	Distributed energy resources
DSP	Distributed System Platform
Fitch	Fitch Ratings
First Quarter Form 10-Q	The Companies' combined Quarterly Report on Form 10-Q for the quarterly period ended March 31 of the current year
Second Quarter Form 10-Q	The Companies' combined Quarterly Report on Form 10-Q for the quarterly period ended June 30 of the current year
Third Quarter Form 10-Q	The Companies' combined Quarterly Report on Form 10-Q for the quarterly period ended September 30 of the current year
Form 10-K	The Companies' combined Annual Report on Form 10-K for the year ended December 31, 2014
LTIP	Long Term Incentive Plan
Moody's	Moody's Investors Service
REV	Reforming the Energy Vision
S&P	Standard & Poor's Financial Services LLC
VaR	Value-at-Risk

Table of Contents

TABLE OF CONTENTS

	PAGE
<u>PART I—Financial Information</u>	
ITEM 1 Financial Statements (Unaudited)	
Con Edison	
<u>Consolidated Income Statement</u>	<u>6</u>
<u>Consolidated Statement of Comprehensive Income</u>	<u>7</u>
<u>Consolidated Statement of Cash Flows</u>	<u>8</u>
<u>Consolidated Balance Sheet</u>	<u>9</u>
<u>Consolidated Statement of Equity</u>	<u>11</u>
CECONY	
<u>Consolidated Income Statement</u>	<u>12</u>
<u>Consolidated Statement of Comprehensive Income</u>	<u>13</u>
<u>Consolidated Statement of Cash Flows</u>	<u>14</u>
<u>Consolidated Balance Sheet</u>	<u>15</u>
<u>Consolidated Statement of Shareholder’s Equity</u>	<u>17</u>
<u>Notes to the Financial Statements (Unaudited)</u>	<u>18</u>
ITEM 2 <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>41</u>
ITEM 3 <u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>69</u>
ITEM 4 <u>Controls and Procedures</u>	<u>69</u>
<u>PART II—Other Information</u>	<u>70</u>
ITEM 1 <u>Legal Proceedings</u>	<u>70</u>
ITEM 1A <u>Risk Factors</u>	<u>70</u>
ITEM 2 <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>71</u>
ITEM 6 <u>Exhibits</u>	<u>72</u>
<u>Signatures</u>	<u>74</u>

Table of Contents

FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements intended to qualify for the safe-harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended.

Forward-looking statements are statements of future expectation and not facts. Words such as “forecasts,” “expects,” “estimates,” “anticipates,” “intends,” “believes,” “plans,” “will” and similar expressions identify forward-looking statements.

Forward-looking statements are based on information available at the time the statements are made, and accordingly speak only as of that time. Actual results or developments might differ materially from those included in the forward-looking statements because of various factors including:

- the Companies are extensively regulated and are subject to penalties;
- the Utilities’ rate plans may not provide a reasonable return;
- the Companies may be adversely affected by changes to the Utilities’ rate plans;
- the intentional misconduct of employees or contractors could adversely affect the Companies;
- the failure of, or damage to, the Companies’ facilities could adversely affect the Companies;
- a cyber attack could adversely affect the Companies;
- the Companies are exposed to risks from the environmental consequences of their operations;
- a disruption in the wholesale energy markets or failure by an energy supplier could adversely affect the Companies;
- the Companies have substantial unfunded pension and other postretirement benefit liabilities;
- Con Edison’s ability to pay dividends or interest depends on dividends from its subsidiaries;
- the Companies require access to capital markets to satisfy funding requirements;
- the Companies’ strategies may not be effective to address changes in the external business environment; and
- the Companies also face other risks that are beyond their control.

Table of Contents

Consolidated Edison, Inc.

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
	(Millions of Dollars/ Except Share Data)			
OPERATING REVENUES				
Electric	\$2,762	\$2,786	\$6,937	\$7,158
Gas	237	237	1,293	1,514
Steam	58	46	529	485
Non-utility	386	321	1,088	934
TOTAL OPERATING REVENUES	3,443	3,390	9,847	10,091
OPERATING EXPENSES				
Purchased power	860	875	2,404	2,621
Fuel	31	41	216	231
Gas purchased for resale	64	76	415	627
Other operations and maintenance	869	857	2,485	2,483
Depreciation and amortization	285	270	840	796
Taxes, other than income taxes	504	452	1,459	1,419
TOTAL OPERATING EXPENSES	2,613	2,571	7,819	8,177
Gain on sale of solar electric production projects	—	—	—	45
OPERATING INCOME	830	819	2,028	1,959
OTHER INCOME (DEDUCTIONS)				
Investment and other income	12	28	31	53
Allowance for equity funds used during construction	1	1	3	4
Other deductions	(4)	(3)	(11)	(12)
TOTAL OTHER INCOME				