FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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[x] Quarterly Report Pursuant To Section 13 or 15(d) of the Securities Exchange Act of 1934
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 1996

OR

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

Commission File No. 1-1217

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
(Name of Registrant)

NEW YORK	13-5009340
(State of Incorporation)	(IRS Employer Identification No.)

4 IRVING PLACE, NEW YORK, NEW YORK 10003 - (212) 460-4600
(Address and Telephone Number)

The Registrant 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 and has been subject to such filing requirements for the past 90 days.

Yes ___X___ No _______

As of the close of business on July 31, 1996, the Registrant had outstanding 234,981,363 shares of Common Stock ($2.50 par value).

PART I. - FINANCIAL INFORMATION

CONTENTS

The following consolidated financial statements are unaudited but, in the opinion of management, reflect all adjustments (which include only normal recurring adjustments) necessary to a fair statement of the results for the interim periods presented. These condensed unaudited interim financial statements do not contain the detail, or footnote disclosure concerning accounting policies and other matters, which would be included in full-year financial statements and, accordingly, should be read in conjunction with the Company's audited financial statements (including the notes thereto) included in the Company's Annual Report on Form 10-K for the year ended December 31, 1995 (File No. 1-1217).

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED BALANCE SHEET
AS AT JUNE 30, 1996, DECEMBER 31, 1995 AND JUNE 30, 1995

	As At		
	June 30, 1996	Dec. 31, 1995	June 30, 1995
	(Thousands of Dollars)		
ASSETS			
Utility plant, at original cost			
Electric	$ 11,444,742	$ 11,319,622	$ 11,154,286
Gas	1,581,682	1,537,296	1,479,394
Steam	520,536	462,975	446,967
General	1,119,112	1,085,795	1,047,837
Total	14,666,072	14,405,688	14,128,484
Less: Accumulated depreciation	4,205,894	4,036,954	3,905,417
Net	10,460,178	10,368,734	10,223,067
Construction work in progress	356,915	360,457	339,773
Nuclear fuel assemblies and components, less accumulated amortization	69,652	85,212	96,137
Net utility plant	10,886,745	10,814,403	10,658,977
Current assets			
Cash and temporary cash investments	57,369	342,292	48,485
Accounts receivable - customers, less allowance for uncollectible accounts of $22,514, $21,600 and $20,258	499,516	497,215	420,209
Other receivables	46,102	45,558	64,340
Regulatory accounts receivable	4,938	(6,481)	36,475
Fuel, at average cost	41,415	40,506	41,377
Gas in storage, at average cost	23,373	26,452	35,284
Materials and supplies, at average cost	215,169	221,026	226,532
Prepayments	62,634	66,148	155,559
Other current assets	14,732	15,126	13,692
Total current assets	965,248	1,247,842	1,041,953
Investments and nonutility property	164,358	145,646	129,170
Deferred charges			
Enlightened Energy program costs	129,739	144,282	146,420
Unamortized debt expense	135,934	133,812	133,572
Power contract termination costs	81,984	105,408	128,832
Other deferred charges	289,845	316,237	297,309
Total deferred charges	637,502	699,739	706,133
Regulatory asset-future federal income taxes	1,016,829	1,042,260	1,065,325
Total	$ 13,670,682	$ 13,949,890	$ 13,601,558

The accompanying note is an integral part of these financial statements.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED BALANCE SHEET
AS AT JUNE 30, 1996, DECEMBER 31, 1995 AND JUNE 30, 1995

	As At		
	June 30, 1996	Dec. 31, 1995	June 30, 1995
	(Thousands of Dollars)		
CAPITALIZATION AND LIABILITIES			
Capitalization			
Common stock, authorized 340,000,000 shares; outstanding 234,978,113 shares, 234,956,299 shares and 234,928,245 shares	$ 1,478,416	$ 1,464,305	$ 1,464,089
Capital stock expense	(35,052)	(38,606)	(38,766)
Retained earnings	4,089,399	4,097,035	3,908,038
Total common equity	5,532,763	5,522,734	5,333,361
Preferred stock			
Subject to mandatory redemption			
7.20% Series I	47,500	50,000	50,000
6-1/8% Series J	37,050	50,000	50,000
Total subject to mandatory redemption	84,550	100,000	100,000
Other preferred stock			
$ 5 Cumulative Preferred	175,000	175,000	175,000
5-3/4% Series A	7,061	60,000	60,000
5-1/4% Series B	13,844	75,000	75,000
4.65% Series C	15,329	60,000	60,000
4.65% Series D	22,233	75,000	75,000
5-3/4% Series E	-	50,000	50,000
6.20% Series F	-	40,000	40,000
6% Convertible Series B	4,750	4,917	5,133
Total other preferred stock	238,217	539,917	540,133
Total preferred stock	322,767	639,917	640,133
Long-term debt	4,190,366	3,917,244	3,924,474
Total capitalization	10,045,896	10,079,895	9,897,968
Noncurrent liabilities			
Obligations under capital leases	43,969	45,250	46,528
Other noncurrent liabilities	80,701	75,907	71,581
Total noncurrent liabilities	124,670	121,157	118,109
Current liabilities			
Long-term debt due within one year	82,095	183,524	111,324
Accounts payable	341,235	420,852	278,392
Customer deposits	158,312	158,366	161,228
Accrued taxes	38,163	24,374	86,984
Accrued interest	83,625	89,374	85,818
Accrued wages	75,815	76,459	86,103
Other current liabilities	148,073	168,477	157,932
Total current liabilities	927,318	1,121,426	967,781
Provisions related to future federal income taxes and other deferred credits			
Accumulated deferred federal income tax	2,270,151	2,296,284	2,303,884
Accumulated deferred investment tax credits	176,860	181,420	186,070
Other deferred credits	125,787	149,708	127,746
Total deferred credits	2,572,798	2,627,412	2,617,700
Total	$ 13,670,682	$ 13,949,890	$ 13,601,558

The accompanying note is an integral part of these financial statements.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED INCOME STATEMENT
FOR THE THREE MONTHS ENDED JUNE 30, 1996 AND 1995

	1996	1995
	(Thousands of Dollars)	
Operating revenues		
Electric	$ 1,244,306	$ 1,230,572
Gas	223,428	172,074
Steam	72,001	57,206
Total operating revenues	1,539,735	1,459,852
Operating expenses		
Fuel	120,389	113,193
Purchased power	321,588	309,776
Gas purchased for resale	96,554	52,424
Other operations	286,676	300,833
Maintenance	123,915	123,958
Depreciation and amortization	119,981	114,012
Taxes, other than federal income tax	277,474	252,303
Federal income tax	40,880	37,370
Total operating expenses	1,387,457	1,303,869
Operating income	152,278	155,983
Other income (deductions)		
Investment income	2,283	2,943
Allowance for equity funds used during construction	745	1,363
Other income less miscellaneous deductions	(1,996)	(3,028)
Federal income tax	(510)	160
Total other income	522	1,438
Income before interest charges	152,800	157,421
Interest on long-term debt	78,106	74,484
Other interest	3,629	7,194
Allowance for borrowed funds used during construction	(350)	(658)
Net interest charges	81,385	81,020
Net income	71,415	76,401
Preferred stock dividend requirements	4,608	8,892
Net income for common stock	$ 66,807	$ 67,509
Common shares outstanding - average (000)	234,974	234,921
Earnings per share	$ 0.28	$ 0.29
Dividends declared per share of common stock	$ 0.52	$ 0.51
Sales		
Electric (Thousands of Kwhrs.)		
Con Edison Customers	8,461,823	8,198,066
Deliveries for NYPA and Other Customers	2,072,831	2,040,339
Service for Municipal Agencies	176,772	102,214
Total Sales in Service Territory	10,711,426	10,340,619
Off-System Sales (A)	1,108,443	1,464,719
Gas (Dekatherms)		
Firm	20,290,373	18,139,687
Off-Peak Firm/Interruptible	4,271,271	3,150,353
Total Sales to Con Edison Customers	24,561,644	21,290,040
Transportation of Customer-Owned Gas	1,437,248	9,571,890
Off-System Sales	3,287,507	232,349
Total Sales and Transportation	29,286,399	31,094,279
Steam (Thousands of Pounds)	5,458,166	5,158,131

(A) Includes 537,445 and 898,254 thousands of Kwhrs., respectively, subsequently purchased by the Company for sale to its customers.

The accompanying note is an integral part of these financial statements.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED JUNE 30, 1996 AND 1995

	1996	1995
	(Thousands of Dollars)	
Operating revenues		
Electric	$ 2,530,574	$ 2,453,880
Gas	630,292	491,030
Steam	246,234	183,727
Total operating revenues	3,407,100	3,128,637
Operating expenses		
Fuel	304,277	227,039
Purchased power	625,587	557,460
Gas purchased for resale	277,394	163,462
Other operations	563,987	582,942
Maintenance	248,940	255,447
Depreciation and amortization (A)	252,546	223,169
Taxes, other than federal income tax	583,510	528,069
Federal income tax	145,920	155,010
Total operating expenses	3,002,161	2,692,598
Operating income	404,939	436,039
Other income (deductions)		
Investment income	3,721	4,298
Allowance for equity funds used during construction	1,258	2,876
Other income less miscellaneous deductions	(2,673)	(3,430)
Federal income tax	(930)	(310)
Total other income	1,376	3,434
Income before interest charges	406,315	439,473
Interest on long-term debt	152,475	149,040
Other interest	8,481	14,397
Allowance for borrowed funds used during construction	(591)	(1,394)
Net interest charges	160,365	162,043
Net income	245,950	277,430
Preferred stock dividend requirements	10,643	17,785
Gain on redemption of preferred stock (A)	13,943	-
Net income for common stock	$ 249,250	$ 259,645
Common shares outstanding - average (000)	234,968	234,916
Earnings per share	$ 1.06	$ 1.11
Dividends declared per share of common stock	$ 1.04	$ 1.02
Sales		
Electric (Thousands of Kwhrs.)		
Con Edison Customers	17,635,244	17,036,366
Deliveries for NYPA and Other Customers	4,392,665	4,296,804
Service for Municipal Agencies	284,227	209,377
Total Sales in Service Territory	22,312,136	21,542,547
Off-System Sales (B)	1,269,146	2,317,168
Gas (Dekatherms)		
Firm	65,132,812	56,960,511
Off-Peak Firm/Interruptible	11,125,581	8,479,634
Total Sales to Con Edison Customers	76,258,393	65,440,145
Transportation of Customer-Owned Gas	2,076,238	15,218,502
Off-System Sales	7,136,458	321,836
Total Sales and Transportation	85,471,089	80,980,483
Steam (Thousands of Pounds)	17,322,853	15,468,824

(A) The gain resulting from the preferred stock refunding in the first quarter of 1996 was applied to reduce net utility plant by an additional provision for depreciation.
(B) Includes 537,445 and 1,321,630 thousands of Kwhrs., respectively, subsequently purchased by the Company for sale to its customers.

The accompanying note is an integral part of these financial statements.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED INCOME STATEMENT
FOR THE TWELVE MONTHS ENDED JUNE 30, 1996 AND 1995

	1996	1995
	(Thousands of Dollars)	
Operating revenues		
Electric	$ 5,466,102	$ 5,300,809
Gas	952,617	797,575
Steam	396,640	313,492
Total operating revenues	6,815,359	6,411,876
Operating expenses		
Fuel	581,342	517,454
Purchased power	1,175,350	959,709
Gas purchased for resale	373,720	252,536
Other operations	1,120,777	1,182,933
Maintenance	505,595	478,314
Depreciation and amortization (A)	485,153	437,206
Taxes, other than federal income tax	1,175,673	1,101,658
Federal income tax	387,470	433,010
Total operating expenses	5,805,080	5,362,820
Operating income	1,010,279	1,049,056
Other income (deductions)		
Investment income	16,389	12,214
Allowance for equity funds used during construction	2,145	6,579
Other income less miscellaneous deductions	(7,392)	(15,415)
Federal income tax	(1,680)	430
Total other income	9,462	3,808
Income before interest charges	1,019,741	1,052,864
Interest on long-term debt	305,351	295,774
Other interest	23,039	24,935
Allowance for borrowed funds used during construction	(1,019)	(3,023)
Net interest charges	327,371	317,686
Net income	692,370	735,178
Preferred stock dividend requirements	28,422	35,577
Gain on refunding of preferred stock (A)	13,943	-
Net income for common stock	$ 677,891	$ 699,601
Common shares outstanding - average (000)	234,956	234,905
Earnings per share	$ 2.89	$ 2.98
Dividends declared per share of common stock	$ 2.06	$ 2.02
Sales		
Electric (Thousands of Kwhrs.)		
Con Edison Customers	37,557,246	36,526,182
Deliveries for NYPA and Other Customers	8,951,651	8,766,265
Service for Municipal Agencies	531,578	430,913
Total Sales in Service Territory	47,040,475	45,723,360
Off-System Sales (B)	3,987,450	3,374,432
Gas (Dekatherms)		
Firm	98,896,627	87,204,924
Off-Peak Firm/Interruptible	18,118,759	15,459,850
Total Sales to Con Edison Customers	117,015,386	102,664,774
Transportation of Customer-Owned Gas	17,218,924	28,982,219
Off-System Sales	10,190,997	321,836
Total Sales and Transportation	144,425,307	131,968,829
Steam (Thousands of Pounds)	31,279,809	27,866,954

(A) The gain resulting from the preferred stock refunding in the first quarter of 1996 was applied to reduce net utility plant by an additional provision for depreciation.
(B) Includes 1,882,652 and 1,321,630 thousands of Kwhrs., respectively, subsequently purchased by the Company for sale to its customers.

The accompanying note is an integral part of these financial statements.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 1996 AND 1995

	1996	1995
	(Thousands of Dollars)	
Operating activities		
Net income	$ 245,950	$ 277,430
Principal non-cash charges (credits) to income		
Depreciation and amortization	252,546	223,169
Federal income tax deferred	(5,840)	59,780
Common equity component of allowance for funds used during construction	(1,188)	(2,710)
Other non-cash charges (credits)	27,053	(19,425)
Changes in assets and liabilities		
Accounts receivable - customers, less allowance for uncollectibles	(2,301)	20,287
Regulatory accounts receivable	(11,419)	(10,129)
Materials and supplies, including fuel and gas in storage	8,027	28,132
Prepayments, other receivables and other current assets	3,364	(102,193)
Enlightened Energy program costs	14,543	23,781
Federal income tax refund	-	(49,510)
Power contract termination costs	7,311	31,963
Accounts payable	(79,617)	(96,077)
Accrued income taxes	22,658	36,485
Other - net	(28,110)	(40,532)
Net cash flows from operating activities	452,977	380,451
Investing activities including construction		
Construction expenditures	(313,280)	(302,731)
Nuclear fuel expenditures	182	(6,769)
Contributions to nuclear decommissioning trust	(17,047)	(8,243)
Common equity component of allowance for funds used during construction	1,188	2,710
Net cash flows from investing activities including construction	(328,957)	(315,033)
Financing activities including dividends		
Issuance of long-term debt	375,000	-
Retirement of long-term debt	(105,055)	(4,620)
Advance refunding of long-term debt	(95,329)	-
Advance refunding of preferred stock	(316,982)	-
Issuance and refunding costs	(8,711)	(129)
Common stock dividends	(244,369)	(239,617)
Preferred stock dividends	(13,497)	(17,788)
Net cash flows from financing activities including dividends	(408,943)	(262,154)
Net decrease in cash and temporary cash investments	(284,923)	(196,736)
Cash and temporary cash investments at January 1	342,292	245,221
Cash and temporary cash investments at June 30	$ 57,369	$ 48,485
Supplemental disclosure of cash flow information		
Cash paid during the period for:		
Interest	$ 156,017	$ 149,098
Income taxes	131,000	65,847

The accompanying note is an integral part of these financial statements.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED JUNE 30, 1996 AND 1995

	1996	1995
	(Thousands of Dollars)	
Operating activities		
Net income	$ 692,370	$ 735,178
Principal non-cash charges (credits) to income		
Depreciation and amortization	485,153	437,206
Federal income tax deferred	3,400	110,590
Common equity component of allowance for funds used during construction	(2,024)	(6,200)
Other non-cash charges	(1,077)	(20,258)
Changes in assets and liabilities		
Accounts receivable - customers, less allowance for uncollectibles	(79,307)	41,585
Regulatory accounts receivable	31,537	18,639
Materials and supplies, including fuel and gas in storage	23,236	22,961
Prepayments, other receivables and other current assets	110,123	(103,301)
Enlightened Energy program costs	16,681	6,952
Power contract termination costs	30,735	22,923
Federal income tax refund	(3,427)	(49,530)
Accounts payable	62,843	(19,987)
Accrued income taxes	(22,377)	31,973
Other - net	1,123	(58,759)
Net cash flows from operating activities	1,348,989	1,169,972
Investing activities including construction		
Construction expenditures	(703,352)	(747,179)
Nuclear fuel expenditures	(5,889)	(49,189)
Contributions to nuclear decommissioning trust	(27,697)	(14,077)
Common equity component of allowance for funds used during construction	2,024	6,200
Net cash flows from investing activities including construction	(734,914)	(804,245)
Financing activities including dividends		
Issuance of long-term debt	603,285	250,000
Retirement of long-term debt and preferred stock	(111,324)	(134,036)
Advance refunding of long-term debt	(251,028)	-
Advance refunding of preferred stock	(316,982)	-
Issuance and refunding costs	(13,851)	(3,755)
Common stock dividends	(484,014)	(474,512)
Preferred stock dividends	(31,277)	(35,588)
Net cash flows from financing activities including dividends	(605,191)	(397,891)
Net increase (decrease) in cash and temporary cash investments	8,884	(32,164)
Cash and temporary cash investments at beginning of period	48,485	80,649
Cash and temporary cash investments at June 30	$ 57,369	$ 48,485
Supplemental disclosure of cash flow information		
Cash paid during the period for:		
Interest	$ 316,872	$ 288,031
Income taxes	409,907	296,821

The accompanying note is an integral part of these financial statements.

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Contingency Note
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Indian Point. Nuclear generating units similar in design to the Company's Indian Point 2 unit have experienced problems of varying severity in their steam generators, which in a number of instances have required steam generator replacement. Inspections of the Indian Point 2 steam generators since 1976 have revealed various problems, some of which appear to have been arrested, but the remaining service life of the steam generators is uncertain and may be shorter than the unit's life. The projected service life of the steam generators is reassessed periodically in the light of the inspections made during scheduled outages of the unit. Based on the latest available data, the Company estimates that steam generator replacement will not be required before 1999, and possibly not until some years later. To avoid procurement delays in the event replacement is necessary, the Company purchased replacement steam generators, which are stored at the site. If replacement of the steam generators is required, such replacement is presently estimated (in 1995 dollars) to require additional expenditures of approximately $107 million (exclusive of replacement power costs) and an outage of approximately four months. However, securing necessary permits and approvals or other factors could require a substantially longer outage if steam generator replacement is required on short notice.

Nuclear Insurance. The insurance policies covering the Company's nuclear facilities for property damage, excess property damage, and outage costs permit assessments under certain conditions to cover insurers' losses. As of June 30, 1996 the highest amount which could be assessed for losses during the current policy year under all of the policies was $32 million. While assessments may also be made for losses in certain prior years, the Company is not aware of any losses in such years which it believes are likely to result in an assessment.

Under certain circumstances, in the event of nuclear incidents at facilities covered by the federal government's third-party liability indemnification program, the Company could be assessed up to $79.3 million per incident of which not more than $10 million may be assessed in any one year. The per-incident limit is to be adjusted for inflation not later than 1998 and not less than once every five years thereafter.

The Company participates in an insurance program covering liabilities for injuries to certain workers in the nuclear power industry. In the event of such injuries, the Company is subject to assessment up to an estimated maximum of approximately $3.1 million.

Environmental Matters. The normal course of the Company's operations necessarily involves activities and substances that expose the Company to potential liabilities under federal, state and local laws protecting the environment. Such liabilities can be material and in some instances may be imposed without regard to fault, or may be imposed for past acts, even though such past acts may have been lawful at the time they occurred. Sources of such potential liabilities include (but are not limited to) the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Superfund), a 1994 settlement with the New York State Department of Environmental Conservation (DEC), asbestos, and electric and magnetic fields (EMF).

Superfund. By its terms, Superfund imposes joint and several strict liability, regardless of fault, upon generators of hazardous substances for resulting removal and remedial costs and environmental damages. The Company has received process or notice concerning possible claims under Superfund or similar state statutes relating to a number of sites at which it is alleged that hazardous substances generated by the Company (and, in most instances, a large number of other potentially responsible parties) were deposited. Estimates of the investigative, removal, remedial and environmental damage costs (if any) the Company will be obligated to pay with respect to each of these sites range from extremely preliminary to highly refined. Based on these estimates, the Company had accrued a liability at June 30, 1996 of approximately $13.5 million. There will be additional costs with respect to these and possibly other sites, the materiality of which is not presently determinable.

DEC Settlement. In November 1994 the Company agreed to a consent order settling a civil administrative proceeding instituted by the DEC in 1992, alleging environmental violations by the Company. Pursuant to the consent order, the Company has conducted an environmental management systems evaluation and is conducting an environmental compliance audit. The Company also must implement "best management practices" plans for certain facilities and undertake a remediation program at certain sites. At June 30, 1996 the Company had an accrued liability of $18.5 million for these sites. Expenditures for environment-related projects in the five years 1996-2000, including expenditures to comply with the consent order, are currently estimated at $155 million. There will be additional costs, including costs arising out of the compliance audit, the materiality of which is not presently determinable.

Asbestos Claims. Suits have been brought in New York State and federal courts against the Company and many other defendants, wherein several thousand plaintiffs sought large amounts of compensatory and punitive damages for deaths and injuries allegedly caused by exposure to asbestos at various premises of the Company. Many of these suits have been disposed of without any payment by the Company, or for immaterial amounts. The amounts specified in all the remaining suits total billions of dollars but the Company believes that these amounts are greatly exaggerated, as were the claims already disposed of. Based on the information and relevant circumstances known to the Company at this time, it is the opinion of the Company that these suits will not have a material adverse effect on the Company's financial position.

EMF. Electric and magnetic fields are found wherever electricity is used. Several scientific studies have raised concerns that EMF surrounding electric equipment and wires, including power lines, may present health risks. The Company is the defendant in several suits claiming property damage or personal injury allegedly resulting from EMF. In the event that a causal relationship between EMF and adverse health effects is established, or independently of any such causal determination, in the event of adverse developments in related legal or public policy doctrines, there could be a material adverse effect on the electric utility industry, including the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis relates to the interim financial statements appearing in this report and should be read in conjunction with Management's Discussion and Analysis appearing in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 1995 (File No. 1-1217). Reference is made to the note to the financial statements in Item 1 of this report, which note is incorporated herein by reference.

LIQUIDITY AND CAPITAL RESOURCES

Cash and temporary cash investments were $57.4 million at June 30, 1996 compared with $342.3 million at December 31, 1995 and $48.5 million at June 30, 1995. The Company's cash balances reflect the timing and amounts of external financing, seasonal cash flows and property tax payments. In June 1995 the Company made a prepayment of $100.6 million (approximately one-quarter) of its New York City real estate taxes for the City's 1995/1996 fiscal year, which correspondingly decreased cash and increased prepayments at June 30, 1995.

In January 1996 the Company commenced a tender offer for certain series of its preferred stock. Shareholders tendered approximately $227 million of such preferred stock pursuant to the offer, which expired on February 27, 1996. In addition, the Company called $90 million of its preferred stock for redemption on March 30, 1996. These retirements and related expenses were funded with proceeds from $275 million of 7-3/4 percent subordinated debentures issued on March 6, 1996 and due on March 31, 2031 and cash of $25 million. The present value revenue-equivalent savings of these transactions was approximately $42 million. The net gain on these transactions of $13.9 million (after write-off of capital stock expense on redeemed stock) did not affect earnings per share due to an equivalent amount of provision for depreciation of utility plant recorded in the first quarter of 1996. (The increases in depreciation expense for the six and twelve-month periods ending June 30, 1996 compared with the corresponding 1995 periods reflect this additional depreciation expense.)

On May 1, 1996 the Company issued $100 million of 7-3/4 percent Debentures Series 1996 A, due June 1, 2026, at a price to the public of 98.002 percent and a yield of 7.924 percent. The proceeds were used to redeem, on June 1, 1996, the $95.3 million outstanding balance of the Company's 9-3/8 percent Debentures, Series 1991 A, due June 1, 2026. The other $79.7 million of the original $175 million Series 1991 A Debentures had been retired through a tender offer in 1993.

On July 1, 1996 the Company paid $213.2 million to New York City for property taxes for the first half of the 1996-1997 fiscal year. In order to meet this cash requirement, the Company borrowed $155 million through short-term bank promissory notes. Approximately $65 million of short-term borrowings were outstanding at July 31. The Company anticipates that these borrowings will be repaid in August.

The Company expects to finance the balance of its capital requirements for the remainder of 1996 and 1997, including $185 million for securities maturing during this period, from internally generated funds and external financing of about $150 million, most, if not all, of which will be debt issues.

Customer accounts receivable, less allowance for uncollectible accounts, amounted to $499.5 million at June 30, 1996 compared with $497.2 million at December 31, 1995 and $420.2 million at June 30, 1995. In terms of equivalent days of revenue outstanding (ENDRO), these amounts represented 27.7, 27.6 and 24.5 days, respectively. The increases in the customer accounts receivable balance and ENDRO at June 30, 1996 compared with June 30, 1995 reflect primarily increases in sales revenues and timing differences in billing and collection schedules.

The regulatory accounts receivable negative balance of $6.5 million at December 31, 1995 represents amounts to be refunded to customers. The regulatory accounts receivable of $4.9 million and $36.5 million at June 30, 1996 and 1995, respectively, represent amounts to be recovered from customers. These balances include amounts accrued under the electric revenue adjustment mechanism (ERAM), modified ERAM and incentive provisions of the Company's electric and gas rate agreements referred to below.

The changes in regulatory accounts receivable during the first six months of 1996 were as follows:

(Millions of Dollars)	Balance Dec. 31, 1995*	1996 Accruals*	1996 Recoveries from Customers**	Balance June 30, 1996*
ERAM/Modified ERAM	$(37.7)	$ (6.6)	$ 9.1	$(35.2)
Electric Incentives				
Enlightened Energy program	19.7	12.2	(4.9)	27.0
Customer service	4.0	2.1	(1.5)	4.6
Fuel and purchased power	1.9	10.6	(5.8)	6.7
Gas Incentives				
System improvement	4.6	-	(3.1)	1.5
Customer service	1.0	-	(.7)	.3
Total	$ (6.5)	$ 18.3	$ (6.9)	$ 4.9

* Negative amounts are refundable; positive amounts are recoverable.
**Negative amounts have been recovered; positive amounts have been refunded.

Enlightened Energy program costs are generally recoverable over a five-year period. Program costs have declined and are expected to continue to decline in future periods, resulting in lower deferred balances as recoveries exceed new expenditures.

Interest coverage under the SEC formula for the 12 months ended June 30, 1996 was 4.11 times, compared with 4.20 times for the year 1995 and 4.44 times for the 12 months ended June 30, 1995. The decline in interest coverage reflects a lower level of pre-tax earnings.

1995 Electric Rate Agreement

In April 1995 the New York Public Service Commission (PSC) approved a three-year electric rate agreement effective April 1, 1995. The agreement provided for no increase in base electric revenues in the first rate year and possible, but limited, increases in years two and three. For details of the agreement, see the Management's Discussion and Analysis appearing in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 1995, under the heading "Liquidity and Capital Resources - 1995 Electric Rate Agreement."

The agreement provides that the Company will retain 50 percent of earnings (excluding incentive earnings) in excess of 50 basis points above the allowed return on equity but not more than 150 basis points above the allowed return, and will defer the balance for customer benefit. For the first rate year of the electric rate agreement, the 12 months ended March 31, 1996, the Company's actual rate of return on electric common equity, excluding incentives, exceeded the sharing threshold of 11.6 percent, principally due to increased productivity. A provision for excess earnings of $10.2 million has been set aside for the future benefit of customers.

In March 1996 the PSC approved a $19 million reduction to base electric rates for the second year of the rate agreement, effective April 1, 1996. The decrease reflects a lower allowed rate of return on common equity (10.31 percent excluding incentives) and a refund to customers under the modified ERAM mechanism, offset in part by increases in pension and retiree health benefit expenses and IPP capacity costs.

Gas and Steam Rate Increases

Effective October 1, 1995 (the beginning of the second year of the October 1994 three-year gas and steam rate agreements) gas and steam rates were increased by $20.9 million (2.5 percent) and $4.6 million (1.3 percent), respectively. The primary reasons for the gas rate increase were escalation in certain operation and maintenance expenses, return and depreciation on higher plant balances, and recovery of earnings under the incentive provisions of the settlement. The steam rate increase was primarily to cover escalation in operation and maintenance expenses, and return and depreciation on higher plant balances.

On June 17, 1996 the Company filed requests for rate increases for the third year of the current three-year gas and steam rate agreements. The increases calculated pursuant to the methodology provided in the rate agreements, which increases would be effective October 1, 1996, are $35.6 million (4.2 percent) and $20.6 million (5.9 percent) for gas and steam, respectively. However, under the provisions of the steam rate agreement, the third-year steam increase is capped at $12.3 million or 3.5 percent. Under the agreement, the excess of the calculated increase over this cap is to be deferred for recovery in a future period. The requested return on equity for both services remains at the current level of 10.9 percent.

For details of the October 1994 three-year gas and steam rate agreements, see Management's Discussion and Analysis appearing in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 1995 under the heading "Liquidity and Capital Resources - Gas and Steam Rate Agreements."

Credit Ratings

The Company's unsecured debentures and tax-exempt debt are rated A1 by Moody's Investors Service, Inc. (Moody's) and A+ by Standard & Poor's Rating Group (S&P). Duff & Phelps Inc., whose rating service the Company has recently discontinued, also had rated this debt at A+. The Company's subordinated debentures are rated A2 by Moody's and A by S&P. The Company's senior debt (first mortgage bonds) is rated Aa3 and A+ by Moody's and S&P, respectively. The Company has not issued first mortgage bonds since 1974. As of June 30, 1996, one $75 million issue of first mortgage bonds, which will mature in December 1996, remains outstanding.

Competition - New York State Initiative

By Order issued May 20, 1996 in its "competitive opportunities" proceeding, the PSC endorsed a fundamental restructuring of the electric utility industry in New York State, based on competition in the generation and energy services sectors of the industry. The PSC stated that it expected wholesale competition to begin in early 1997, and retail competition to begin in early 1998. The stated goals of the PSC are (1) lowering rates for consumers; (2) increasing customer choice as to both suppliers and types and levels of service; (3) continuing reliability of service; (4) continuing public interest programs such as energy efficiency and environmental protection; (5) mitigating concentrations of market power; and (6) continuing customer protections and the obligation to serve. To implement this restructuring, the PSC envisions the establishment of (i) an "Independent System Operator" (ISO) that would control and operate the electric transmission facilities in the State as an integrated system, and (ii) a Market Exchange that will establish visible spot market prices.

To address market power concerns, the PSC indicates the separation of (a) generation, (b) transmission and distribution and (c) energy services activities, is "encouraged." The PSC notes that such separation could be achieved functionally, by maintaining separate books and records; structurally, by placing each activity in a separate subsidiary or affiliate; or by divestiture, through a sale or spinoff. The Order states: "We strongly encourage divestiture, particularly of generation assets, but do not require it immediately." Similarly, the Order notes: "While divestiture of energy service company operations is encouraged, for now we will allow utilities to continue to provide energy services to their customers either directly or through an affiliate."

The PSC recognizes in its Order that certain costs incurred by utilities in the past under traditional regulation could become unrecoverable in the transition from regulation to a competitive market for electricity. The PSC rejected the argument made by the investor-owned utilities, that they are legally entitled to recover (and earn a return on) all prudent costs incurred in the provision of services under past regulation. The PSC indicated that utilities are entitled only to "just and reasonable" rates, and that "while 'just and reasonable' rates must reflect a reasonable balancing of ratepayer and shareholder interests, they may or may not include stranded investment." As a general policy, the PSC stated that "utilities should have a reasonable opportunity to seek recovery of strandable costs consistent with the goals of lowering rates, fostering economic development, increasing customer choices, and maintaining reliable service."

To begin the transition to a competitive electric market, the PSC ordered the Company and each of the other major investor-owned electric utilities in New York State (other than Long Island Lighting Company and Niagara Mohawk Power Corporation) to submit filings to the PSC by October 1, 1996 addressing numerous matters, including:

- The structure, activities, authority and procedures of the ISO and the Market Exchange (including the relationship of the Market Exchange to the ISO). The PSC has expressed an "expectation" that the utilities will make corresponding subsequent filings on this subject with the FERC.

- The proposed resolution of market power problems as related to areas of constricted transmission capacity, such as occur in the downstate region, which includes the area served by the Company.

- Recommendations regarding the role and operation of energy service companies.

- The structure of the utility in both the short and long term, the schedule and cost to attain that structure, and a description of how that structure complies with the PSC's objectives.

- A schedule for the introduction of retail access and a set of "unbundled" tariffs consistent with the retail access program.

- A rate plan to be effective for a significant portion of the transition to a competitive market, including mechanisms to reduce rates and address stranded investment.

The Company is considering its response to the PSC Order, including potential litigation challenging the Order in whole or in part. It is not possible to predict the outcome of this proceeding or its impact on the Company. However, the outcome could potentially have a material adverse effect on the Company, its financial condition and results of operations.

Competition - Federal Initiative

On April 24, 1996 the Federal Energy Regulatory Commission (FERC) issued its final order (FERC Order 888) requiring electric utilities to file non-discriminatory open access transmission tariffs that would be available to wholesale sellers and buyers of electric energy and to allow utilities to recover related legitimate and verifiable stranded costs. The Company has petitioned the FERC to make certain modifications to Order 888. The Company participates in the wholesale electric market primarily as a buyer, and in this regard should benefit if Order 888 results in lower wholesale prices for its purchases of electricity for its retail customers. (The preceding sentence is a forward-looking statement; it is a statement of expectation as to future economic performance and is not a statement of fact. Actual results might differ materially from those projected in this statement. Important factors that could cause actual results to differ from those projected include adverse interpretations of Order 888 by the FERC or the courts; additional rule-making or legislation that could modify the impact of Order 888; and presently unforeseen interaction between Order 888 and the PSC "competitive opportunities" proceeding, including future developments in such proceeding.)

For additional information concerning the New York State and FERC initiatives towards competition, see the Management's Discussion and Analysis appearing in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 1995 under the heading "Liquidity and Capital Resources - Competition."

1996 Stock Option Plan

In May 1996 the Company's shareholders adopted the Consolidated Edison Company of New York, Inc. 1996 Stock Option Plan covering 10,000,000 shares of the Company's common stock. Also in May, ten-year options covering 704,200 shares were granted (at an exercise price of $27-7/8 per share). As permitted by Statement of Financial Accounting Standard No. 123 (SFAS 123), "Accounting for Stock-Based Compensation," the Company will account for the Stock Option Plan in accordance with Accounting Principles Board No. 25 (APB 25), "Accounting for Stock Issued to Employees," with year-end footnote disclosure of the impact on net income and earnings per share as if the Company had adopted the SFAS 123 fair value method for recognition purposes. Because the exercise price of the stock options under the Plan equals the market price of the underlying stock on the date of grant, under APB 25 no compensation expense is recognized.

Environmental Claims and Other Contingencies

Reference is made to the note to the financial statements included in this report for information concerning potential liabilities of the Company arising from the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Superfund), from claims relating to alleged exposure to asbestos, and from certain other contingencies to which the Company is subject.

Collective Bargaining Agreement

In June 1996, the Company concluded a new collective bargaining agreement with the union representing approximately two-thirds of the Company's employees. The four-year agreement provides for general wage increases of 2.5 percent in each of the first two years and 3.0 percent in each of years three and four, with a potential 0.5 percent merit increase in each year. Under the current electric rate agreement, such increases are not recovered in rates.

RESULTS OF OPERATIONS

Net income for common stock for the quarter, six months and 12 months ended June 30, 1996 was lower than in the corresponding 1995 periods by $.7 million ($.01 a share), $10.4 million ($.05 a share) and $21.7 million ($.09 a share), respectively. These results reflect the three-year electric rate agreement effective April 1, 1995, which provides for a generally lower level of incentive earnings opportunities and lower allowed returns on common equity.

In reviewing period-to-period comparisons, it should be noted that not all changes in sales volume affected operating revenues. Under the ERAM and the modified ERAM, discussed below, except for the variation attributed to a change in number of customers under the modified ERAM, most increases (or decreases) in electric sales revenues compared with revenues forecast pursuant to the electric rate agreement are deferred for subsequent credit (or billing) to customers. Under the weather normalization clause in the Company's gas tariff, most weather-related variations in gas sales do not affect gas revenues.

	Increases (Decreases) (Amounts in Millions)					
	Three Months Ended June 30, 1996 Compared With Three Months Ended June 30, 1995		Six Months Ended June 30, 1996 Compared With Six Months Ended June 30, 1995		Twelve Months Ended June 30, 1996 Compared with Twelve Months Ended June 30, 1995	
	Amount	Percent	Amount	Percent	Amount	Percent
Operating revenues	$ 79.9	5.5 %	$ 278.4	8.9 %	$ 403.5	6.3 %
Fuel - electric and steam	7.2	6.4	77.2	34.0	63.9	12.3
Purchased power - electric	11.8	3.8	68.1	12.2	215.6	22.5
Gas purchased for resale	44.1	84.2	113.9	69.7	121.2	48.0
Operating revenues less fuel and purchased power and gas purchased for resale (Net revenues)	16.8	1.7	19.2	0.9	2.8	0.1
Other operations and maintenance	(14.2)	(3.3)	(25.5)	(3.0)	(34.9)	(2.1)
Depreciation and amortization (A)	6.0	5.2	29.4	13.2	48.0	11.0
Taxes, other than federal income tax	25.2	10.0	55.5	10.5	74.0	6.7
Federal income tax	3.5	9.4	(9.1)	(5.9)	(45.5)	(10.5)
Operating income	(3.7)	(2.4)	(31.1)	(7.1)	(38.8)	(3.7)
Other income less deductions and related federal income tax	(0.9)	(63.7)	(2.1)	(59.9)	5.7	Large
Interest charges	0.4	0.5	(1.7)	(1.0)	9.7	3.0
Net income	(5.0)	(6.5)	(31.5)	(11.3)	(42.8)	(5.8)
Preferred stock dividend requirements	(4.3)	(48.2)	(7.2)	(40.2)	(7.2)	(20.1)
Gain on refunding of preferred stock (A)	-	-	13.9	-	13.9	-
Net income for common stock	$ (0.7)	(1.0)%	$ (10.4)	(4.0)%	$ (21.7)	(3.1)%

(A) See discussion above under Liquidity and Capital Resources.

Second Quarter 1996 Compared with
Second Quarter 1995

Net revenues (operating revenues less fuel, purchased power and gas purchased for resale) increased $16.8 million in the second quarter of 1996 compared with the 1995 period. Electric, gas and steam net revenues increased $6.5 million, $7.3 million and $3.0 million, respectively.

Total electric revenues in the 1996 period were higher than in the corresponding 1995 period, largely reflecting recovery of higher purchased power costs. Net electric revenues for the second quarter of 1996 have been reduced for a credit due customers of $7.0 million under the modified ERAM, reflecting higher net revenues than the forecast level, compared with an accrual of $14.3 million reflecting lower net revenues than the forecast level in the 1995 period. The 1995 electric rate agreement added to the ERAM a revenue per customer (RPC) mechanism (modified ERAM) which excludes from adjustment those variances in the Company's electric revenues which result from changes in the number of customers in each electric service classification. Net electric revenues for the second quarter of 1996 include $13.4 million earned under the RPC mechanism.

Electric net revenues for the second quarter of 1996 include $14.6 million, compared with $13.7 million for the 1995 period, for incentives earned under the provisions of the electric rate agreements.

The accounting provisions of the 1992 and 1995 electric rate agreements for Indian Point Unit 2 refueling and maintenance outages decreased electric net revenues for the second quarter of 1996 compared with the 1995 period by $6.9 million; related expenses decreased in like amount.

Electric sales, excluding off-system sales, in the second quarter of 1996 compared with the 1995 period were:

	Millions of Kwhrs.			
Description	2nd Quarter 1996	2nd Quarter 1995	Variation	Percent Variation
Residential/Religious	2,379	2,258	121	5.4%
Commercial/Industrial	5,941	5,802	139	2.4%
Other	142	138	4	2.9%
Total Con Edison Customers	8,462	8,198	264	3.2%
NYPA, Municipal Agency and Other Delivery Service	2,249	2,143	106	4.9%
Total Service Area	10,711	10,341	370	3.6%

Gas and steam revenues in the 1996 period reflect rate increases effective October 1995. Gas net revenues for the second quarter of 1996 also reflect an increase in non-weather related firm sales compared with the 1995 period.

For the second quarter of 1996 firm gas sales volume increased 11.9 percent and steam sales volume increased 5.8 percent compared with the 1995 period due to colder than normal weather in the 1996 period compared with milder than normal weather in the 1995 period. Steam net revenues for the period reflect the effect of this weather variation because there is no weather normalization provision for steam revenues.

After adjustment for comparability in both periods, primarily for variations in weather, electric sales volume in the Company's service territory increased 1.0 percent in the second quarter of 1996, firm gas sales volume increased 3.7 percent and steam sales volume decreased 1.3 percent.

Electric fuel costs decreased $4.6 million in the 1996 period, largely because of the lower unit cost of fuel offset by increased sendout. Purchased power costs increased in the second quarter of 1996 by $11.8 million over the 1995 period due to the relatively high cost that the Company is required to pay under its IPP contracts and the increased cost of short-term power purchases, partially offset by reduced unit purchases. The variations in fuel and purchased power costs also reflect the availability of the Company's Indian Point Unit 2 nuclear generating unit, which was operating during the 1996 period but was out of service for refueling and maintenance for a large part of the 1995 period. Steam fuel costs increased $11.8 million due to increased sendout and higher unit cost of fuel. Gas purchased for resale increased $44.1 million, reflecting increased sendout and higher unit cost of purchased gas.

Other operations and maintenance expenses decreased $14.2 million for the second quarter of 1996 compared with the 1995 period, due primarily to a decrease in the amortization of previously deferred Enlightened Energy program costs, reflecting lower program cost deferrals, and lower production expenses reflecting a refueling and maintenance outage of Indian Point Unit 2 in the 1995 period. There was no such outage in 1996.

Depreciation and amortization increased $6.0 million in the second quarter of 1996 due to higher plant balances.

Taxes, other than federal income tax, increased $25.2 million in the second quarter of 1996 compared with the 1995 period due principally to increased property taxes.

Federal income tax increased $3.5 million for the quarter reflecting adjustments associated with the 1995 electric rate agreement.

Six Months Ended June 30, 1996 Compared with the Six Months Ended June 30, 1995

Net revenues (operating revenues less fuel and purchased power and gas purchased for resale) increased $19.2 million in the first six months of 1996 compared with the first six months of 1995. Electric net revenues decreased $28.6 million and gas and steam net revenues increased $25.3 million and $22.5 million, respectively.

Total electric revenues in the 1996 period were higher than in the corresponding 1995 period, largely reflecting recovery of higher fuel and purchased power costs. Net electric revenues for the first six months of 1996 have been reduced by a credit due customers of $6.6 million, net of $20.3 million earned under the RPC mechanism, reflecting higher net revenues than the forecast, compared with an accrual of $21.4 million reflecting lower net revenues than the forecast level in the 1995 period.

The accounting provisions of the 1992 and 1995 electric rate agreements for Indian Point Unit 2 refueling and maintenance outages decreased electric net revenues for the six months ended June 30, 1996 compared with the 1995 period by $26.8 million; related expenses decreased in like amount.

Electric net revenues for the first six months of 1996 also include $24.9 million compared with $34.9 million for the 1995 period for incentives earned under the provisions of the rate agreements.

Electric sales, excluding off-system sales, in the first six months of 1996 compared with the 1995 period were:

	Millions of Kwhrs.			
Description	Six Months Ended June 30, 1996	Six Months Ended June 30, 1995	Variation	Percent Variation
Residential/Religious	5,088	4,828	260	5.4 %
Commercial/Industrial	12,252	11,921	331	2.8 %
Other	295	287	8	2.8 %
Total Con Edison Customers	17,635	17,036	599	3.5 %
NYPA, Municipal Agency and Other Delivery Service	4,677	4,506	171	3.8 %
Total Service Area	22,312	21,542	770	3.6 %

Gas and steam revenues in the first six months of 1996 were increased by rate increases effective October 1995 and by recovery of higher costs for gas purchased for resale and steam fuel. In addition, gas net revenue for the 1995 period included $4.7 million for incentives earned under the 1994 gas rate agreement, related to achievement of gas system improvement targets for gas leaks. Steam revenue increases also reflect increased sales volume.

For the first six months of 1996 firm gas sales volume increased 14.3 percent and steam sales volume increased 12.0 percent over the 1995 period. Under the weather normalization clause in the Company's gas tariff, most weather-related variations in gas sales do not affect gas revenues.

After adjustment for comparability in both periods, primarily for variations in weather, electric sales volume in the Company's service territory in the first six months of 1996 increased 1.3 percent. Similarly adjusted, firm gas sales volume increased 3.4 percent and steam sales volume increased 0.7 percent.

Electric fuel and purchased power costs increased in the first six months of 1996 by $37.2 million and $68.1 million, respectively, reflecting higher sendout and the higher costs of the Company's IPP power purchase contracts. The changes in fuel and purchased power costs also reflect increased generation from the Company's Indian Point Unit 2 nuclear generating station, which was operating during the 1996 period but was out of service for refueling and maintenance for a large part of the 1995 period. Steam fuel costs increased $40.0 million due to increased sendout and higher unit cost of fuel. Gas purchased for resale increased $113.9 million reflecting higher sendout and higher unit cost.

Other operations and maintenance expenses decreased $25.5 million in the first six months of 1996 compared with the 1995 period due to decreases in the amortization of previously deferred Enlightened Energy program costs, reflecting lower program cost deferrals, and production expenses (principally due to the Indian Point Unit 2 refueling and maintenance outage in the 1995 period -- there was no such outage in the 1996 period), offset in part by higher distribution and transmission expenses.

Depreciation and amortization increased $29.4 million due principally to higher plant balances and an additional provision for depreciation expense of $13.9 million corresponding to the amount of the gain on the refunding of preferred stock discussed above.

Taxes, other than federal income tax, increased $55.5 million in the first six months of 1996 compared with the 1995 period due primarily to increased property taxes ($37.4 million) and revenue taxes ($16.4 million).

Federal income tax decreased $9.1 million in the first six months of 1996 compared with the 1995 period, principally due to lower pre-tax income.

Twelve Months Ended June 30, 1996 Compared with
Twelve Months Ended June 30, 1995

Net revenues (operating revenues less fuel, purchased power and gas purchased for resale) increased $2.8 million in the 12 months ended June 30, 1996 compared with the 1995 period. Electric net revenues decreased $65.5 million and gas and steam net revenues increased $33.9 million and $34.4 million, respectively.

Total electric revenues in the 1996 period were higher than in the corresponding 1995 period, largely reflecting recovery of higher purchased power costs, partially offset by revenue reductions under the 1995 electric rate agreement to reflect a generally lower level of operation expenses.

Under the modified ERAM, net electric revenues for the 12 months ended June 30, 1996 were reduced for a credit due customers of $63.4 million, net of $33.5 million earned under the RPC mechanism, reflecting higher net revenues than the forecast level, compared with a credit due customers of $13.1 million in the 1995 period.

Net electric revenues for the 12 months ended June 30, 1996 include $47.7 million, compared with $86.1 million for the 1995 period, for incentives earned under the provisions of the rate agreements.

Electric sales, excluding off-system sales, for the 12 months ended June 30, 1996 compared with the 12 months ended June 30, 1995 were:

	Millions of Kwhrs.			
Description	Twelve Months Ended June 30, 1996	Twelve Months Ended June 30, 1995	Variation	Percent Variation
Residential/Religious	11,108	10,586	522	4.9%
Commercial/Industrial	25,824	25,335	489	1.9%
Other	625	605	20	3.3%
Total Con Edison Customers	37,557	36,526	1,031	2.8%
NYPA, Municipal Agency and Other Delivery Service	9,483	9,197	286	3.1%
Total Service Area	47,040	45,723	1,317	2.9%

Off-system electricity sales increased to 3,987 millions of Kwhrs in the 1996 period compared with 3,374 millions of Kwhrs in the 1995 period. The increase in such sales was due largely to arrangements in which the Company produced electricity for others using gas they provided as fuel. The Company purchased a substantial portion of this electricity for sale to its own customers.

Gas and steam revenues in the 1996 period reflect rate increases in October 1995 and higher fuel-related revenues due to increased sales volumes and higher gas and steam unit costs of fuel.

For the 12 months ended June 30, 1996, firm gas sales volume increased 13.4 percent and steam sales volume increased 12.2 percent due to colder than normal 1996 winter weather compared to warmer than normal 1995 winter weather. Under the weather normalization clause in the Company's gas tariff, most weather-related variations in gas sales do not affect gas revenues.

After adjustment for comparability in both periods, primarily for variations in weather, electric sales volume in the Company's service territory in the 12 months ended June 30, 1996 increased 1.6 percent. Similarly adjusted, firm gas sales volume increased 2.9 percent and steam sales volume decreased 0.1 percent.

Electric fuel costs increased $15.2 million in the 1996 period due to higher sendout; steam fuel costs increased $48.7 million due to higher sendout and higher unit cost of fuel. Purchased power costs increased in the 1996 period by $215.6 million over the 1995 period reflecting increased purchases under IPP contracts and the relatively high cost that the Company is required to pay under its IPP contracts. Gas purchased for resale increased $121.2 million, reflecting higher sendout and higher unit cost of fuel.

Other operations and maintenance expenses decreased $34.9 million in the 12 months ended June 30, 1996 compared with the 1995 period, due to decreased electric production and administrative and general expenses, offset in part by higher distribution and transmission expenses.

Depreciation and amortization increased $48.0 million in the 1996 period due principally to higher plant balances and an additional provision for depreciation expense of $13.9 million corresponding to the amount of the gain on the refunding of preferred stock.

Taxes, other than federal income tax, increased $74.0 million in the 12 months ended June 30, 1996 compared with the 1995 period due primarily to increased property taxes ($54.1 million) and revenue taxes ($19.1 million).

Federal income tax decreased $45.5 million for the 12 months ended June 30, 1996 compared with the 1995 period due principally to lower pre-tax income.

Other income less miscellaneous deductions increased $5.7 million for the 12-month period due primarily to increases in investment income.

Interest on long-term debt for the 12-month period increased $9.6 million principally as a result of the issuance of new debt.

PART II. - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

ASTORIA SITE

Reference is made to the information under the caption "SUPERFUND - Astoria Site" in Part I, Item 3, Legal Proceedings in the Company's Annual Report on Form 10-K for the year ended December 31, 1995.

While the Company's site investigation is ongoing, a portion has been completed and reports thereon submitted to the DEC and the New York State Department of Health for determination of the remediation action, if any, that may be required. Depending on the remediation required, the costs could be material.

NUCLEAR FUEL DISPOSAL

Reference is made to the information under the caption "NUCLEAR FUEL DISPOSAL" in Part I, Item 3, Legal Proceedings and Part I, Item 7, Management's Discussion and Analysis in the Company's Annual Report on Form 10-K for the year ended December 31, 1995.

On July 23, 1996, the United States Court of Appeals for the District of Columbia held that the DOE has an obligation "reciprocal to the utilities' obligation to pay, to start disposing of the [spent nuclear fuel] no later than January 31, 1998." Noting that it was premature to determine the appropriate remedy, the Court remanded for further proceedings consistent with its opinion.

RATE PROCEEDINGS

Reference is made to the information under the captions "REGULATION AND RATES" in Part I, Item 1, Business, "RATE PROCEEDINGS" in Part I, Item 3, Legal Proceedings and "LIQUIDITY AND CAPITAL RESOURCES - 1992 Electric Rate Agreement, 1995 Electric Rate Agreement, Gas and Steam Rate Agreements, and Competition" in Part I, Item 7, Management's Discussion and Analysis in the Company's Annual Report on Form 10-K for the year ended December 31, 1995 and the information under the captions "LIQUIDITY AND CAPITAL RESOURCES - 1995 Electric Rate Agreement, Gas and Steam Rate Increases, and Competition - New York State Initiative" in Part I, Item 2, Management's Discussion and Analysis in this Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1996.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

(a) At the Annual Meeting of Stockholders of the Company held on May 20, 1996, the stockholders of the Company voted to elect management's nominees for the Board of Trustees, to ratify and approve the appointment of the Company's independent accountants, to ratify and approve the Consolidated Edison Company of New York, Inc. 1996 Stock Option Plan, and not to adopt two stockholder proposals.

(b) The name of each nominee for election and the number of shares voted for or with respect to which authority to vote for was withheld are as follows:

	For	Withheld
E. Virgil Conway	178,828,684	3,462,256
Gordon J. Davis	176,657,841	5,633,099
Ruth M. Davis	177,887,886	4,403,054
Ellen V. Futter	178,823,049	3,467,891
Arthur Hauspurg	177,036,065	5,254,875
Sally Hernandez-Pinero	178,562,104	3,728,836
Peter W. Likins	178,981,906	3,309,034
Raymond J. McCann	178,767,485	3,523,455
Eugene R. McGrath	178,720,904	3,570,036
Donald K. Ross	178,420,604	3,870,336
Robert G. Schwartz	178,784,747	3,506,193
Richard A. Voell	178,963,441	3,327,499
Myles V. Whalen, Jr.	178,634,603	3,656,337

(c) The results of the vote on the appointment of Price Waterhouse as independent accountants for the Company for 1996 were as follows: 179,150,988 shares were voted for this proposal; 1,445,323 shares were voted against the proposal; and 1,694,629 shares were abstentions.

(d) The results of the vote on the Consolidated Edison Company of New York, Inc. 1996 Stock Option Plan were as follows: 164,351,159 shares were voted for this proposal; 13,376,383 shares were voted against the proposal; and 4,563,398 shares were abstentions.

(e) The following stockholder-proposed resolution was voted upon at the Annual Meeting:

> "RESOLVED: That the stockholders of Consolidated Edison Company of New York, Inc., assembled in annual meeting in person and by proxy, hereby request the Board of Directors to take the steps necessary to provide for cumulative voting in the election of directors, which means each stockholder shall be entitled to as many votes as shall equal the number of shares he or she owns multiplied by the number of directors to be elected, and he or she may cast all of such votes for a single candidate, or any two or more of them as he or she may see fit."

The results of the vote on this proposal were as follows: 34,951,375 shares were voted for this proposal; 113,046,256 shares were voted against the proposal; 5,925,274 shares were abstentions; and 28,368,035 shares were broker nonvotes.

(f) The following stockholder-proposed resolution was voted upon at the Annual Meeting:

> "RESOLVED: That the shareholders recommend that the Board take the necessary step that Con Edison specifically identify by name and corporate title in all future proxy statements those executive officers, not otherwise so identified, who are contractually entitled to receive in excess of $100,000 annually as base salary, together with whatever other additional compensation bonuses and other cash payments were due them."

The results of the vote on this proposal were as follows: 18,294,485 shares were voted for this proposal; 129,324,360 shares were voted against the proposal; 6,303,058 shares were abstentions; and 28,369,037 shares were broker nonvotes.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) EXHIBITS

Exhibit 3.1 By-laws of the Company, effective as of May 20, 1996. (Incorporated by reference to Exhibit 3.2.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 1995, in Commission File No. 1-1217.)

Exhibit 3.2 Resolution adopted June 25, 1996 by the Board of Trustees of the Company amending the Company's By-Laws.

Exhibit 3.3 By-laws of the Company, effective as of September 1, 1996.

Exhibit 4.1 Form of the Company's 7 3/4% Quarterly Income Capital Securities (Series A Subordinated Deferrable Interest Debentures). (Incorporated by reference to Exhibit 4 to the Company's Current Report on Form 8-K, dated February 29, 1996, in Commission File No. 1-1217.)

Exhibit 4.2 Form of the Company's 7 3/4% Debentures, Series 1996 A. (Incorporated by reference to Exhibit 4 to the Company's Current Report on Form 8-K, dated April 24, 1996, in Commission File No. 1-1217.)

Exhibit 10.1 Consolidated Edison Company of New York, Inc. 1996 Stock Option Plan. (Incorporated by reference to Exhibit 10.47 to the Company's Annual Report on Form 10-K for the year ended December 31, 1995, in Commission File No. 1-1217.)

Exhibit 10.2 Amendment, dated July 23, 1996, to Employment Contract, dated May 22, 1990, between the Company and Eugene R. McGrath.

Exhibit 12 Statement of computation of ratio of earnings to fixed charges for the twelve-month periods ended June 30, 1996 and 1995.

Exhibit 27 Financial Data Schedule. (To the extent provided in Rule 402 of Regulation S-T, this exhibit shall not be deemed "filed", or otherwise subject to liabilities, or be deemed part of a registration statement.)

(b) REPORTS ON FORM 8-K

The Company filed a Current Report on Form 8-K, dated April 24, 1996, reporting (under Item 5) the sale of $100 million aggregate principal amount of its 7 3/4% Debentures, Series 1996 A, and the expected use of the net proceeds of the sale thereof to refund certain debentures of the Company. The Company filed no other Current Reports on Form 8-K during the quarter ended June 30, 1996.

SIGNATURES

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

CONSOLIDATED EDISON COMPANY
OF NEW YORK, INC.

DATE: August 5, 1996

Joan S. Freilich
Joan S. Freilich
Senior Vice President,
Chief Financial Officer and
Duly Authorized Officer

DATE: August 5, 1996

John F. Cioffi
John F. Cioffi
Vice President, Controller and
Chief Accounting Officer

INDEX TO EXHIBITS

EXHIBIT NO.	DESCRIPTION	SEQUENTIAL PAGE NUMBER AT WHICH EXHIBIT BEGINS
3.1	By-laws of the Company, effective as of May 20, 1996. (Incorporated by reference to Exhibit 3.2.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 1995, in Commission File No. 1-1217.)	
3.2	Resolution adopted June 25, 1996 by the Board of Trustees of the Company amending the Company's By-Laws.	
3.3	By-laws of the Company, effective as of September 1, 1996.	
4.1	Form of the Company's 7 3/4% Quarterly Income Capital Securities (Series A Subordinated Deferrable Interest Debentures). (Incorporated by reference to Exhibit 4 to the Company's Current Report on Form 8-K, dated February 29, 1996, in Commission File No. 1-1217.)	
4.2	Form of the Company's 7 3/4% Debentures, Series 1996 A. (Incorporated by reference to Exhibit 4 to the Company's Current Report on Form 8-K, dated April 24, 1996, in Commission File No. 1-1217.)	
10.1	Consolidated Edison Company of New York, Inc. 1996 Stock Option Plan. (Incorporated by reference to Exhibit 10.47 to the Company's Annual Report on Form 10-K for the year ended December 31, 1995, in Commission File No. 1-1217.)	
10.2	Amendment, dated July 23, 1996, to Employment Contract, dated May 22, 1990, between the Company and Eugene R. McGrath.	
12	Statement of computation of ratio of earnings to fixed charges for the twelve-month periods ended June 30, 1996 and 1995.	
27	Financial Data Schedule. (To the extent provided in Rule 402 of Regulation S-T, this exhibit shall not be deemed "filed", or otherwise subject to liabilities, or be deemed part of a registration statement.)	

CONSOLIDATED EDISON COMPANY OF NEW YORK,INC.

BOARD OF TRUSTEES

June 25, 1996

RESOLVED, That, effective September 1, 1996, the first sentence of Section 8 of the By-Laws be and the same hereby is amended to read as follows:

> "Section 8. The affairs of the Company shall be managed under the direction of a Board consisting of fourteen Trustees, who shall be elected annually by the stockholders by ballot and shall hold office until their successors are elected and qualified."

BY-LAWS
OF
CONSOLIDATED EDISON COMPANY
OF NEW YORK, INC.

Effective as of September 1, 1996

SECTION 1. The annual meeting of stockholders of the Company for the election of Trustees and such other business as may properly come before such meeting shall be held on the third Monday in May in each year at such hour and at such place in the City of New York or the County of Westchester as may be designated by the Board of Trustees.

SECTION 2. Special meetings of the stockholders of the Company may be held upon call of the Chairman of the Board, the Vice Chairman of the Board, the President, the Board of Trustees, or stockholders holding one-fourth of the outstanding shares of stock entitled to vote at such meeting.

SECTION 3. Notice of the time and place of every meeting of stockholders, the purpose of such meeting and, in case of a special meeting, the person or persons by or at whose direction the meeting is being called, shall be mailed by the Secretary, or other officer performing his duties, at least ten days, but not more than fifty days, before the meeting to each stockholder of record, at his last known Post Office address; provided, however, that if a stockholder be present at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, or in writing waives notice thereof before or after the meeting, the mailing to such stockholder of notice of such meeting is unnecessary.

SECTION 4. The holders of a majority of the outstanding shares of stock of the Company, entitled to vote at a meeting, present in person or by proxy shall constitute a quorum, but less than a quorum shall have power to adjourn.

SECTION 5. The Chairman of the Board, or in his absence the Vice Chairman of the Board, or in his absence the President shall preside over all meetings of stockholders. In their absence one of the Vice Presidents shall preside over such meetings. The Secretary of the Board of Trustees shall act as Secretary of such meeting, if present. In his absence, the Chairman of the meeting may appoint any person to act as Secretary of the meeting.

SECTION 6. At each meeting of stockholders at which votes are to be taken by ballot there shall be at least two and not more than five inspectors of election and of stockholders' votes, who shall be either designated prior to such meeting by the Board of Trustees or, in the absence of such designation, appointed by the Chairman of the meeting.

SECTION 7. Transfer of shares of stock of the Company will be registered on the books of the Company maintained for that purpose upon presentation of share certificates appropriately endorsed. The Board of Trustees may, in their discretion, appoint one or more registrars of the stock.

SECTION 8. The affairs of the Company shall be managed under the direction of a Board consisting of fourteen Trustees, who shall be elected annually by the stockholders by ballot and shall hold office until their successors are elected and qualified. Vacancies in the Board of Trustees may be filled by the Board at any meeting, but if the number of Trustees is increased or decreased by the Board by an amendment of this section of the By-laws, such amendment shall require the vote of a majority of the whole Board. Members of the Board of Trustees shall be entitled to receive such reasonable fees or other forms of compensation, on a per diem, annual or other basis, as may be fixed by resolution of the Board of Trustees or the stockholders in respect of their services as such, including attendance at meetings of the Board and its committees; provided, however, that nothing herein contained shall be construed as precluding any Trustee from serving the Company in any capacity other than as a member of the Board or a committee thereof and receiving compensation for such other services.

SECTION 9. Meetings of the Board of Trustees shall be held at the time and place fixed by resolution of the Board or upon call of the Chairman of the Board, the Vice Chairman of the Board, the President, or a Vice President or any two Trustees. The Secretary of the Board or officer performing his duties shall give 24 hours' notice of all meetings of Trustees; provided that a meeting may be held without notice immediately after the annual election of Trustees, and notice need not be given of regular meetings held at times fixed by resolution of the Board. Meetings may be held at any time without notice if all the Trustees are present and none protests the lack of notice either prior to the meeting or at its commencement, or if those not present waive notice either before or after the meeting. Notice by mailing or telegraphing, or delivering by hand, to the usual business address or residence of the Trustee not less than the time above specified before the meeting shall be sufficient. A majority of the Trustees in office shall constitute a quorum, but less than such quorum shall have power to adjourn. The Chairman of the Board or, in his absence the Vice Chairman of the Board or, in his absence a Chairman pro tem elected by the meeting from among the Trustees present shall preside at all meetings of the Board. Any one or more members of the Board may participate in a special meeting of the Board by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time.

Participation by such means shall constitute presence in person at such special meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a resolution authorizing the action; provided, however, that no action taken by the Board by unanimous written consent shall be taken in lieu of a regular monthly meeting of the Board. Each resolution so adopted and the written consents thereto by the members of the Board shall be filed with the minutes of the proceedings of the Board.

SECTION 10. The Board of Trustees, as soon as may be after the election of Trustees in each year, shall elect from their number a Chairman of the Board, who shall be the chief executive officer of the Company, and shall elect a Vice Chairman of the Board and a President. The Board shall also elect one or more Vice Presidents, a Secretary and a Treasurer, and may from time to time elect such other officers as they may deem proper. Any two or more offices may be held by the same person, except the offices of President and Secretary.

SECTION 11. The term of office of all officers shall be until the next election of Trustees and until their respective successors are chosen and qualify, but any officer may be removed from office at any time by the Board of Trustees. Vacancies among the officers may be filled by the Board of Trustees at any meeting.

SECTION 12. The Chairman of the Board and the President shall have such duties as usually pertain to their respective offices, except as otherwise directed by the Board of Trustees or the Executive Committee, and shall also have such powers and duties as may from time to time be conferred upon them by the Board of Trustees or the Executive Committee. The Vice Chairman of the Board shall have such powers and duties as may from time to time be conferred upon him by the Board of Trustees, the Executive Committee or the Chairman of the Board. In the absence or disability of the Chairman of the Board, the Vice Chairman of the Board shall perform the duties and exercise the powers of the Chairman of the Board. The Vice Presidents and the other officers of the Company shall have such duties as usually pertain to their respective offices, except as otherwise directed by the Board of Trustees, the Executive Committee, the Chairman of the Board, the Vice Chairman of the Board or the President, and shall also have such powers and duties as may from time to time be conferred upon them by the Board of Trustees, the Executive Committee, the Chairman of the Board, the Vice Chairman of the Board or the President.

SECTION 13. The Board of Trustees, as soon as may be after the election of Trustees in each year, may by a resolution passed by a majority of the whole Board, appoint an Executive Committee, to consist of the Chairman of the Board (and in his absence the Vice Chairman of the Board) and three or more additional Trustees as the Board may from time to time determine, which shall have and may exercise during the intervals between the meetings of the Board all the powers vested in the Board except that neither the Executive Committee nor any other committee appointed pursuant to this section of the By-laws shall have authority as to any of the following

matters: the submission to stockholders of any action as to which stockholders' authorization is required by law; the filling of vacancies on the Board or on any committee thereof; the fixing of compensation of any Trustee for serving on the Board or on any committee thereof; the amendment or repeal of these By-laws, or the adoption of new By-laws; and the amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable. The Board shall have the power at any time to change the membership of such Executive Committee and to fill vacancies in it. The Executive Committee may make rules for the conduct of its business and may appoint such committees and assistants as it may deem necessary. Four members of said Executive Committee shall constitute a quorum. The Chairman of the Board or, in his absence a Chairman pro tem elected by the meeting from among the members of the Executive Committee present shall preside at all meetings of the Executive Committee. The Board may designate one or more Trustees as alternate members of any committee appointed pursuant to this section of the By-laws who may replace any absent member or members at any meeting of such committee. The Board of Trustees may also from time to time appoint other committees consisting of three or more Trustees with such powers as may be granted to them by the Board of Trustees, subject to the restrictions contained in this section of the By-laws. Any one or more members of any committee appointed pursuant to this section may participate in any meeting of such committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at such meeting. Any action required or permitted to be taken by any committee appointed pursuant to this section may be taken without a meeting if all members of such committee consent in writing to the adoption of a resolution authorizing the action. Each resolution so adopted and the written consents thereto by the members of such committee shall be filed with the minutes of the proceedings of such committee.

SECTION 14. The Board of Trustees are authorized to select such depositories as they shall deem proper for the funds of the Company. All checks and drafts against such deposited funds shall be signed by such person or persons and in such manner as may be specified by the Board of Trustees.

SECTION 15. The Company shall fully indemnify in all circumstances to the extent not prohibited by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an investigative, administrative or legislative proceeding, and including an action by or in the right of the Company or any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, by reason of the fact that he, his testator or intestate, is or was a Trustee or officer of the Company, or is or was serving at the request of the Company any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, as a director, officer or in any other capacity against any and all judgments, fines, amounts paid in settlement, and expenses,

including attorneys' fees, actually and reasonably incurred as a result of or in connection with any such action or proceeding or related appeal; provided, however, that no indemnification shall be made to or on behalf of any Trustee, director or officer if a judgment or other final adjudication adverse to the Trustee, director or officer establishes that his acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled; and, except in the case of an action or proceeding specifically approved by the Board of Trustees, the Company shall pay expenses incurred by or on behalf of such a person in defending such a civil or criminal action or proceeding (including appeals) in advance of the final disposition of such action or proceeding promptly upon receipt by the Company, from time to time, of a written demand of such person for such advancement, together with an undertaking by or on behalf of such person to repay any expenses so advanced to the extent that the person receiving the advancement is ultimately found not to be entitled to indemnification for such expenses; and the right to indemnification and advancement of defense expenses granted by or pursuant to this by-law (i) shall not limit or exclude, but shall be in addition to, any other rights which may be granted by or pursuant to any statute, certificate of incorporation, by-law, resolution or agreement, (ii) shall be deemed to constitute contractual obligations of the Company to any Trustee, director or officer who serves in such capacity at any time while this by-law is in effect, (iii) are intended to be retroactive and shall be available with respect to events occurring prior to the adoption of this by-law and (iv) shall continue to exist after the repeal or modification hereof with respect to events occurring prior thereto. It is the intent of this by-law to require the Company to indemnify the persons referred to herein for the aforementioned judgments, fines, amounts paid in settlement and expenses, including attorneys' fees, in each and every circumstance in which such indemnification could lawfully be permitted by an express provision of a by-law, and the indemnification required by this by-law shall not be limited by the absence of an express recital of such circumstances. The Company may, with the approval of the Board of Trustees, enter into an agreement with any person who is, or is about to become, a Trustee or officer of the Company, or who is serving, or is about to serve, at the request of the Company any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, as a director, officer or in any other capacity, which agreement may provide for indemnification of such person and advancement of defense expenses to such person upon such terms, and to the extent, as may be permitted by law.

SECTION 16. Wherever the expression "Trustees" or "Board of Trustees" is used in these By-laws the same shall be deemed to apply to the Directors or Board of Directors, as the case may be, if the designation of those persons constituting the governing board of this Company is changed from "Trustees" to "Directors".

SECTION 17. Either the Board of Trustees or the stockholders may alter or amend these By-laws at any meeting duly held as above provided, the notice of which includes notice of the proposed amendment.

EMERGENCY BY-LAWS
OF
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
As Amended February 23, 1966
Effective May 16, 1966

SECTION 1. These Emergency By-laws may be declared effective by the Defense Council of New York as constituted under the New York State Defense Emergency Act in the event of attack and shall cease to be effective when the Council declares the end of the period of attack.

SECTION 2. In the event of attack and until the Defense Council declares the end of the period of attack the affairs of the Company shall be managed by such Trustees theretofore elected as are available to act, and a majority of such Trustees shall constitute a quorum. In the event that there are less than three Trustees available to act, then and in that event the Board of Trustees shall consist of such Trustees theretofore elected and available to act plus such number of senior officers of the Company not theretofore elected as Trustees as will make a Board of not less than three nor more than five members. The Board as so constituted shall continue until such time as the Defense Council declares the end of the period of attack and their successors are duly elected.

SECTION 3. The By-laws of the Company shall remain in effect during the period of emergency to the extent that said By-laws are not inconsistent with these Emergency By-laws.

Amendment No. 7 to
Eugene R. McGrath Employment Agreement

WHEREAS, Eugene R. McGrath (the "Employee") and Consolidated Edison Company of New York, Inc. (the "Company") entered into an Employment Agreement effective September 1, l990 (the "Agreement");

WHEREAS, the parties to the Agreement desire to amend the Agreement to increase the basic salary payable to the Employee; and

WHEREAS, paragraph 12 of the Agreement provides that the Agreement may be amended from time to time by a written instrument executed by the Company and the Employee;

NOW, THEREFORE, in consideration of the foregoing the parties hereto agree as follows:

1. The Agreement is amended, effective September 1, l996, to increase the Employee's basic salary set forth in clause (i) of paragraph 3(a) of the Agreement from $675,000 per annum to $740,000 per annum, subject to all the terms and conditions set forth in the Agreement relating to the basic salary.

2. In all other respects, the Agreement remains in full force and effect as amended hereby.

IN WITNESS WHEREOF, the Company has caused this Amendment to be executed by its duly authorized officer and its Corporate seal to be affixed hereto, and the Employee has hereto set his hand the day and year set forth below.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

By: CHARLES F. SOUTAR
Executive Vice President

EUGENE R. MCGRATH

Dated: July 23, 1996

Attest:
Approved by the Board of Trustees
the 23rd day of July, 1996.

ARCHIE M. BANKSTON
Secretary

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
RATIO OF EARNINGS TO FIXED CHARGES
TWELVE MONTHS ENDED

(Thousands of Dollars)

	JUNE 1995	JUNE 1996
Earnings		
Net Income	$ 735,178	$ 692,370**
Federal Income Tax	321,990	385,750
Federal Income Tax Deferred	120,070	12,610
Investment Tax Credits Deferred	(9,480)	(9,210)
Total Earnings Before Federal Income Tax	1,167,758	1,081,520
Fixed Charges*	339,397	348,096
Total Earnings Before Federal Income Tax and Fixed Charges	$1,507,155	$1,429,616

*Fixed Charges

	JUNE 1995	JUNE 1996
Interest on Long-Term Debt	$ 284,235	$ 291,069
Amortization of Debt Discount, Premium and Expenses	11,539	14,282
Interest Component of Rentals	18,688	19,706
Other Interest	24,935	23,039
Total Fixed Charges	$ 339,397	$ 348,096
Ratio of Earnings to Fixed Charges	4.44	4.11

** Reflects increased depreciation expense resulting from preferred stock refunding. See "Liquidity and Capital Resources" in Management's Discussion and Analysis appearing in the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1996.

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THE SCHEDULE CONTAINS
SUMMARY FINANCIAL
INFORMATION EXTRACTED
FROM CONSOLIDATED
BALANCE SHEET, INCOME
STATEMENT AND STATEMENT OF
CASH FLOWS AND IS QUALIFIED
IN ITS ENTIRETY BY REFERENCE
TO SUCH FINANCIAL STATEMENTS
AND THE NOTES THERETO

1,000

DEC-31-1996

JUN-30-1996

6-MOS

PER-BOOK

10,886,745

164,358

965,248

637,502

1,016,829

13,670,682

587,445

855,919

4,089,399

5,532,763

84,550

238,217

4,190,366

0

0

0

82,095

0

43,969

2,559

3,496,163

13,670,682

3,407,100

145,920

2,856,241

3,002,161

404,939

1,376

406,315

160,365

245,950

10,643

249,250

244,369

305,351

452,977

1.06

1.06