

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

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

**Date of Report (Date of earliest event reported)**  
May 2, 2005

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**Consolidated Edison, Inc.**

(Exact name of registrant as specified in its charter)

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**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

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

(Exact name of registrant as specified in its charter)

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**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

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

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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))
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**INFORMATION TO BE INCLUDED IN THE REPORT**

Item 7.01. Regulation FD Disclosure

The material attached hereto as Exhibit 99, which is incorporated in this Item 7.01 by reference thereto, is furnished pursuant to Regulation FD.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

Exhibit 99 Financial presentation – May 2, 2005.

**SIGNATURE**

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.

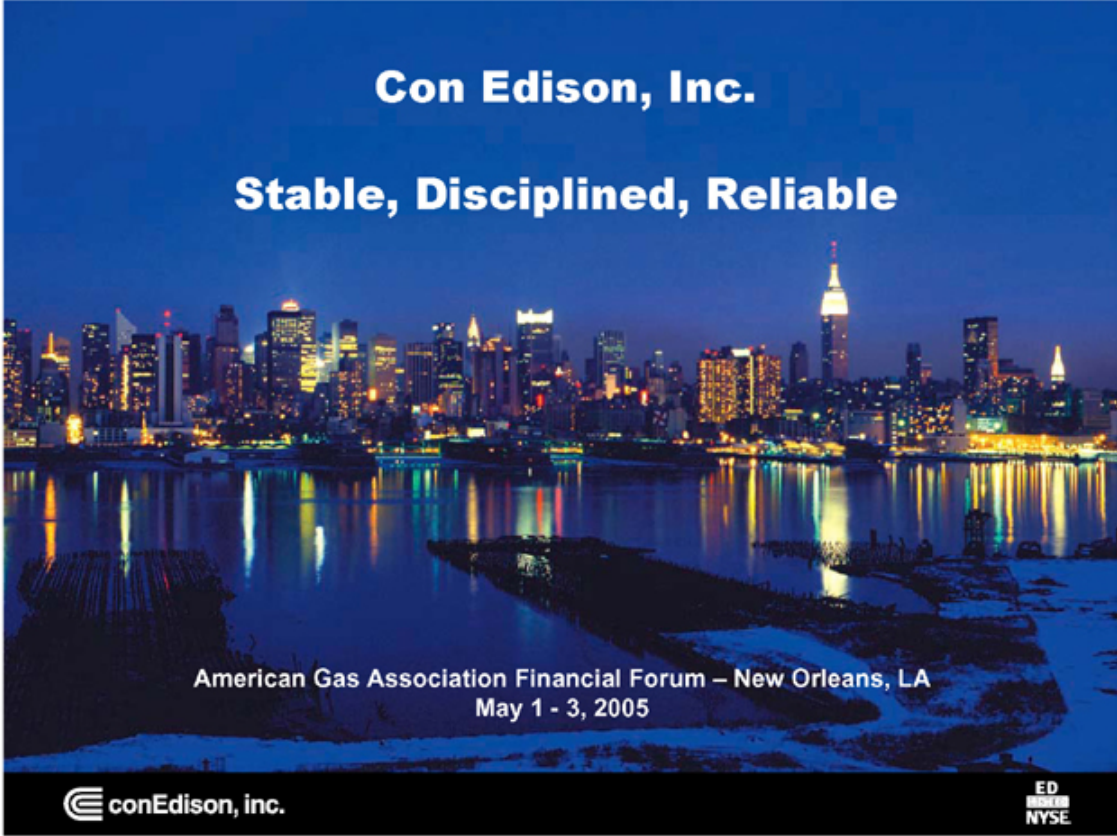
CONSOLIDATED EDISON COMPANY  
OF NEW YORK, INC.

By /s/ Edward J. Rasmussen

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Edward J. Rasmussen  
Vice President and Controller


DATE: May 2, 2005


A nighttime photograph of a city skyline, likely New York City, with numerous skyscrapers illuminated and their lights reflecting on a body of water in the foreground. The scene is dark, with the city lights providing the primary illumination.

**Con Edison, Inc.**

**Stable, Disciplined, Reliable**

American Gas Association Financial Forum – New Orleans, LA  
May 1 - 3, 2005

 conEdison, inc.

 ED  
NYSE

## **Stable, Disciplined, Reliable**

### **American Gas Association Financial Forum – New Orleans, LA**

**May 1 – 3, 2005**

#### **Joan S. Freilich**

Executive Vice President & Chief Financial Officer

#### **Robert Hoglund**

Senior Vice President, Finance

#### **Jan C. Childress**

Director, Investor Relations; Tel: 212-460-6611

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This presentation contains certain forward-looking statements of future expectations and financial measures not determined in accordance with Generally Accepted Accounting Principles (non-GAAP) financial measures. Actual results might differ materially from those projected in the forward looking statements because of factors such as those identified in reports the company has filed with the Securities and Exchange Commission. "Earnings from ongoing operations" excludes the impact of unusual items. Earnings from ongoing operations should not be considered as an alternative to net income, which is an indicator of operating performance determined in accordance with GAAP. Management uses earnings and earnings per share from ongoing operations to facilitate the analysis of the company's ongoing performance as compared to its internal budgets and previously reported financial results. Management believes that earnings from ongoing operations, although a non-GAAP measure, are also useful and meaningful to investors. Other companies may use different measures to present financial performance.

## Investment Highlights

### Focused Strategy



- Maintain leadership in service reliability
- Continue to focus on energy infrastructure investment
- Maintain constructive regulatory relationships

### Financial Performance and Strength



- Dependable and predictable earnings stream
- Strong balance sheet, solid credit ratings and ample liquidity
- Attractive dividend yield and total return performance

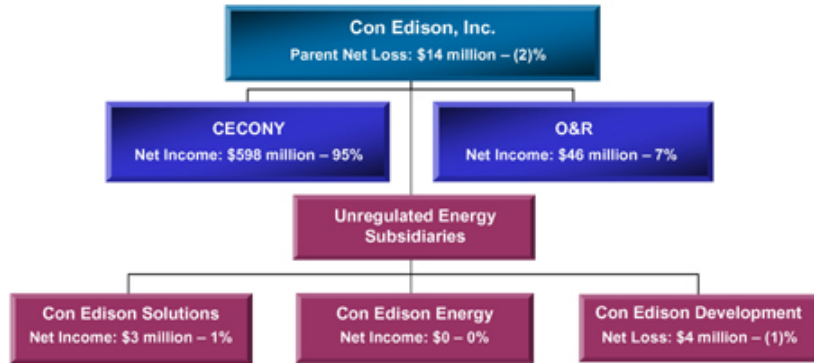
### Conservative Business Philosophy



- Strong corporate governance
- Primarily regulated business
- Limited unregulated investments
- Disciplined, low-risk approach to unregulated business opportunities

## We Never Left The Basics

2004 Net Income\*: \$629 million – 100%



\* 2004 Net Income shown above represents income from ongoing Operations and excludes the after-tax effect of non-recurring charges totaling \$80 million related to the company's new electric, gas, and steam rate plans. Also excluded from these results are losses from the discontinued operations of Con Edison Communications, reflecting a December 2004 agreement to sell the telecommunications company. Reported Net Income for Common Stock – GAAP basis – was \$537 million.

### Reconciliation of 2004 Reported Net Income and Earnings from Ongoing Operations

	Earnings (\$ millions)	EPS
Reported net income for common stock and earnings per share – GAAP Basis	\$537	\$2.28
One-time rate plan charges	80	0.34
Discontinued operations of Con Edison Communications	12	0.05
Ongoing Operations	\$629	\$2.67

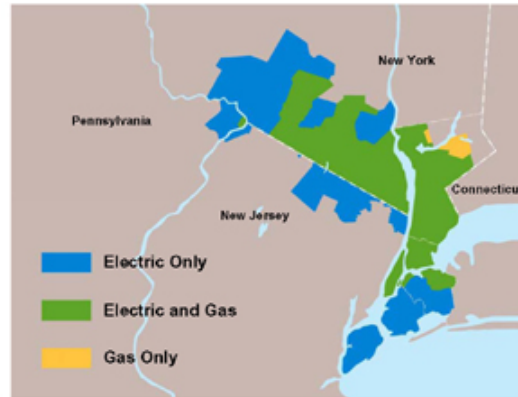
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## Business Profile

- Serves world's foremost financial, cultural and communication centers
- Economy appears to be recovering
- Achieved favorable restructuring outcome
  - Stranded cost recovery
  - Continued recovery of energy costs
  - Generation divestiture
- Strong cost controls
- Nation's highest electric reliability

Electric		Gas	
<u>Customers</u>		<u>Customers</u>	
CECONY:	3.1 million	CECONY:	1.1 million
O&R:	0.3 million	O&R:	0.1 million



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**Consolidated Edison, Inc.**

**Serving The World's  
Most Demanding  
Marketplace**

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## Reliable Energy Supply is Crucial to Economic Growth



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**40 million tourists visited New York City  
in 2004 – a new record**





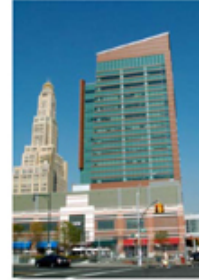
**Bank of America Tower**  
Manhattan



**Hutchinson Metro Center**  
Bronx



**Avalon Chrystie Place**  
Manhattan



**Atlantic Terminal**  
Brooklyn

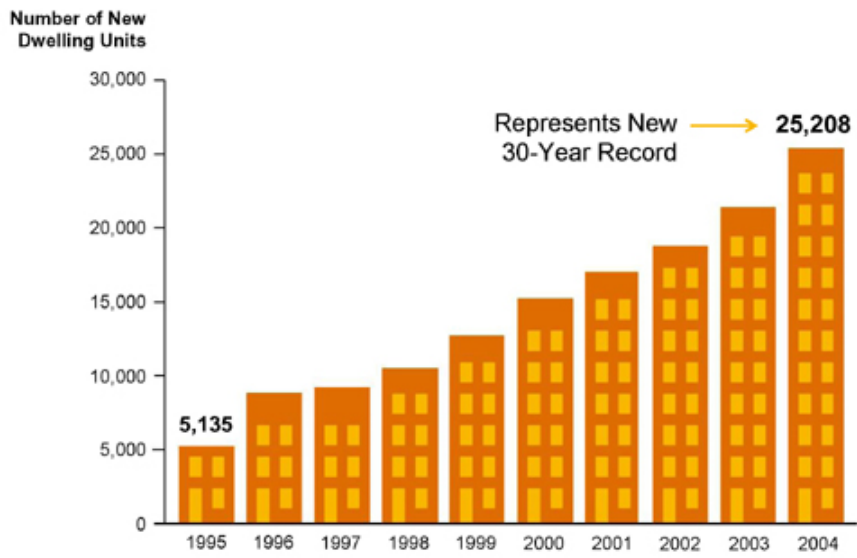
## Memorial Sloan-Kettering Cancer Center's Research Building

This new 1.2 million square foot facility is a steam customer

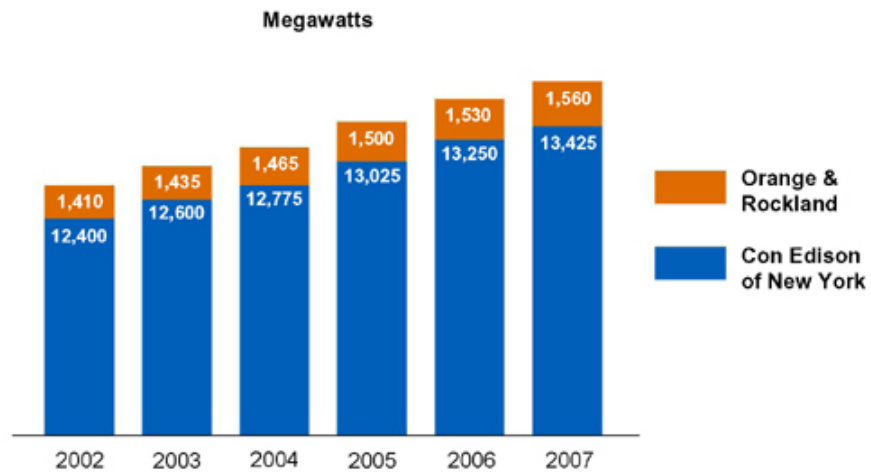


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## New York City Housing Permits



## Electric Peak Load Forecast



Figures for 2002–2004 are actual weather adjusted peak loads.



## East River Repowering



**Placed in service in April 2005**  
Estimated rate base addition  
of \$685 million



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## Dunwoodie Station Transmission Upgrade



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## Building Substations to Meet Growing Demand



**30th Street** – Manhattan



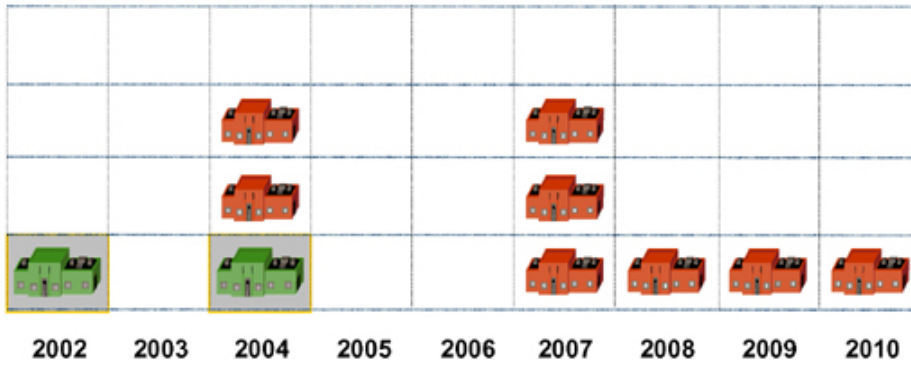
**7 World Trade Center** – Manhattan



**Grasslands** – Westchester

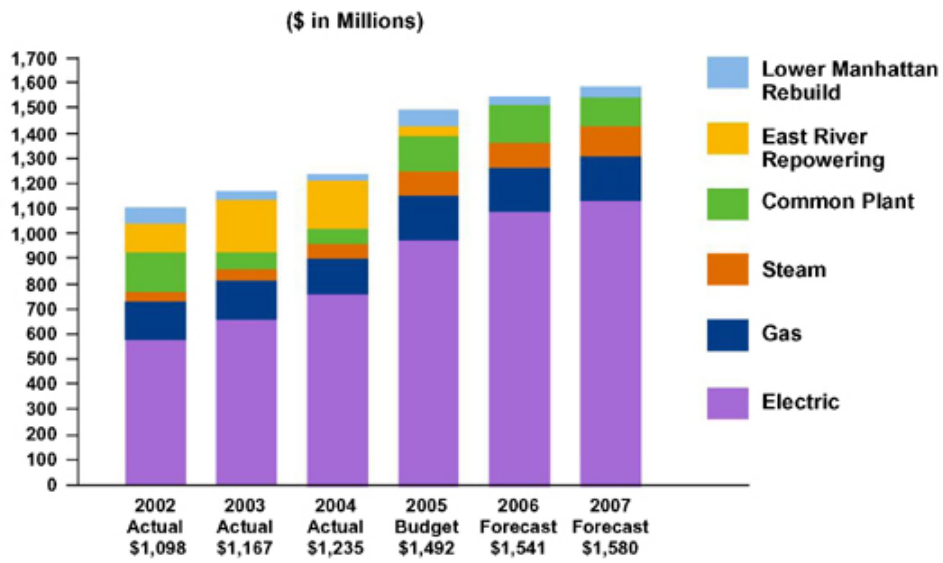
## Supplying New York City's Electric Needs

Major new substations required to support increased economic growth (2002 - 2010)



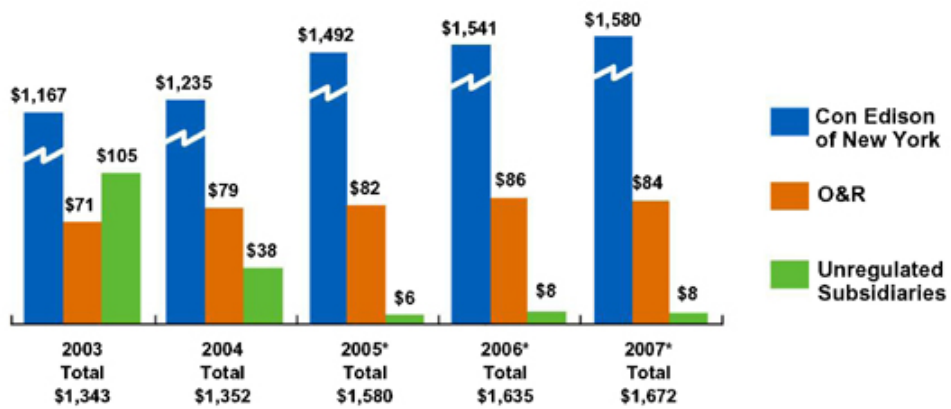
 Replacement

Con Edison of New York  
**Infrastructure Investment**



## Capital Expenditures

(\$ in Millions)



\* Estimated

## **Growing Earnings Through Infrastructure Investment — An Illustration**

- Let's say we spend \$1 billion+ each year in cap ex
- One-half, or \$500 million, is funded through depreciation
- The balance of \$500 million is funded 50/50 with debt/equity
- Earnings on the equity investment at 11% would be approximately \$27 million
  - Represents 3% to 4% growth in net income

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**Consolidated Edison, Inc.**

# **Regulatory Update Financial Strength**

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## **Rate Agreements Provide Regulatory Stability with Incentives**

- Long history of constructive rate agreements
- Current recovery of energy costs
- Financial incentives for improved performance
- Average earned ROE from ongoing operations for past 10 years is approximately 11.8%
- Rate agreements ending:
  - Con Ed of NY: Electric – 3/08; Gas – 9/07; Steam – 9/06
  - O&R: Electric – 10/06; Gas – 10/06

## Summary of Electric Rate Plan

- **Three-year rate plan: April 1, 2005 – March 31, 2008**
  - **Rate increases**
    - First year increase - \$104.6 million (1.3%)
    - Second year rate freeze
    - Third year increase - \$220.4 million (2.3%)
  - **Accounting credits totaling \$550 million over three years**
  - **Retain first \$60 million of revenues from transmission congestion contracts in each year**
- **Full recovery of fuel and purchased power costs**
- **Earnings Sharing**
  - Earnings threshold 11.4%
  - 11.4% to 13.0% - 50/50 sharing
  - Above 13.0% - 25/75 sharing (shareholder/customer)
  - Equity ratio – actual ratio up to 50%

## Summary of Electric Rate Plan

- **Rate Base**
  - \$9.3 billion in rate year 1
  - \$9.6 billion in rate year 2
  - \$10.3 billion in rate year 3
- **Reconciliations**
  - Full reconciliation of T&D rate base
  - Pension and retiree health expenses, and environmental remediation costs
  - Property taxes and interference costs above or below 2.5% band
- One-time pretax charge of \$100 million taken in 2004 to resolve certain issues
- Incentives for migration of electric customers to retail access and demand-side management activities. Potential penalties tied to reliability standards.

## Summary of Gas and Steam Rate Plans

- Rate Periods
  - Gas – 3 years: October 2004 through September 2007
  - Steam – 2 years: October 2004 through September 2006
- Rate Increases (effective October 1<sup>st</sup> of each year)
  - Gas
    - 2004 - \$46.8 millionIn addition, first \$35 million of non-firm revenues will be retained by the Company
  - Steam
    - 2004 - \$49.6 million
    - 2005 - \$27.4 million
- Earnings Sharing Levels – 50/50 sharing over 11.75% ROE for both gas and steam

## Summary of Gas and Steam Rate Plans

- Increases reflect a one-time pretax charge of \$17.5 million for gas and \$6.2 million for steam, to resolve certain issues
- Steam carrying costs for East River Repowering Project to be recovered through fuel rider
- Reconciliations
  - Pension and OPEB costs, property taxes, environmental remediation and interference. Also have the ability to petition for recovery of major new infrastructure projects
- Continued gas weather normalization clause and full recovery of fuel costs
- Incentive for migration of gas customers to retail access
- Incentive for non-firm gas transactions
  - 20% of annual revenues between \$35 million and \$50 million
  - 25% of annual revenues between \$50 million and \$70 million
  - 10% of annual revenues above \$70 million

## Summary of Rate Plans

- **Rate Periods**
  - Electric – July 2003 through October 2006
  - Gas – November 2003 through October 2006
- **Rate Increases**
  - **Gas**
    - Effective November 2003 - \$9.3 million
    - Effective November 2004 - \$9.3 million
    - Effective November 2005 - \$5.0 million
- **Earnings Sharing Levels**
  - Electric – 12.75%
  - Gas – 11.0% with incentives

## Rate Base

(as of December 31, 2004)

(\$ millions)

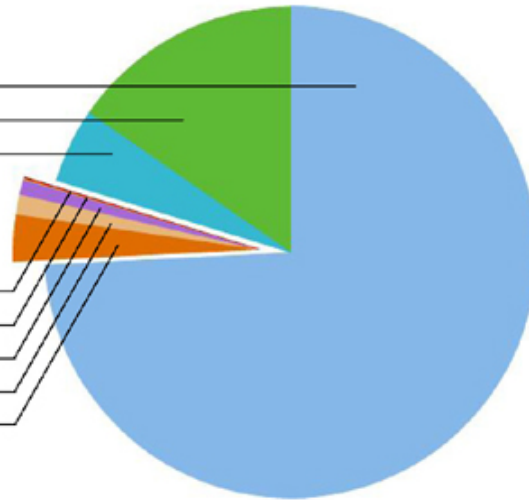
### Con Edison of New York

Electric	\$ 9,225
Gas	\$ 1,935
Steam	\$ 575

### Orange and Rockland Utilities

Pike Gas	\$ 1
Pike Electric	\$ 8
Rockland Electric	\$ 136
O&R Gas	\$ 180
O&R Electric	\$ 360

**Total Rate Base \$ 12,420 \***



\* Does not include the East River Repowering Steam/Electric Plant (estimated rate base of \$685 million) that went into service in April 2005

## 2005 First Quarter Earnings Per Share of \$0.75

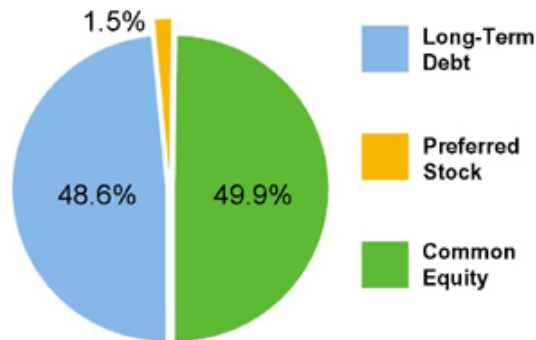
2005 Compared with 2004	EPS Variation (\$)
<b>Con Edison of New York:</b>	
Sales growth (estimated)	\$0.04
Impact of weather in 2005 vs. 2004 (est.)	(0.01)
Gas rate changes (estimated)	0.04
Retention of non-firm gas revenues	0.04
Steam rate changes (estimated)	0.09
Increased pensions and other post-retirement benefits costs	(0.06)
Higher operation and maintenance expense	(0.04)
Higher depreciation and property tax expense	(0.04)
<u>Other</u>	<u>(0.03)</u>
<b>Total Con Edison of NY</b>	<b>0.03</b>
<b>Orange &amp; Rockland Utilities</b>	<b>-</b>
<b>Unregulated energy subsidiaries</b>	<b>0.02</b>
<b>Total earnings per share variation from continuing operations</b>	<b>\$0.05</b>
<b>Discontinued operations – Con Edison Communications</b>	<b>0.01</b>
<b>Total earnings per share variation</b>	<b>\$0.06</b>

The earnings per share variations shown above include the dilutive effect of a higher weighted average number of common shares outstanding in the 2005 period (243 million shares) than in the 2004 period (226 million shares). The company confirmed its previous forecast of 2005 earnings in the range of \$2.75 to \$2.90 per share in an April 21, 2005 press release.



## Balance Sheet Strength and Flexibility

(as of March 31, 2005)



- Issued \$245.5 million in Con Edison of NY tax-exempt bonds in January 2004
- Issued \$400 million in Con Edison of NY debentures in February 2004
- Issued \$512 million in common stock in May 2004
- Issued \$350 million in Con Edison of NY debentures in March 2005
- Issued \$40 million in Orange and Rockland debentures in March 2005
- Raising equity through DRIP and employee stock plans (approximately \$112 million in 2004)

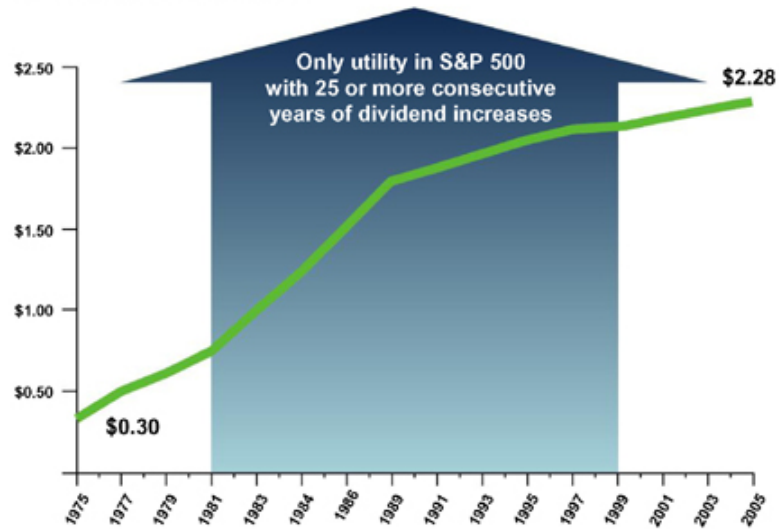
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## Superior Credit Quality

- Standard and Poor's Business Position "2" for holding company and both regulated utilities
- A2 / A- / A- Senior unsecured ratings – holding company
- A1 / A / A+ Senior unsecured ratings – regulated businesses
- P-1 / A-1 / F1 Commercial paper ratings
- No ratings triggers
- Transparent financials

## A Compelling Dividend Record: 31 Consecutive Years of Dividend Increases

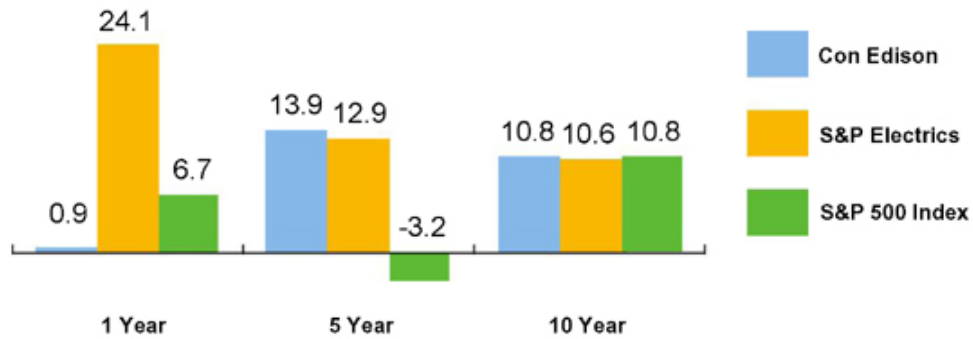
Annualized Dividend 1975 - 2005



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## Total Average Annual Return to Shareholders

Period Ending March 31, 2005 (%)



Source: Standard and Poor's, Bloomberg

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