UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ Quarterly Report Pursuant To Section 13 or 15(d) of the Securities Exchange Act of 1934

FOR THE QUARTERLY PERIOD ENDED September 30, 2024

OR

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

For the transition period from __________ to __________

Commission File Number	Exact name of registrant as specified in its charter and principal executive office address and telephone number	State of Incorporation	I.R.S. Employer ID. Number
1-14514	**Consolidated Edison, Inc.** 4 Irving Place, New York, New York 10003 (212) 460-4600	New York	13-3965100
1-01217	**Consolidated Edison Company of New York, Inc.** 4 Irving Place, New York, New York 10003 (212) 460-4600	New York	13-5009340

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Consolidated Edison, Inc. Common Shares ($.10 par value)	**ED**	New York Stock Exchange

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

Consolidated Edison, Inc. (Con Edison)	Yes ☒	No ☐
Consolidated Edison Company of New York, Inc. (CECONY)	Yes ☒	No ☐

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

Con Edison	Yes ☒	No ☐
CECONY	Yes ☒	No ☐

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

Con Edison

Large accelerated filer	☒	Accelerated filer ☐		Non-accelerated filer	☐
Smaller reporting company	☐	Emerging growth company	☐		

CECONY

Large accelerated filer	☐	Accelerated filer ☐		Non-accelerated filer	☒
Smaller reporting company	☐	Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Con Edison	Yes	☐	No ☒
CECONY	Yes	☐	No ☒

As of October 31, 2024, Con Edison had outstanding 346,412,190 Common Shares ($.10 par value). All of the outstanding common equity of CECONY is held by Con Edison.

Filing Format

This Quarterly Report on Form 10-Q is a combined report being filed separately by two different registrants: Consolidated Edison, Inc. (Con Edison) and Consolidated Edison Company of New York, Inc. (CECONY). CECONY is a wholly-owned subsidiary of Con Edison and, as such, the information in this report about CECONY also applies to Con Edison. As used in this report, the term the “Companies” refers to Con Edison and CECONY. However, CECONY makes no representation as to the information contained in this report relating to Con Edison or the subsidiaries of Con Edison other than itself.

Glossary of Terms

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

Con Edison Companies

Con Edison	Consolidated Edison, Inc.
CECONY	Consolidated Edison Company of New York, Inc.
Clean Energy Businesses	Con Edison Clean Energy Businesses, Inc., a former subsidiary of Con Edison
Con Edison Transmission	Con Edison Transmission, Inc., together with its subsidiaries
O&R	Orange and Rockland Utilities, Inc.
RECO	Rockland Electric Company
The Companies	Con Edison and CECONY
The Utilities	CECONY and O&R

Regulatory Agencies, Government Agencies and Other Organizations

FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
IRS	Internal Revenue Service
NJBPU	New Jersey Board of Public Utilities
NYISO	New York Independent System Operator
NYPA	New York Power Authority
NYSDEC	New York State Department of Environmental Conservation
NYSDPS	New York State Department of Public Service
NYSPSC	New York State Public Service Commission
SEC	U.S. Securities and Exchange Commission

Accounting

AFUDC	Allowance for Funds Used During Construction
ASC	Accounting Standards Codification Topic
ASU	Accounting Standards Update
GAAP	Generally Accepted Accounting Principles in the United States of America
HLBV	Hypothetical Liquidation at Book Value
NOL	Net Operating Loss
OCI	Other Comprehensive Income
VIE	Variable Interest Entity

Environmental

GHG	Greenhouse gases
Superfund	Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 and similar state statutes

Units of Measure

Dt	Dekatherm
kWh	Kilowatt-hour
MMlb	Million pounds
MW	Megawatt or thousand kilowatts
MWh	Megawatt hour

Other

COVID-19	Coronavirus Disease 2019 and any mutations or variants thereof
Third Quarter Financial Statements	Consolidated financial statements included in the Companies' Quarterly Report on Form 10-Q for the quarterly period ended September 30 of the current year
IRA	The federal Inflation Reduction Act, as enacted on August 16, 2022
TCJA	The federal Tax Cuts and Jobs Act of 2017, as enacted on December 22, 2017

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FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that are intended to qualify for the safe-harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements of future expectations and not facts. Words such as “forecasts,” “expects,” “estimates,” “anticipates,” “intends,” “believes,” “plans,” “will,” “target,” “guidance,” “potential,” "goal," “consider” and similar expressions identify forward-looking statements. The forward-looking statements reflect information available and assumptions at the time the statements are made, and accordingly speak only as of that time. Actual results or developments might differ materially from those included in the forward-looking statements because of various factors such as those identified in reports the Companies have filed with the Securities and Exchange Commission, including, but not limited to:

- the Companies are extensively regulated and are subject to substantial penalties;
- the Utilities’ rate plans may not provide a reasonable return;
- the Companies may be adversely affected by changes to the Utilities’ rate plans;
- the failure of, or damage to, the Companies’ facilities could adversely affect the Companies;
- a cyber attack could adversely affect the Companies;
- the failure of processes and systems, the failure to retain and attract employees and contractors, and their negative performance could adversely affect the Companies;
- the Companies are exposed to risks from the environmental consequences of their operations, including increased costs related to climate change;
- Con Edison’s ability to pay dividends or interest depends on dividends from its subsidiaries;
- changes to tax laws could adversely affect the Companies;
- the Companies require access to capital markets to satisfy funding requirements;
- a disruption in the wholesale energy markets, increased commodity costs or failure by an energy supplier or customer could adversely affect the Companies;
- the Companies face risks related to health epidemics and other outbreaks;
- the Companies’ strategies may not be effective to address changes in the external business environment;
- the Companies face risks related to supply chain disruptions and inflation; and
- the Companies also face other risks that are beyond their control.

This list of factors is not all-inclusive because it is not possible to predict all factors that could cause actual results or developments to differ from the forward-looking statements. The Companies assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Consolidated Edison, Inc.

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(Millions of Dollars/Except Share Data)	2024	2023	2024	2023
OPERATING REVENUES				
Electric	$3,669	$3,469	$8,849	$8,309
Gas	373	353	2,312	2,354
Steam	49	49	423	425
Non-utility	1	1	3	131
TOTAL OPERATING REVENUES	4,092	3,872	11,587	11,219
OPERATING EXPENSES				
Purchased power	743	796	1,942	1,993
Fuel	27	34	130	241
Gas purchased for resale	67	73	402	640
Other operations and maintenance	986	933	2,841	2,678
Depreciation and amortization	550	512	1,601	1,506
Taxes, other than income taxes	857	801	2,448	2,282
TOTAL OPERATING EXPENSES	3,230	3,149	9,364	9,340
Gain (Loss) on sale of the Clean Energy Businesses	—	(1)	(30)	866
OPERATING INCOME	862	722	2,193	2,745
OTHER INCOME (DEDUCTIONS)				
Investment income	17	8	46	23
Other income	157	210	476	625
Allowance for equity funds used during construction	8	7	29	20
Other deductions	(17)	(18)	(44)	(57)
TOTAL OTHER INCOME	165	207	507	611
INCOME BEFORE INTEREST AND INCOME TAX EXPENSE	1,027	929	2,700	3,356
INTEREST EXPENSE (INCOME)				
Interest on long-term debt	275	234	797	719
Other interest expense	47	39	131	78
Allowance for borrowed funds used during construction	(16)	(14)	(45)	(39)
NET INTEREST EXPENSE	306	259	883	758
INCOME BEFORE INCOME TAX EXPENSE	721	670	1,817	2,598
INCOME TAX EXPENSE	133	144	307	416
NET INCOME	588	526	1,510	2,182
Loss attributable to non-controlling interest	—	—	—	(3)
NET INCOME FOR COMMON STOCK	$588	$526	$1,510	$2,185
Net income per common share—basic	$1.70	$1.53	$4.37	$6.27
Net income per common share—diluted	$1.69	$1.52	$4.35	$6.24
AVERAGE NUMBER OF SHARES OUTSTANDING—BASIC (IN MILLIONS)	346.2	345.0	345.9	348.4
AVERAGE NUMBER OF SHARES OUTSTANDING—DILUTED (IN MILLIONS)	347.5	346.5	347.2	349.9

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

Consolidated Edison, Inc.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
(Millions of Dollars)	2024	2023	2024	2023
NET INCOME	$588	$526	$1,510	$2,182
LOSS ATTRIBUTABLE TO NON-CONTROLLING INTEREST	—	—	—	3
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAXES				
Pension and other postretirement benefit plan liability adjustments, net of taxes	—	—	(4)	3
TOTAL OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAXES	—	—	(4)	3
COMPREHENSIVE INCOME	$588	$526	$1,506	$2,188

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

Consolidated Edison, Inc.

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	For the Nine Months Ended September 30,	
(Millions of Dollars)	**2024**	**2023**
OPERATING ACTIVITIES		
Net income	$1,510	$2,182
PRINCIPAL NON-CASH CHARGES (CREDITS) TO INCOME		
Depreciation and amortization	1,601	1,506
Deferred income taxes	448	99
Rate case amortization and accruals	174	67
Net derivative losses	—	11
Pre-tax loss (gain) on sale of the Clean Energy Businesses	30	(866)
Other non-cash items, net	(96)	(108)
CHANGES IN ASSETS AND LIABILITIES		
Accounts receivable – customers, net	(129)	133
Materials and supplies, including fuel oil and gas in storage	(3)	53
Revenue decoupling mechanism receivable	27	(130)
Other receivables, net and other current assets	209	165
Unbilled revenue and net unbilled revenue deferrals	31	78
Prepayments	(902)	(841)
Accounts payable	(199)	(573)
Pensions and retiree benefits obligations, net	(162)	(150)
Pensions and retiree benefits contributions	(21)	(30)
Accrued taxes	(14)	(1)
Accrued interest	159	108
Superfund and environmental remediation costs	(27)	(7)
Distributions from equity investments	15	23
Deferred charges, noncurrent assets, leases, net and other regulatory assets	(677)	(624)
Deferred credits, noncurrent liabilities and other regulatory liabilities	400	(24)
Other current liabilities	(70)	110
NET CASH FLOWS FROM OPERATING ACTIVITIES	2,304	1,181
INVESTING ACTIVITIES		
Utility construction expenditures	(3,533)	(3,097)
Cost of removal less salvage	(335)	(289)
Non-utility construction expenditures	—	(141)
Proceeds from sale of the Clean Energy Businesses, net of cash and cash equivalents sold	—	3,927
Other investing activities	(21)	(48)
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	(3,889)	352
FINANCING ACTIVITIES		
Net payment of short-term debt	(229)	(1,160)
Issuance of long-term debt	1,525	500
Retirement of long-term debt	—	(60)
Debt issuance costs	(25)	(5)
Common stock dividends	(824)	(829)
Issuance of common shares for stock plans	45	41
Repurchase of common shares	—	(1,000)
Distribution to noncontrolling interest	—	(4)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	492	(2,517)
CASH, TEMPORARY CASH INVESTMENTS, AND RESTRICTED CASH:		
NET CHANGE FOR THE PERIOD	(1,093)	(984)
BALANCE AT BEGINNING OF PERIOD	1,195	1,530
BALANCE AT END OF PERIOD	$102	$546
LESS: CHANGE IN CASH AND RESTRICTED CASH BALANCES HELD FOR SALE	9	6
BALANCE AT END OF PERIOD EXCLUDING HELD FOR SALE	$93	$540
SUPPLEMENTAL DISCLOSURE OF CASH INFORMATION		
Cash paid during the period for:		
Interest, net of capitalized interest	$657	$624
Income taxes	$6	$360

SUPPLEMENTAL DISCLOSURE OF NON-CASH INFORMATION		
Construction expenditures in accounts payable	$496	$419
Issuance of common shares for dividend reinvestment	$37	$20
Equipment acquired but unpaid as of end of period	$6	$11

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

Consolidated Edison, Inc.

CONSOLIDATED BALANCE SHEET (UNAUDITED)

(Millions of Dollars)	September 30, 2024	December 31, 2023
ASSETS		
CURRENT ASSETS		
Cash and temporary cash investments	$93	$1,189
Accounts receivable – customers, net allowance for uncollectible accounts of $461 and $360 in 2024 and 2023, respectively	2,567	2,418
Other receivables, net allowance for uncollectible accounts of $24 and $13 in 2024 and 2023, respectively	227	444
Accrued unbilled revenue	617	722
Fuel oil, gas in storage, materials and supplies, at average cost	472	469
Prepayments	1,371	470
Regulatory assets	224	281
Revenue decoupling mechanism receivable	188	203
Fair value of derivative assets	15	52
Assets held for sale	167	163
Other current assets	139	126
TOTAL CURRENT ASSETS	6,080	6,537
INVESTMENTS	1,136	999
UTILITY PLANT, AT ORIGINAL COST		
Electric	40,703	39,071
Gas	14,910	14,318
Steam	3,150	3,085
General	4,760	4,835
TOTAL	63,523	61,309
Less: Accumulated depreciation	15,166	14,157
Net	48,357	47,152
Construction work in progress	2,987	2,442
NET UTILITY PLANT	51,344	49,594
NON-UTILITY PLANT		
Non-utility property, net accumulated depreciation of $24 in 2024 and 2023	12	13
Construction work in progress	1	1
NET PLANT	51,357	49,608
OTHER NONCURRENT ASSETS		
Goodwill	408	408
Regulatory assets	5,317	4,607
Pension and retiree benefits	3,440	3,275
Operating lease right-of-use asset	499	533
Fair value of derivative assets	21	48
Other deferred charges and noncurrent assets	387	316
TOTAL OTHER NONCURRENT ASSETS	10,072	9,187
TOTAL ASSETS	$68,645	$66,331

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

Consolidated Edison, Inc.

CONSOLIDATED BALANCE SHEET (UNAUDITED)

(Millions of Dollars)	**September 30, 2024**	**December 31, 2023**
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Long-term debt due within one year	$250	$250
Notes payable	2,059	2,288
Accounts payable	1,472	1,775
Customer deposits	434	396
Accrued taxes	63	73
Accrued interest	330	170
Accrued wages	132	125
Fair value of derivative liabilities	109	193
Regulatory liabilities	143	145
System benefit charge	450	444
Operating lease liabilities	116	116
Liabilities held for sale	80	76
Other current liabilities	389	411
TOTAL CURRENT LIABILITIES	6,027	6,462
NONCURRENT LIABILITIES		
Provision for injuries and damages	185	188
Pensions and retiree benefits	628	592
Superfund and other environmental costs	1,101	1,118
Asset retirement obligations	538	522
Fair value of derivative liabilities	120	121
Deferred income taxes and unamortized investment tax credits	8,793	8,069
Operating lease liabilities	430	429
Regulatory liabilities	5,037	5,328
Other deferred credits and noncurrent liabilities	450	417
TOTAL NONCURRENT LIABILITIES	17,282	16,784
LONG-TERM DEBT	23,438	21,927
COMMITMENTS, CONTINGENCIES, AND GUARANTEES (Note B, Note G, and Note H)		
COMMON SHAREHOLDERS' EQUITY (See Statement of Common Shareholders' Equity)	21,898	21,158
TOTAL LIABILITIES AND EQUITY	$68,645	$66,331

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

Consolidated Edison, Inc.

CONSOLIDATED STATEMENT OF EQUITY (UNAUDITED)

(In Millions, except for dividends per share)	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock		Capital Stock Expense	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest	Total
	Shares	**Amount**			**Shares**	**Amount**				
BALANCE AS OF DECEMBER 31, 2022	355	$37	$9,803	$11,985	23	$(1,038)	$(122)	$22	$202	$20,889
Net income (loss)				1,433					(3)	1,430
Common stock dividends ($0.81 per share)				(288)						(288)
Issuance of common shares for stock plans			15							15
Common stock repurchases	(9)		(200)		9	(808)				(1,008)
Other comprehensive income								4		4
Distributions to noncontrolling interests									(4)	(4)
Disposal of the Clean Energy Businesses									(195)	(195)
BALANCE AS OF MARCH 31, 2023	346	$37	$9,618	$13,130	32	$(1,846)	$(122)	$26	$—	$20,843
Net income				226						226
Common stock dividends ($0.81 per share)				(281)						(281)
Issuance of common shares for stock plans			20							20
Common stock repurchases	(2)		169		2	(171)				(2)
Other comprehensive loss								(1)		(1)
BALANCE AS OF JUNE 30, 2023	344	$37	$9,807	$13,075	34	$(2,017)	$(122)	$25	$—	$20,805
Net income				526						526
Common stock dividends ($0.81 per share)				(280)						(280)
Issuance of common shares for stock plans	1		27							27
BALANCE AS OF SEPTEMBER 30, 2023	345	$37	$9,834	$13,321	34	$(2,017)	$(122)	$25	$—	$21,078
BALANCE AS OF DECEMBER 31, 2023	345	$37	$9,861	$13,377	34	$(2,017)	$(122)	$22	$—	$21,158
Net income				720						720
Common stock dividends ($0.83 per share)				(287)						(287)
Issuance of common shares for stock plans	1	1	27							28
Other comprehensive loss								(4)		(4)
BALANCE AS OF MARCH 31, 2024	346	$38	$9,888	$13,810	34	$(2,017)	$(122)	$18	$—	$21,615
Net income				202						202
Common stock dividends ($0.83 per share)				(287)						(287)
Issuance of common shares for stock plans			30							30
BALANCE AS OF JUNE 30, 2024	346	$38	$9,918	$13,725	34	$(2,017)	$(122)	$18	$—	$21,560
Net income				588						588
Common stock dividends ($0.83 per share)				(287)						(287)
Issuance of common shares for stock plans			26							26
Stock awards			11							11
BALANCE AS OF SEPTEMBER 30, 2024	346	$38	$9,955	$14,026	34	$(2,017)	$(122)	$18	$—	$21,898

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

Consolidated Edison Company of New York, Inc.
CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(Millions of Dollars)	**2024**	**2023**	**2024**	**2023**
OPERATING REVENUES				
Electric	$3,376	$3,223	$8,188	$7,722
Gas	337	318	2,119	2,140
Steam	49	49	423	425
TOTAL OPERATING REVENUES	3,762	3,590	10,730	10,287
OPERATING EXPENSES				
Purchased power	642	719	1,718	1,802
Fuel	27	34	130	241
Gas purchased for resale	59	62	352	518
Other operations and maintenance	880	834	2,539	2,341
Depreciation and amortization	520	485	1,512	1,428
Taxes, other than income taxes	831	777	2,372	2,207
TOTAL OPERATING EXPENSES	2,959	2,911	8,623	8,537
OPERATING INCOME	803	679	2,107	1,750
OTHER INCOME (DEDUCTIONS)				
Investment and other income	149	191	452	566
Allowance for equity funds used during construction	7	6	25	17
Other deductions	(18)	(13)	(41)	(33)
TOTAL OTHER INCOME	138	184	436	550
INCOME BEFORE INTEREST AND INCOME TAX EXPENSE	941	863	2,543	2,300
INTEREST EXPENSE (INCOME)				
Interest on long-term debt	262	220	757	656
Other interest expense	38	32	108	75
Allowance for borrowed funds used during construction	(15)	(13)	(40)	(36)
NET INTEREST EXPENSE	285	239	825	695
INCOME BEFORE INCOME TAX EXPENSE	656	624	1,718	1,605
INCOME TAX EXPENSE	119	109	301	297
NET INCOME	$537	$515	$1,417	$1,308

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

Consolidated Edison Company of New York, Inc.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(Millions of Dollars)	**2024**	**2023**	**2024**	**2023**
NET INCOME	$537	$515	$1,417	$1,308
OTHER COMPREHENSIVE LOSS, NET OF TAXES				
Pension and other postretirement benefit plan liability adjustments, net of taxes	—	—	—	(1)
TOTAL OTHER COMPREHENSIVE LOSS, NET OF TAXES	—	—	—	(1)
COMPREHENSIVE INCOME	$537	$515	$1,417	$1,307

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

Consolidated Edison Company of New York, Inc.

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	For the Nine Months Ended September 30,	
(Millions of Dollars)	**2024**	**2023**
OPERATING ACTIVITIES		
Net income	$1,417	$1,308
PRINCIPAL NON-CASH CHARGES (CREDITS) TO INCOME		
Depreciation and amortization	1,512	1,428
Deferred income taxes	553	674
Rate case amortization and accruals	156	52
Other non-cash items, net	(45)	(95)
CHANGES IN ASSETS AND LIABILITIES		
Accounts receivable – customers, net	(126)	140
Materials and supplies, including fuel oil and gas in storage	1	36
Revenue decoupling mechanism receivable	26	(128)
Other receivables, net and other current assets	146	(95)
Unbilled revenue and net unbilled revenue deferrals	37	77
Accounts receivable to affiliated companies	(335)	(400)
Prepayments	(714)	(699)
Accounts payable	(206)	(408)
Accounts payable from affiliated companies	2	7
Pensions and retiree benefits obligations, net	(173)	(149)
Pensions and retiree benefits contributions	(21)	(28)
Superfund and environmental remediation costs	(27)	(8)
Accrued taxes	(7)	(42)
Accrued taxes to affiliated companies	—	(89)
Accrued interest	156	128
Deferred charges, noncurrent assets, leases, net and other regulatory assets	(562)	(610)
Deferred credits, noncurrent liabilities and other regulatory liabilities	363	(7)
Other current liabilities	(66)	129
NET CASH FLOWS FROM OPERATING ACTIVITIES	2,087	1,221
INVESTING ACTIVITIES		
Utility construction expenditures	(3,312)	(2,894)
Cost of removal less salvage	(330)	(284)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(3,642)	(3,178)
FINANCING ACTIVITIES		
Net payment of short-term debt	(227)	(502)
Issuance of long-term debt	1,400	500
Debt issuance costs	(24)	(5)
Capital contribution by Con Edison	105	1,720
Dividend to Con Edison	(804)	(792)
NET CASH FLOWS FROM FINANCING ACTIVITIES	450	921
CASH AND TEMPORARY CASH INVESTMENTS		
NET CHANGE FOR THE PERIOD	(1,105)	(1,036)
BALANCE AT BEGINNING OF PERIOD	1,138	1,056
BALANCE AT END OF PERIOD	$33	$20
SUPPLEMENTAL DISCLOSURE OF CASH INFORMATION		
Cash paid during the period for:		
Interest, net of capitalized interest	$607	$538
Income taxes	$64	$90
SUPPLEMENTAL DISCLOSURE OF NON-CASH INFORMATION		
Construction expenditures in accounts payable	$469	$399
Equipment acquired but unpaid as of end of period	$6	$11

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

Consolidated Edison Company of New York, Inc.

CONSOLIDATED BALANCE SHEET (UNAUDITED)

(Millions of Dollars)	**September 30, 2024**	**December 31, 2023**
ASSETS		
CURRENT ASSETS		
Cash and temporary cash investments	$33	$1,138
Accounts receivable – customers, net allowance for uncollectible accounts of $448 and $353 in 2024 and 2023, respectively	2,456	2,330
Other receivables, net allowance for uncollectible accounts of $21 and $9 in 2024 and 2023, respectively	208	332
Accrued unbilled revenue	565	678
Accounts receivable from affiliated companies	481	146
Fuel oil, gas in storage, materials and supplies, at average cost	421	422
Prepayments	1,043	329
Regulatory assets	193	254
Revenue decoupling mechanism receivable	164	190
Fair value of derivative assets	13	49
Other current assets	127	113
TOTAL CURRENT ASSETS	5,704	5,981
INVESTMENTS	692	608
UTILITY PLANT, AT ORIGINAL COST		
Electric	38,340	36,808
Gas	13,762	13,226
Steam	3,150	3,085
General	4,431	4,530
TOTAL	59,683	57,649
Less: Accumulated depreciation	14,116	13,171
Net	45,567	44,478
Construction work in progress	2,688	2,168
NET UTILITY PLANT	48,255	46,646
NON-UTILITY PROPERTY		
Non-utility property, net accumulated depreciation of $25 in 2024 and 2023	2	2
NET PLANT	48,257	46,648
OTHER NONCURRENT ASSETS		
Regulatory assets	4,971	4,314
Operating lease right-of-use asset	499	532
Pension and retiree benefits	3,370	3,184
Fair value of derivative assets	20	49
Other deferred charges and noncurrent assets	336	284
TOTAL OTHER NONCURRENT ASSETS	9,196	8,363
TOTAL ASSETS	$63,849	$61,600

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

Consolidated Edison Company of New York, Inc.

CONSOLIDATED BALANCE SHEET (UNAUDITED)

(Millions of Dollars)	September 30, 2024	December 31, 2023
LIABILITIES AND SHAREHOLDER’S EQUITY		
CURRENT LIABILITIES		
Long-term debt due within one year	$250	$250
Notes payable	1,676	1,903
Accounts payable	1,328	1,629
Accounts payable to affiliated companies	18	16
Customer deposits	419	378
Accrued taxes	48	55
Accrued taxes to affiliated companies	1	1
Accrued interest	315	159
Accrued wages	120	114
Fair value of derivative liabilities	95	179
Regulatory liabilities	71	107
System benefit charge	409	406
Operating lease liabilities	116	116
Other current liabilities	352	381
TOTAL CURRENT LIABILITIES	5,218	5,694
NONCURRENT LIABILITIES		
Provision for injuries and damages	179	185
Pensions and retiree benefits	579	542
Superfund and other environmental costs	1,009	1,026
Asset retirement obligations	535	520
Fair value of derivative liabilities	106	108
Deferred income taxes and unamortized investment tax credits	8,798	7,984
Operating lease liabilities	430	429
Regulatory liabilities	4,561	4,818
Other deferred credits and noncurrent liabilities	365	338
TOTAL NONCURRENT LIABILITIES	16,562	15,950
LONG-TERM DEBT	22,196	20,810
COMMITMENTS AND CONTINGENCIES (Note B and Note G)		
SHAREHOLDER’S EQUITY (See Statement of Shareholder’s Equity)	19,873	19,146
TOTAL LIABILITIES AND SHAREHOLDER’S EQUITY	$63,849	$61,600

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

Consolidated Edison Company of New York, Inc.

CONSOLIDATED STATEMENT OF SHAREHOLDER'S EQUITY (UNAUDITED)

	Common Stock							
(In Millions)/Except Share Data)	Shares	Amount	Additional Paid-In Capital	Retained Earnings	Repurchased Con Edison Stock	Capital Stock Expense	Accumulated Other Comprehensive Income (Loss)	Total
BALANCE AS OF DECEMBER 31, 2022	235	$589	$7,419	$9,890	$(962)	$(62)	$4	$16,878
Net income				604				604
Common stock dividend to Con Edison				(264)				(264)
Capital contribution by Con Edison			1,675					1,675
Other comprehensive loss							(1)	(1)
BALANCE AS OF MARCH 31, 2023	235	$589	$9,094	$10,230	$(962)	$(62)	$3	$18,892
Net income				189				189
Common stock dividend to Con Edison				(264)				(264)
Capital contribution by Con Edison			26					26
BALANCE AS OF JUNE 30, 2023	235	$589	$9,120	$10,155	$(962)	$(62)	$3	$18,843
Net income				515				515
Common stock dividend to Con Edison				(264)				(264)
Capital contribution by Con Edison			19					19
BALANCE AS OF SEPTEMBER 30, 2023	235	$589	$9,139	$10,406	$(962)	$(62)	$3	$19,113
BALANCE AS OF DECEMBER 31, 2023	235	$589	$9,139	$10,440	$(962)	$(62)	$2	$19,146
Net income				694				694
Common stock dividend to Con Edison				(268)				(268)
Capital contribution by Con Edison			25					25
BALANCE AS OF MARCH 31, 2024	235	$589	$9,164	$10,866	$(962)	$(62)	$2	$19,597
Net income				186				186
Common stock dividend to Con Edison				(268)				(268)
Capital contribution by Con Edison			55					55
BALANCE AS OF JUNE 30, 2024	235	$589	$9,219	$10,784	$(962)	$(62)	$2	$19,570
Net income				537				537
Common stock dividend to Con Edison				(268)				(268)
Capital contribution by Con Edison			25					25
Stock awards			9					9
BALANCE AS OF SEPTEMBER 30, 2024	235	$589	$9,253	$11,053	$(962)	$(62)	$2	$19,873

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

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

General
These combined notes accompany and form an integral part of the separate interim consolidated financial statements of each of the two separate registrants: Consolidated Edison, Inc. and its subsidiaries (Con Edison) and Consolidated Edison Company of New York, Inc. and its subsidiaries (CECONY). CECONY is a subsidiary of Con Edison and as such its financial condition and results of operations and cash flows, that are presented separately in the CECONY consolidated financial statements, are also consolidated, along with those of Orange and Rockland Utilities, Inc. (O&R), Con Edison Transmission, Inc. (together with its subsidiaries, Con Edison Transmission) and its former subsidiary, Con Edison Clean Energy Businesses, Inc. (together with its subsidiaries, the Clean Energy Businesses), in Con Edison's consolidated financial statements. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S. The term "Utilities" is used in these notes to refer to CECONY and O&R.

As used in these notes, the term "Companies" refers to Con Edison and CECONY and, except as otherwise noted, the information in these combined notes relates to each of the Companies. However, CECONY makes no representation as to information contained in these combined notes relating to Con Edison or the subsidiaries of Con Edison other than itself.

The separate interim consolidated financial statements of each of the Companies are unaudited but, in the opinion of their respective managements, reflect all adjustments (which include only normally recurring adjustments) necessary for a fair statement of the results for the interim periods presented. The Companies' separate interim consolidated financial statements should be read together with their separate audited financial statements (including the combined notes thereto) included in Item 8 of their combined Annual Report on Form 10-K for the year ended December 31, 2023, and their separate unaudited financial statements (including the combined notes thereto) included in Part 1, Item 1 of their combined Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2024 and June 30, 2024.

Con Edison has two regulated utility subsidiaries: CECONY and O&R. CECONY provides electric service and gas service in New York City and Westchester County and steam service in parts of Manhattan. O&R, along with its regulated utility subsidiary, provides electric service in southeastern New York and northern New Jersey, and gas service in southeastern New York. Con Edison Transmission invests in and seeks to develop electric transmission projects through its subsidiary, Consolidated Edison Transmission, LLC, and manages, through joint ventures, investments in gas pipeline and storage facilities through its subsidiary, Con Edison Gas Pipeline and Storage, LLC. See "Investments" in Note A.

Note A – Summary of Significant Accounting Policies and Other Matters

Accounting Policies
The accounting policies of Con Edison and its subsidiaries conform to generally accepted accounting principles in the United States of America (GAAP). For the Utilities, these accounting principles include the accounting rules for regulated operations and the accounting requirements of the Federal Energy Regulatory Commission (FERC) and the state regulators having jurisdiction.

Investments
Con Edison's investments consist primarily of the investments of Con Edison Transmission that are accounted for under the equity method and the fair value of the Utilities' supplemental retirement income plan and deferred income plan assets.

Investment in Mountain Valley Pipeline, LLC (MVP)
In June 2024, the Mountain Valley Pipeline, a 303-mile gas transmission pipeline in West Virginia and Virginia, entered service. The project operator is continuing restoration of the right of way and estimates a total project cost of approximately $8,100 million (excluding allowance for funds used during construction (AFUDC)). Con Edison Transmission's interest in MVP, the company that developed the project, is expected to be approximately 6.6 percent. At September 30, 2024, the carrying value of Con Edison Transmission's investment in MVP was $165 million, and its cash contributions to the joint venture amounted to $530 million. Con Edison records its pro rata share of earnings from its equity investment in MVP, adjusted for accretion of the basis difference and income taxes, on its consolidated income statement. Con Edison's pro rata share of earnings from its equity investment in MVP, adjusted for accretion of the basis difference, was $8 million ($6 million after-tax) and $21 million ($15 million after-tax) for the three and nine months ended September 30, 2024, respectively.

Reclassification

Certain prior period amounts have been reclassified to conform with the current period presentation.

Earnings Per Share
Con Edison presents basic and diluted earnings per share (EPS) on the face of its consolidated income statement. Basic EPS is calculated by dividing earnings available to common shareholders ("Net income for common stock" on Con Edison's consolidated income statement) by the weighted average number of Con Edison common shares outstanding during the period. In the calculation of diluted EPS, weighted average shares outstanding are increased for additional shares that would be outstanding if potentially dilutive securities were converted to common stock.

Potentially dilutive securities for Con Edison consist of restricted stock units and deferred stock units for which the average market price of the common shares for the period was greater than the estimated vesting price.

For the three and nine months ended September 30, 2024 and 2023, basic and diluted EPS for Con Edison are calculated as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(Millions of Dollars, except per share amounts/Shares in Millions)	**2024**	**2023**	**2024**	**2023**
Net income for common stock	$588	$526	$1,510	$2,185
Weighted average common shares outstanding – basic	346.2	345.0	345.9	348.4
Add: Incremental shares attributable to effect of potentially dilutive securities	1.3	1.5	1.3	1.5
Adjusted weighted average common shares outstanding – diluted	347.5	346.5	347.2	349.9
Net Income per common share – basic	$1.70	$1.53	$4.37	$6.27
Net Income per common share – diluted	$1.69	$1.52	$4.35	$6.24

Reconciliation of Cash, Temporary Cash Investments and Restricted Cash
Cash, temporary cash investments and restricted cash are presented on a combined basis in the Companies' consolidated statements of cash flows. At September 30, 2024 and 2023, cash, temporary cash investments and restricted cash for Con Edison were as follows; CECONY did not have material restricted cash balances as of September 30, 2024 and 2023:

	At September 30,	
	Con Edison	
(Millions of Dollars)	**2024**	**2023**
Cash and temporary cash investments	$93	$539
Restricted cash (a)	9	6
Total cash, temporary cash investments and restricted cash	$102	$545

(a) On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R. Con Edison retained one deferred project, Broken Bow II, a 75MW nameplate capacity wind power project located in Nebraska. Con Edison's restricted cash for the 2023 and 2024 periods primarily include restricted cash of Broken Bow II that continued to be classified as held for sale as of September 30, 2024. See Note S.

Variable Interest Entities
The accounting rules for consolidation address the consolidation of a variable interest entity (VIE) by a business enterprise that is the primary beneficiary. A VIE is an entity that does not have a sufficient equity investment at risk to permit it to finance its activities without additional subordinated financial support, or whose equity investors lack the characteristics of a controlling financial interest. The primary beneficiary is the business enterprise that has the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and either absorbs a significant amount of the VIE's losses or has the right to receive benefits that could be significant to the VIE.

The Companies enter into arrangements including leases, partnerships and electricity purchase agreements, with various entities. As a result of these arrangements, the Companies retain or may retain a variable interest in these entities.

CECONY has an ongoing long-term electricity purchase agreement with Brooklyn Navy Yard Cogeneration Partners, LP, a potential VIE. In 2023, a request was made of this counterparty for information necessary to determine whether the entity was a VIE and whether CECONY is the primary beneficiary; however, the information was not made available. The payments for this contract constitute CECONY's maximum exposure to loss with respect to the potential VIE.

Assets Held for Sale

Generally, a long-lived asset or business to be sold is classified as held for sale in the period in which management, with approval from the Board of Directors, commits to a plan to sell, and a sale is expected to be completed within one year. During the first nine months of 2022, Con Edison considered strategic alternatives with respect to the Clean Energy Businesses.

As described further in Note R, on October 1, 2022, Con Edison's management received authority to commit to a plan to sell the Clean Energy Businesses and entered into a purchase and sale agreement. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses with the exception of two tax equity interests in three projects and one deferred project, Broken Bow II. Broken Bow II continued to be classified as held for sale as of September 30, 2024. See Note S.

Note B – Regulatory Matters

Rate Plans

O&R New York – Electric

In April 2024, O&R filed an update to its January 2024 request to the New York State Public Service Commission (NYSPSC) for an electric rate increase effective January 1, 2025. The company decreased its requested January 2024 rate increase by $7.5 million to $10.7 million. For purposes of illustration, the filing calculated rate increases of $34.8 million and $55 million effective January 2026 and 2027, respectively, based upon the proposed return on common equity of 10.25 percent and a common equity ratio of 50 percent. In May 2024, the New York State Department of Public Service (NYSDPS) submitted testimony in the NYSPSC proceeding in which O&R requested an electric rate increase, effective January 1, 2025. The NYSDPS testimony supports an electric rate decrease of $27.6 million, reflecting, among other things, a 9.50 percent return on common equity and a common equity ratio of 48 percent.

O&R New York – Gas

In April 2024, O&R filed an update to its January 2024 request to the NYSPSC for a gas rate increase effective January 1, 2025. The company increased its requested January 2024 rate increase by $3.1 million to $17.5 million. For purposes of illustration, the filing calculated rate increases of $22.8 million and $19.2 million effective January 2026 and 2027, respectively, based upon the proposed return on common equity of 10.25 percent and a common equity ratio of 50 percent. In May 2024, the NYSDPS submitted testimony in the NYSPSC proceeding in which O&R requested a gas rate increase, effective January 1, 2025. The NYSDPS testimony supports a gas rate decrease of $2.9 million, reflecting, among other things, a 9.50 percent return on common equity and a common equity ratio of 48 percent.

Bill Relief Program

In March 2024, CECONY and O&R received $91 million and $9 million, respectively, pursuant to a New York State bill relief program funded by the state that provided a one-time bill credit for electric and gas customers. The program was established to partially offset the costs all customers pay to fund utility energy affordability programs.

Other Regulatory Matters

In January 2023, CECONY initiated a review of welds on certain gas and steam mains following the company's discovery of a leak from a gas main weld in Queens, New York. During the course of its review thus far, CECONY discovered a limited number of other non-conforming gas and steam main welds. New York regulations require utilities to perform and record weld films for certain gas and steam main welds. Upon reviewing these films, CECONY determined that in some instances third-party contractors engaged in misconduct by substituting duplicate weld films for different welds, while another third-party contractor had created poor quality weld films. CECONY voluntarily disclosed its initial review and findings to the NYSDPS which, in turn, initiated its own investigation. CECONY also reported the contractors' misconduct to law enforcement. Given the nature of the non-conforming welds identified, CECONY does not anticipate significant impact to the operation of its gas and steam mains. CECONY continues to investigate this matter, is remediating and monitoring the known non-conforming welds and is cooperating with the NYSDPS on its investigation of this matter. CECONY is unable to estimate the amount or range of its possible loss, if any, related to this matter. At September 30, 2024, CECONY had not accrued a liability related to this matter.

In May 2024, the NYSPSC issued an order denying an April 2023 petition by CECONY that requested permission to capitalize costs to implement its new customer billing and information system to the extent those costs exceeded the $421 million cap established in CECONY's 2020 – 2022 electric and gas rate plans. CECONY's final costs for the new system were $510 million ($89 million above the $421 million cap in the rate plans). CECONY believes that the incremental costs were both prudent and necessary for the successful deployment of the system for the benefit of its customers. In May 2024, CECONY expensed incremental costs of $51 million for the new system that were previously capitalized, in addition to a $38 million reserve established at December 31, 2023. In June 2024, CECONY filed a petition for rehearing with the NYSPSC. CECONY is unable to predict the NYSPSC's response to its rehearing petition.

In January 2018, the NYSPSC issued an order initiating a focused operations audit of the Utilities' financial accounting for income taxes. The audit is investigating the Utilities' inadvertent understatement of a portion, the amount of which may be material, of their calculation of total federal income tax expense for ratemaking purposes related to the calculation of plant retirement-related cost of removal. As a result of such understatement, the Utilities accumulated significant income tax regulatory assets ($1,066 million and $14 million for CECONY and O&R, respectively, as of September 30, 2024 and $1,113 million and $18 million for CECONY and O&R, respectively, as of December 31, 2023) which are not earning a return. While the Utilities have properly calculated and paid their federal income taxes and there is no uncertain tax position related to this matter, this understatement of historical income tax expense materially reduced the amount of revenue collected from the Utilities' customers in the past relative to what it should have been. The Utilities' rate plans have reflected the correct amount of federal income taxes recoverable from customers, including a proportionate recovery of the regulatory asset, beginning with O&R's rate plans effective November 2015, CECONY's electric and gas rate plans effective January 2017, and CECONY's steam plan effective November 2023. As part of the audit, the Utilities plan to pursue a private letter ruling from the Internal Revenue Service (IRS) confirming that the Utilities' inadvertent understatement of prior years' income tax expense constitutes a normalization violation that can be cured through an increase in future years' revenue requirements until such time as the regulatory asset is fully recovered in rates, and not through a write-down of all or a portion of the Utilities' regulatory asset. Under Accounting Standards Codification Topic (ASC) 740, the Utilities recorded an unfunded deferred federal income tax liability (with a gross-up amount) and a corresponding regulatory asset. The income tax regulatory assets are netted against the related regulatory liability for future income tax and are shown in the line "Future income tax" in the following table of Regulatory Assets and Liabilities and on the Companies' consolidated balance sheets in the line "Regulatory liabilities." Management's assessment is that the income tax regulatory assets as of September 30, 2024 are probable of collection through future rates. The IRS provides safe harbor relief for inadvertent normalization violations through the jurisdictional rate setting process of including in rates adequate revenue to fully recover the deferred tax balance. However, the Utilities would record a liability or impair a portion of the regulatory assets associated with this understatement if the NYSPSC were to issue an order that required the Utilities to write off all or a portion of their existing regulatory asset. The Utilities are unable to estimate the amount or range of their possible loss, if any, related to this matter. At September 30, 2024, the Utilities had not accrued a liability related to this matter.

Regulatory Assets and Liabilities

Regulatory assets and liabilities at September 30, 2024 and December 31, 2023 were comprised of the following items:

	Con Edison		CECONY	
(Millions of Dollars)	**2024**	**2023**	**2024**	**2023**
Regulatory assets				
System peak reduction and energy efficiency programs	$1,204	$1,095	$1,172	$1,075
Environmental remediation costs	1,093	1,105	1,010	1,022
COVID - 19 pandemic deferrals	888	789	875	782
Revenue taxes	525	476	503	455
Legacy meters (a)	420	17	405	—
Property tax reconciliation	176	169	176	169
Deferred storm costs	169	206	67	115
Deferred derivative losses - long term	154	163	138	148
Electric vehicle make ready	115	73	105	68
MTA power reliability deferral	38	61	38	61
Gas service line deferred costs	23	43	23	43
Unrecognized pension and other postretirement costs (b)	10	—	10	—
Pension and other postretirement benefits deferrals	5	48	5	39
Other	497	362	444	337
Regulatory assets – noncurrent	5,317	4,607	4,971	4,314
Deferred derivative losses - short term	165	269	151	253
Recoverable energy costs	59	12	42	1
Regulatory assets – current	224	281	193	254
Total Regulatory Assets	$5,541	$4,888	$5,164	$4,568
Regulatory liabilities				
Allowance for cost of removal less salvage	$1,470	$1,456	$1,269	$1,266
Future income tax*	1,324	1,535	1,209	1,404
Unrecognized pension and other postretirement costs (b)	787	943	739	867
Pension and other postretirement benefit deferrals	370	284	312	233
Net unbilled revenue deferrals	260	278	260	278
Late payment charge deferral	227	167	221	161
System benefit charge carrying charge	111	92	106	88
Net proceeds from sale of property	31	48	30	47
Deferred derivative gains - long term	19	49	19	49
Settlement of prudence proceeding	10	11	10	11
Other	428	465	386	414
Regulatory liabilities – noncurrent	5,037	5,328	4,561	4,818
Refundable energy costs	81	71	43	36
Revenue decoupling mechanism	33	—	—	—
Deferred derivative gains - short term	29	74	28	71
Regulatory liabilities – current	143	145	71	107
Total Regulatory Liabilities	$5,180	$5,473	$4,632	$4,925

* See "Other Regulatory Matters," above.

(a) Pursuant to their rate plans, CECONY and O&R are recovering the costs of legacy meters over a 15-year period beginning January 1, 2024 and a 12-year period beginning January 1, 2022, respectively.

(b) Unrecognized pension and other postretirement costs represent the deferrals associated with the accounting rules for retirement benefits.

In general, the Utilities receive or are being credited with a return at the Other Customer-Provided Capital rate for regulatory assets that have not been included in rate base, and receive or are being credited with a return at the pre-tax weighted average cost of capital once the asset is included in rate base. Similarly, the Utilities pay to or credit customers with a return at the Other Customer-Provided Capital rate for regulatory liabilities that have not been included in rate base, and pay to or credit customers with a return at the pre-tax weighted average cost of capital once the liability is included in rate base. The Other Customer-Provided Capital rate for the nine months ended September 30, 2024 and the year ended December 31, 2023 was 5.95 percent and 5.20 percent, respectively.

In general, the Utilities are receiving or being credited with a return on their regulatory assets for which a cash outflow has been made ($3,095 million and $2,541 million for Con Edison, and $2,873 million and $2,359 million for CECONY at September 30, 2024 and December 31, 2023, respectively). Regulatory assets of RECO for which a cash outflow has been made ($24 million at September 30, 2024 and December 31, 2023) are not receiving or being credited with a return. RECO recovers regulatory assets over a period of up to four years or until they are addressed in its next base rate case in accordance with the rate provisions approved by the NJBPU. Regulatory liabilities are treated in a consistent manner.

Regulatory assets that represent future financial obligations and were deferred in accordance with the Utilities' rate plans or orders issued by state regulators do not earn a return until such time as a cash outlay has been made. Regulatory liabilities are treated in a consistent manner. At September 30, 2024 and December 31, 2023, regulatory assets for Con Edison and CECONY that did not earn a return consisted of the following items:

Regulatory Assets Not Earning a Return*

	Con Edison		CECONY	
(Millions of Dollars)	**2024**	**2023**	**2024**	**2023**
Environmental remediation costs	$1,093	$1,105	$1,009	$1,022
Revenue taxes	558	490	535	470
COVID-19 deferral for uncollectible accounts receivable	391	291	384	288
Deferred derivative losses - current	165	269	152	253
Deferred derivative losses - long term	154	163	138	148
Unrecognized pension and other postretirement costs	10	—	10	—
Other	75	29	63	28
Total	$2,446	$2,347	$2,291	$2,209

*This table presents regulatory assets not earning a return for which no cash outlay has been made.

The recovery periods for regulatory assets for which a cash outflow has not been made and that do not earn a return have not yet been determined, except as noted below, and are expected to be determined pursuant to the Utilities' future rate plans to be filed or orders issued by the state regulators in connection therewith.

The Utilities recover unrecognized pension and other postretirement costs over 10 years, and the portion of investment gains or losses are recognized in expense over 15 years, pursuant to NYSPSC policy.

The deferral for revenue taxes represents the New York State metropolitan transportation business tax surcharge on the cumulative temporary differences between the book and tax basis of assets and liabilities of the Utilities, as well as the difference between taxes collected and paid by the Utilities to fund mass transportation. The Utilities recover the majority of the revenue taxes over the remaining book lives of the electric and gas plant assets, as well as the steam plant assets for CECONY.

The Utilities recover deferred derivative losses – current within one year, and noncurrent generally within three years.

Note C – Capitalization

In May 2024, CECONY issued $400 million aggregate principal amount of 5.375 percent debentures, due 2034 and $1,000 million aggregate principal amount of 5.7 percent debentures, due 2054.

In September 2024, O&R issued $125 million aggregate principal amount of 5.41 percent debentures, due 2054.

In October 2024, all of the $224.6 million of Series 2010A tax-exempt bonds issued for the benefit of CECONY, bearing interest at a weekly rate, were called for redemption in November 2024.

The carrying amounts and fair values of long-term debt at September 30, 2024 and December 31, 2023 were:

(Millions of Dollars)	2024		2023	
Long-Term Debt (including current portion) (a)	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Con Edison (b)	$23,688	$22,535	$22,177	$20,525
CECONY	$22,446	$21,371	$21,060	$19,517

(a) Amounts shown are net of unamortized debt expense and unamortized debt discount of $237 million and $229 million for Con Edison and CECONY, respectively, as of September 30, 2024 and $222 million and $215 million for Con Edison and CECONY, respectively, as of December 31, 2023.
(b) Amounts shown exclude the debt of Broken Bow II, a deferred project that was classified as held for sale as of December 31, 2023. The carrying value and fair value of Broken Bow II's long-term debt, including the current portion, as of September 30, 2024 was $61 million and $58 million, respectively. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S.

The fair values of the Companies' long-term debt have been estimated primarily using available market information and at September 30, 2024 are classified as Level 2 liabilities. See Note O.

Note D – Short-Term Borrowing

In March 2024, CECONY entered into a 364-Day Revolving Credit Agreement (the CECONY Credit Agreement) that replaced a March 2023 CECONY 364-Day Credit Agreement under which banks are committed to provide loans up to $500 million on a revolving credit basis. The CECONY Credit Agreement expires in March 2025 and supports CECONY’s commercial paper program. Loans issued under the CECONY Credit Agreement may also be used for other general corporate purposes. Any borrowings under the CECONY Credit Agreement would generally be at variable interest rates.

The banks’ commitments under the CECONY Credit Agreement are subject to certain conditions, including that there be no event of default under the CECONY Credit Agreement. The commitments are not subject to maintenance of credit rating levels or the absence of a material adverse change. Upon a change of control of, or upon an event of default by CECONY under the CECONY Credit Agreement, the banks may terminate their commitments and declare any amounts owed by CECONY immediately due and payable. Events of default include, among others, CECONY exceeding at any time of a ratio of consolidated debt to consolidated total capital of 0.65 to 1; CECONY having liens on its assets in an aggregate amount exceeding 10 percent of its consolidated net tangible assets, subject to certain exceptions; CECONY or any of its material subsidiaries failing to make one or more payments in respect of material financial obligations (in excess of an aggregate $150 million of debt or derivative obligations other than non-recourse debt); the occurrence of an event or condition which results in the acceleration of the maturity of any material debt (in excess of an aggregate $150 million of debt other than non-recourse debt) or enables the holders of such debt to accelerate the maturity thereof; and other customary events of default. Interest and fees charged reflect CECONY's credit rating.

At September 30, 2024, Con Edison had $2,059 million of commercial paper outstanding of which $1,676 million was outstanding under CECONY’s program. The weighted average interest rate at September 30, 2024 was 5.1 percent for both Con Edison and CECONY. At December 31, 2023, Con Edison had $2,288 million of commercial paper outstanding of which $1,903 million was outstanding under CECONY’s program. The weighted average interest rate at December 31, 2023 was 5.6 percent for both Con Edison and CECONY.

At September 30, 2024 and December 31, 2023, no loans or letters of credit were outstanding under the Companies’ $2,500 million 2023 Credit Agreement (Credit Agreement) and no loans were outstanding under the CECONY Credit Agreement. The Companies were in compliance with their significant debt covenants at September 30, 2024. In March 2024, the termination date of the Credit Agreement was extended from March 2028 to March 2029. In March 2024, the Companies also entered into a First Amendment to the Credit Agreement that, among other things, amended the mechanics relating to determining the interest rate to be paid with respect to a “term SOFR loan.”

Note E – Pension Benefits

Total Periodic Benefit Credit

The components of the Companies' total periodic benefit credit for the three and nine months ended September 30, 2024 and 2023 were as follows:

	For the Three Months Ended September 30,			
	Con Edison		CECONY	
(Millions of Dollars)	**2024**	**2023**	**2024**	**2023**
Service cost – including administrative expenses	$44	$40	$42	$38
Interest cost on projected benefit obligation	160	162	151	153
Expected return on plan assets	(282)	(279)	(269)	(265)
Recognition of net actuarial gain	(1)	(58)	(2)	(55)
Recognition of prior service credit	(4)	(4)	(5)	(5)
TOTAL PERIODIC BENEFIT CREDIT	$(83)	$(139)	$(83)	$(134)
Cost capitalized	(22)	(19)	(21)	(18)
Reconciliation to rate level	12	72	10	66
Total credit recognized	$(93)	$(86)	$(94)	$(86)

	For the Nine Months Ended September 30,			
	Con Edison		CECONY	
(Millions of Dollars)	**2024**	**2023**	**2024**	**2023**
Service cost – including administrative expenses	$133	$122	$126	$113
Interest cost on projected benefit obligation	481	486	453	458
Expected return on plan assets	(846)	(837)	(807)	(795)
Recognition of net actuarial gain	(4)	(174)	(5)	(164)
Recognition of prior service credit	(13)	(12)	(15)	(15)
TOTAL PERIODIC BENEFIT CREDIT	$(249)	$(415)	$(248)	$(403)
Cost capitalized	(68)	(61)	(65)	(58)
Reconciliation to rate level	39	218	31	202
Total credit recognized	$(278)	$(258)	$(282)	$(259)

Components of net periodic benefit credit other than service cost are presented outside of operating income on the Companies' consolidated income statements, and only the service cost component is eligible for capitalization. Accordingly, the service cost component is included in the line "Other operations and maintenance" and the non-service cost components are included in the lines "Other income" and "Other deductions" in the Companies' consolidated income statements.

Expected Contributions

Based on estimates as of September 30, 2024, the Companies expect to make contributions to the pension plans during 2024 of $25 million (of which $22 million is to be made by CECONY). The Companies' policy is to fund the total periodic benefit cost of the qualified plan to the extent tax deductible and to also contribute to the non-qualified supplemental pension plans. No funding is anticipated for the qualified plan during 2024, and during the first nine months of 2024, the Companies contributed $15 million to the non-qualified supplemental pension plans, $13 million of which was contributed by CECONY. CECONY also contributed $12 million to the external trust for its non-qualified supplemental pension plan.

Note F – Other Postretirement Benefits

Total Periodic Benefit Credit

The components of the Companies' total periodic other postretirement benefit credit for the three and nine months ended September 30, 2024 and 2023 were as follows:

	For the Three Months Ended September 30,			
	Con Edison		CECONY	
(Millions of Dollars)	2024	2023	2024	2023
Service cost - including administrative expenses	$3	$4	$3	$3
Interest cost on projected other postretirement benefit obligation	12	14	10	12
Expected return on plan assets	(17)	(18)	(14)	(14)
Recognition of net actuarial gain	(5)	(4)	(4)	(2)
TOTAL PERIODIC OTHER POSTRETIREMENT CREDIT	$(7)	$(4)	$(5)	$(1)
Cost capitalized	(2)	(2)	(1)	(2)
Reconciliation to rate level	4	1	3	—
Total credit recognized	$(5)	$(5)	$(3)	$(3)

	For the Nine Months Ended September 30,			
	Con Edison		CECONY	
(Millions of Dollars)	2024	2023	2024	2023
Service cost - including administrative expenses	$9	$11	$8	$9
Interest cost on projected other postretirement benefit obligation	35	43	30	37
Expected return on plan assets	(51)	(53)	(41)	(42)
Recognition of net actuarial gain	(14)	(12)	(11)	(6)
Recognition of prior service credit	(1)	(1)	—	—
TOTAL PERIODIC OTHER POSTRETIREMENT CREDIT	$(22)	$(12)	$(14)	$(2)
Cost capitalized	(4)	(5)	(4)	(4)
Reconciliation to rate level	12	2	10	(2)
Total credit recognized	$(14)	$(15)	$(8)	$(8)

For information about the presentation of the components of other postretirement benefit credit, see Note E.

Contributions

As of September 30, 2024, the Companies contributed $7 million (all of which was made by CECONY) to the other postretirement benefit plans in 2024. The Companies' policy is to fund the total periodic benefit cost of the plans to the extent tax deductible.

Note G – Environmental Matters

Superfund Sites

Hazardous substances, such as asbestos, polychlorinated biphenyls (PCBs) and coal tar, have been used or generated in the course of operations of the Utilities and their predecessors and are present at sites and in facilities and equipment they currently or previously owned, including sites at which gas was manufactured or stored.

The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 and similar state statutes (Superfund) impose joint and several liability, regardless of fault, upon generators of hazardous substances for investigation and remediation costs (which include costs of demolition, removal, disposal, storage, replacement, containment and monitoring) and natural resource damages. Liability under these laws can be material and may be imposed for contamination from past acts, even though such past acts may have been lawful at the time they occurred. The sites at which the Utilities have been asserted to have liability under these laws, including their manufactured gas plant sites and any neighboring areas to which contamination may have migrated, are referred to herein as "Superfund Sites."

For Superfund Sites where there are other potentially responsible parties and the Utilities are not managing the site investigation and remediation, the accrued liability represents an estimate of the amount the Utilities will need to pay to investigate and, where determinable, discharge their related obligations. For Superfund Sites (including the manufactured gas plant sites) for which one of the Utilities is managing the investigation and remediation, the accrued liability represents an estimate of the company's share of the undiscounted cost to investigate the sites and, for sites that have been investigated in whole or in part, the cost to remediate the sites, if remediation is necessary and if a reasonable estimate of such cost can be made. Remediation costs are estimated in light of the information available, applicable remediation standards and experience with similar sites.

The accrued liabilities and regulatory assets related to Superfund Sites at September 30, 2024 and December 31, 2023 were as follows:

	Con Edison		CECONY	
(Millions of Dollars)	2024	2023	2024	2023
Accrued Liabilities:				
Manufactured gas plant sites	$996	$1,016	$904	$924
Other Superfund Sites	105	102	105	102
Total	$1,101	$1,118	$1,009	$1,026
Regulatory assets	$1,093	$1,105	$1,010	$1,022

Most of the accrued Superfund Site liability relates to sites that have been investigated, in whole or in part. However, for some of the sites, the extent and associated cost of the required remediation has not yet been determined. As investigations progress and information pertaining to the required remediation becomes available, the Utilities expect that additional liability may be accrued, the amount of which is not presently determinable but may be material. The Utilities defer prudently incurred investigation and remediation costs as regulatory assets (for subsequent recovery through rates).

Environmental investigation and remediation costs incurred related to Superfund Sites for the three and nine months ended September 30, 2024 and 2023 were as follows:

	For the Three Months Ended September 30,			
	Con Edison		CECONY	
(Millions of Dollars)	2024	2023	2024	2023
Remediation costs incurred	$12	$1	$12	$1

	For the Nine Months Ended September 30,			
	Con Edison		CECONY	
(Millions of Dollars)	2024	2023	2024	2023
Remediation costs incurred	$27	$8	$27	$8

Insurance and other third-party recoveries received by Con Edison or CECONY were immaterial for the three and nine months ended September 30, 2024 and 2023.

Con Edison and CECONY estimated that for their manufactured gas plant sites (including CECONY’s Astoria site), the aggregate undiscounted potential liability for the investigation and remediation of coal tar and/or other environmental contaminants could range up to $3,440 million and $3,295 million, respectively. These estimates were based on the assumption that there is contamination at all sites, including those that have not yet been fully investigated and additional assumptions about the extent of the contamination and the type and extent of the remediation that may be required. Actual experience may be materially different.

Asbestos Proceedings

Suits have been brought in New York State and federal courts against the Utilities and many other defendants, wherein a large number of plaintiffs sought large amounts of compensatory and punitive damages for deaths and injuries allegedly caused by exposure to asbestos at various premises of the Utilities. The suits that have been resolved, that are many, have been resolved without any payment by the Utilities, or for amounts that were not, in the aggregate, material to them. The amounts specified in all the remaining thousands of suits total billions of dollars; however, the Utilities believe that these amounts are greatly exaggerated, based on the disposition of previous claims. At September 30, 2024, Con Edison and CECONY have accrued their estimated aggregate undiscounted potential liabilities for these suits and additional suits that may be brought through 2035 as shown in the following table. These estimates were based upon a combination of modeling, historical data analysis and risk factor assessment. Courts have applied, and may continue to apply, different standards for determining liability in asbestos suits than the standard that applied historically. As a result, the Companies currently believe that there is a reasonable possibility of an exposure to loss in excess of the liability accrued for the suits. The Companies are unable to estimate the amount or range of such loss. In addition, certain current and former employees have claimed or are claiming workers' compensation benefits based on alleged disability from exposure to asbestos. CECONY is permitted to defer as regulatory assets (for subsequent recovery through rates) costs incurred for its asbestos lawsuits and workers' compensation claims.

The accrued liability for asbestos suits and workers' compensation proceedings (including those related to asbestos exposure) and the amounts deferred as regulatory assets or liabilities for the Companies at September 30, 2024 and December 31, 2023 were as follows:

	Con Edison		CECONY	
(Millions of Dollars)	2024	2023	2024	2023
Accrued liability – asbestos suits	$8	$8	$7	$7
Regulatory assets – asbestos suits	$8	$8	$7	$7
Accrued liability – workers' compensation	$55	$56	$53	$54
Regulatory liabilities – workers' compensation	$18	$17	$18	$17

Note H – Material Contingencies

Manhattan Explosion and Fire

On March 12, 2014, two multi-use five-story tall buildings located on Park Avenue between 116th and 117th Streets in Manhattan were destroyed by an explosion and fire. CECONY had delivered gas to the buildings through service lines from a distribution main located below ground on Park Avenue. Eight people died and more than 50 people were injured. Additional buildings were also damaged. The National Transportation Safety Board (NTSB) investigated. The parties to the investigation included CECONY, the City of New York, the Pipeline and Hazardous Materials Safety Administration and the NYSPSC. In June 2015, the NTSB issued a final report concerning the incident, its probable cause and safety recommendations. The NTSB determined that the probable cause of the incident was (1) the failure of a defective fusion joint at a service tee (which joined a plastic service line to a plastic distribution main) installed by CECONY that allowed gas to leak from the distribution main and migrate into a building where it ignited and (2) a breach in a city sewer line that allowed groundwater and soil to flow into the sewer, resulting in a loss of support for the distribution main, that caused it to sag and overstressed the defective fusion joint. The NTSB also made safety recommendations, including recommendations to CECONY that addressed its procedures for the preparation and examination of plastic fusions, training of its staff on conditions for notifications to the city's Fire Department and extension of its gas main isolation valve installation program. In February 2017, the NYSPSC approved a settlement agreement with CECONY related to the NYSPSC's investigations of the incident and the practices of qualifying persons to perform plastic fusions. Pursuant to the agreement, CECONY provided $27 million of future benefits to customers (for which it accrued a regulatory liability) and did not recover from customers $126 million of costs for gas emergency response activities that it had previously incurred and expensed. Lawsuits are pending against CECONY seeking generally unspecified damages and, in some cases, punitive damages, for wrongful death, personal injury, property damage and business interruption. CECONY notified its insurers of the incident and believes that the policies in force at the time of the incident will cover CECONY's costs, in excess of a required retention (the amount of which is not material), to satisfy any liability it may have for damages in connection with the incident. During 2020, CECONY accrued its estimated liability for the suits of $40 million and an insurance receivable in the same amount, and such estimated liability and receivable did not change as of September 30, 2024.

Other Contingencies

For additional contingencies, see "Other Regulatory Matters" in Note B, Note G and “Uncertain Tax Positions” in Note J.

Guarantees

Con Edison and its subsidiaries have entered into various agreements providing financial or performance assurance primarily to third parties on behalf of their subsidiaries. In addition, Con Edison provided guarantees to third parties on behalf of the Clean Energy Businesses, all of which were transferred to the buyer of the Clean Energy Businesses, RWE Aktiengesellschaft (RWE). Maximum amounts guaranteed by Con Edison and its subsidiaries under these agreements totaled $175 million at December 31, 2023, and there were no guarantees related to the Clean Energy Businesses at September 30, 2024.

A summary, by type and term, of Con Edison's total guarantees under these agreements at September 30, 2024 is as follows:

Guarantee Type	0 – 3 years	> 10 years	Total
		(Millions of Dollars)	
Con Edison Transmission	$54	$—	$54
Broken Bow II	—	9	9
Total	$54	$9	$63

Con Edison Transmission — Con Edison has guaranteed payment by Con Edison Transmission of the contributions Con Edison Transmission agreed to make to New York Transco LLC (New York Transco). Con Edison Transmission owns a 45.7 percent interest in New York Transco’s New York Energy Solution project, the majority of which has been completed. Guarantee amount shown includes the maximum possible required amount of Con Edison Transmission's contributions for the remainder of this project as calculated based on the assumptions that the project is completed at 175 percent of its estimated remaining costs and New York Transco does not use any debt financing for the project.

Broken Bow II — Con Edison has guaranteed obligations on behalf of Broken Bow II associated with its investment in a wind energy facility. Broken Bow II is held for sale as of September 30, 2024. See Note S.

Note I – Leases

Operating lease cost and cash paid for amounts included in the measurement of lease liabilities for the three and nine months ended September 30, 2024 and 2023 were as follows:

	For the Three Months Ended September 30,			
	Con Edison		CECONY	
(Millions of Dollars)	2024	2023	2024	2023
Operating lease cost	$17	$17	$17	$17
Operating lease cash flows	$6	$6	$6	$6

	For the Nine Months Ended September 30,			
	Con Edison		CECONY	
(Millions of Dollars)	2024	2023(a)	2024	2023
Operating lease cost	$50	$53	$49	$49
Operating lease cash flows	$15	$17	$14	$14

(a) Amounts for Con Edison include amounts for the Clean Energy Businesses through February 2023. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S.

At September 30, 2024, CECONY had two operating lease agreements for battery storage facilities that had not yet commenced operation. Both leases have a lease term of 15 years, and are expected to commence operation within two and three years, respectively. For the three and nine months ended September 30, 2024 and 2023, there were no material right-of-use assets obtained in exchange for operating lease obligations for Con Edison and CECONY, nor any material lease terminations.

Note J – Income Tax

Con Edison’s income tax expense was $133 million and $144 million for the three months ended September 30, 2024 and September 30, 2023, respectively. The decrease in income tax expense is primarily due to non-recurring state income taxes in 2023 from the sale of all of the stock of the Clean Energy Businesses.

CECONY’s income tax expense was $119 million and $109 million for the three months ended September 30, 2024 and September 30, 2023, respectively. The increase in income tax expense is primarily due to higher income before income tax expense.

Reconciliation of the difference between income tax expense and the amount computed by applying the prevailing statutory income tax rate to income before income taxes for the three months ended September 30, 2024 and 2023 is as follows:

	For the Three Months Ended September 30,			
	Con Edison		CECONY	
(% of Pre-tax income)	**2024**	**2023**	**2024**	**2023**
STATUTORY TAX RATE				
Federal	21 %	21 %	21 %	21 %
Changes in computed taxes resulting from:				
State income tax, net of federal income taxes	5	8	5	5
Amortization of excess deferred federal income taxes	(7)	(6)	(7)	(7)
Cost of removal	1	1	1	1
Allowance for uncollectible accounts, net of COVID-19 assistance	(1)	(2)	(1)	(2)
Changes in state apportionments, net of federal income taxes	—	1	—	—
Other	—	(2)	(1)	(1)
Effective tax rate	19 %	21 %	18 %	17 %

Con Edison’s income tax expense was $307 million and $416 million for the nine months ended September 30, 2024 and September 30, 2023, respectively. The decrease in income tax expense is primarily due to lower income before income tax expense, offset in part by the absence of a tax benefit from the recognition of deferred unamortized investment tax credits, both related to the sale of the Clean Energy Businesses in 2023.

CECONY’s income tax expense was $301 million and $297 million for the nine months ended September 30, 2024 and September 30, 2023, respectively. The increase in income tax expense is primarily due to higher income before income tax expense, offset in part by higher amortization of excess deferred federal income taxes.

Reconciliation of the difference between income tax expense and the amount computed by applying the prevailing statutory income tax rate to income before income taxes for the nine months ended September 30, 2024 and 2023 is as follows:

	For the Nine Months Ended September 30,			
	Con Edison		CECONY	
(% of Pre-tax income)	**2024**	**2023**	**2024**	**2023**
STATUTORY TAX RATE				
Federal	21 %	21 %	21 %	21 %
Changes in computed taxes resulting from:				
State income tax, net of federal income taxes	5	5	5	5
Cost of removal	2	1	2	2
Other plant-related items	(1)	—	—	(1)
Renewable energy credits	(1)	(1)	—	—
Amortization of excess deferred federal income taxes	(8)	(5)	(9)	(8)
Other	(1)	—	(1)	—
Impacts from the sale of the Clean Energy Businesses:				
Changes in state apportionments, net of federal income taxes	—	(1)	—	—
Deferred unamortized ITC recognized on sale of subsidiary	—	(4)	—	—
Effective tax rate	17 %	16 %	18 %	19 %

In April 2023, the IRS released Revenue Procedure 2023-15, which provides a safe harbor method of accounting that taxpayers may use to determine whether certain expenditures to maintain, repair, replace, or improve natural gas transmission and distribution property must be capitalized as improvements by the taxpayer or deducted for federal income tax purposes in the current tax year. This revenue procedure also provides procedures for taxpayers to obtain automatic consent to change their method of accounting to the safe harbor method of accounting. Con Edison adopted the safe harbor rules on its 2023 federal and state returns and recorded a reduction in its current tax payable and an increase in accumulated deferred tax liabilities of $457 million, $418 million of which is for CECONY and $39 million of which is for O&R, to reflect the cumulative impact of this change in accounting method for the Utilities.

Corporate Alternative Minimum Tax
On August 16, 2022, the Inflation Reduction Act (IRA) was signed into law and implemented a new corporate alternative minimum tax (CAMT) that imposes a 15 percent tax on modified GAAP net income. Pursuant to the IRA, corporations are entitled to a tax credit (minimum tax credit) to the extent the CAMT liability exceeds the regular tax liability. This amount can be carried forward indefinitely and used in future years when regular tax exceeds the CAMT.

Beginning in 2024, based on the existing statute, the Companies are subject to and report the CAMT in their Consolidated Income Statements, Consolidated Statements of Cash Flows and the Consolidated Balance Sheets. The Companies accrued a CAMT liability of $73 million, $64 million of which is for CECONY, before the application of general business credits, with an offsetting deferred tax asset representing the minimum tax credit carryforward, for the nine months ended September 30, 2024. The deferred tax asset related to the minimum tax credit carryforward will be realized to the extent the Companies' consolidated deferred tax liabilities exceed the minimum tax credit carryforward. The Companies' deferred tax liabilities are expected to exceed the minimum tax credit carryforward for the foreseeable future and thus no valuation allowance is required. The Companies are continuing to assess the impacts of the IRA on their financial statements and will update estimates based on future guidance to be issued by the Department of the Treasury.

Uncertain Tax Positions
At September 30, 2024, the estimated liability for uncertain tax positions for Con Edison was $13 million, $9 million of which is for CECONY). For the nine months ended September 30, 2024, Con Edison recognized $2 million, all of which is for CECONY, of income tax expense related to current year positions. Con Edison reasonably expects to resolve within the next twelve months approximately $3 million (the entire amount attributable to CECONY) of various federal uncertainties due to the expected completion of ongoing tax examinations, of which the entire amount, if recognized, would reduce their effective tax rate. The total amount of unrecognized tax benefits, if recognized, that would reduce Con Edison's effective tax rate is $13 million ($12 million, net of federal income taxes) with $9 million attributable to CECONY.

The Companies recognize interest on liabilities for uncertain tax positions in interest expense and would recognize penalties, if any, in operating expenses in the Companies' consolidated income statements. For the nine months ended September 30, 2024 and 2023, the Companies recognized an immaterial amount of interest expense and no penalties for uncertain tax positions in their consolidated income statements. At September 30, 2024 and December 31, 2023, the Companies recognized an immaterial amount of accrued interest on their consolidated balance sheets.

In February 2024, New York State completed its examination of the Companies' New York State income and franchise tax returns for tax years 2015 through 2021 with no changes. The Companies' return for tax year 2022 remains open under the statute of limitations.

Note K – Revenue Recognition
The following table presents, for the three and nine months ended September 30, 2024 and 2023, revenue from contracts with customers as defined in ASC 606, "Revenue from Contracts with Customers," as well as additional revenue from sources other than contracts with customers, disaggregated by major source.

	For the Three Months Ended September 30, 2024			For the Three Months Ended September 30, 2023		
(Millions of Dollars)	Revenues from contracts with customers	Other revenues (a)	Total operating revenues	Revenues from contracts with customers	Other revenues (a)	Total operating revenues
CECONY						
Electric	$3,493	($117)	3,376	$3,195	$28	$3,223
Gas	364	(27)	337	338	(20)	318
Steam	52	(3)	49	46	3	49
Total CECONY	$3,909	$(147)	$3,762	$3,579	$11	$3,590
O&R						
Electric	309	(16)	293	$242	$4	$246
Gas	6	30	36	31	4	35
Total O&R	$315	$14	$329	$273	$8	$281
Con Edison Transmission	1	—	1	1	—	1
Other (b)	—	—	—	—	—	—
Total Con Edison	$4,225	$(133)	$4,092	$3,853	$19	$3,872

(a) For the Utilities, this includes primarily revenue or negative revenue adjustments from alternative revenue programs, such as the revenue decoupling mechanisms under their New York electric and gas rate plans.
(b) Other includes the parent company, Con Edison's tax equity investments, the deferred project held for sale and consolidation adjustments. See Note S.

	For the Nine Months Ended September 30, 2024			For the Nine Months Ended September 30, 2023		
(Millions of Dollars)	Revenues from contracts with customers	Other revenues (a)	Total operating revenues	Revenues from contracts with customers	Other revenues (a)	Total operating revenues
CECONY						
Electric	$8,300	$(112)	$8,188	$7,449	$273	$7,722
Gas	2,177	(58)	2,119	2,117	23	2,140
Steam	436	(13)	423	414	11	425
Total CECONY	$10,913	$(183)	$10,730	$9,980	$307	$10,287
O&R						
Electric	$688	(26)	$662	$574	$14	$588
Gas	173	20	193	211	4	215
Total O&R	$861	$(6)	$855	$785	$18	$803
Clean Energy Businesses (c)						
Renewables	$—	$—	$—	$68	$—	$68
Energy services	—	—	—	7	—	7
Develop/Transfer Projects	—	—	—	7	—	7
Other	—	—	—	—	47	47
Total Clean Energy Businesses	$—	$—	$—	$82	$47	$129
Con Edison Transmission	3	—	3	3	—	3
Other (b)	—	(1)	(1)	—	(3)	(3)
Total Con Edison	$11,777	$(190)	$11,587	$10,850	$369	$11,219

(a) For the Utilities, this includes primarily revenue or negative revenue adjustments from alternative revenue programs, such as the revenue decoupling mechanisms under their New York electric and gas rate plans. For the Clean Energy Businesses, this included revenue from wholesale services. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S.
(b) Other includes the parent company, Con Edison's tax equity investments, the deferred project held for sale and consolidation adjustments. See Note S.
(c) On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S.

Use of the Percentage-of-Completion Method
Sales and profits on each percentage-of-completion contract at the Clean Energy Businesses were recorded each month based on the ratio of actual cumulative costs incurred to the total estimated costs at completion of the contract, multiplied by the total estimated contract revenue, less cumulative revenues recognized in prior periods (the ‘‘cost-to-cost’’ method). The impact of revisions of contract estimates, which may have resulted from contract modifications, performance or other reasons, were recognized on a cumulative catch-up basis in the period in which the revisions were made. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R.

	2024		2023	
(Millions of Dollars)	**Unbilled contract revenue (a)**	**Unearned revenue (b)**	**Unbilled contract revenue (a)**	**Unearned revenue (b)**
Beginning balance as of January 1,	$4	$—	$80	$3
Additions (c)	—	—	2	—
Subtractions (c)	—	—	78	3 (d)
Ending balance as of September 30,	$4	$—	$4 (e)	$—

(a) Unbilled contract revenue represents accumulated incurred costs and earned profits on contracts (revenue arrangements), which have been recorded as revenue, but have not yet been billed to customers, and which represent contract assets as defined in Topic 606. Substantially all accrued unbilled contract revenue is expected to be collected within one year. Unbilled contract revenue arises from the cost-to-cost method of revenue recognition. Unbilled contract revenue from fixed-price type contracts is converted to billed receivables when amounts are invoiced to customers according to contractual billing terms, which generally occur when deliveries or other performance milestones are completed.
(b) Unearned revenue represents a liability for billings to customers in excess of earned revenue, which are contract liabilities as defined in Topic 606.
(c) Additions for unbilled contract revenue and subtractions for unearned revenue represent additional revenue earned. Additions for unearned revenue and subtractions for unbilled contract revenue represent billings. Activity also includes appropriate balance sheet classification for the period. Of the subtractions in 2023, $21 million and $1 million relate to the sale of all of the stock of the Clean Energy Businesses for unbilled contract revenue and unearned revenue, respectively. See (e) below.
(d) Of the subtractions from unearned revenue, $3 million was included in the balances as of January 1, 2023.
(e) Following the sale of all of the stock of the Clean Energy Businesses, Con Edison received substantially all contract revenue, net of certain costs incurred, for a battery storage project located in Imperial County, California. See Note R.

Note L – Current Expected Credit Losses

Allowance for Uncollectible Accounts

The Utilities' "Account receivable – customers" balance consists of utility bills due (bills are generally due the month following billing) from customers who have energy delivered, generated, or services provided by the Utilities. The balance also reflects the Utilities' purchase of receivables from energy service companies to support the retail choice programs.

The "Other receivables" balance generally reflects costs billed by the Utilities for goods and services provided to external parties, such as accommodation work for private parties and certain governmental entities, real estate rental and pole attachments.

The Companies develop expected loss estimates using past events data and consider current conditions and future reasonable and supportable forecasts. Changes to the Utilities' reserve balances that result in write-offs of customer accounts receivable balances above existing rate allowances are not reflected in rates during the term of the current rate plans. For the Utilities' customer accounts receivable allowance for uncollectible accounts, past events considered include write-offs relative to customer accounts receivable; current conditions include macro-and micro-economic conditions related to trends in the local economy, bankruptcy rates and aged customer accounts receivable balances, among other factors; and forecasts about the future include assumptions related to the level of write-offs and recoveries. Generally, the Utilities write off customer accounts receivable as uncollectible 90 days after the account is disconnected for non-payment, or the account is closed during the collection process.

Other receivables allowance for uncollectible accounts is calculated based on a historical average of collections relative to total other receivables, including current receivables. Current macro- and micro-economic conditions are also considered when calculating the current reserve. Probable outcomes of pending litigation, whether favorable or unfavorable to the Companies, are also included in the consideration.

Starting in 2020, the economic impact of the COVID-19 pandemic was also considered in forward-looking projections related to write-off and recovery rates and resulted in increases to the allowance for uncollectible accounts. The increases to the allowance for customer uncollectible accounts for Con Edison and CECONY were $27 million and $29 million, respectively, for the three months ended September 30, 2024 and $101 million and $95 million, respectively, for the nine months ended September 30, 2024. The increases (decreases) to the allowance for customer uncollectible accounts for Con Edison and CECONY were $1 million and $3 million, respectively, for the three months ended September 30, 2023 and were $(46) million and $(45) million, respectively, for the nine months ended September 30, 2023 primarily resulting from credits issued pursuant to New York State COVID-19 arrears assistance programs.

Customer accounts receivable and the associated allowance for uncollectible accounts are included in the line "Accounts receivable – customers" on the Companies' consolidated balance sheets. Other receivables and the associated allowance for uncollectible accounts are included in "Other receivables" on the consolidated balance sheets.

The table below presents a rollforward by major portfolio segment type for the three and nine months ended September 30, 2024 and 2023:

	For the Three Months Ended September 30,							
	Con Edison				CECONY			
	Accounts receivable - customers		Other receivables		Accounts receivable - customers		Other receivables	
(Millions of Dollars)	2024	2023	2024	2023	2024	2023	2024	2023
Allowance for credit losses								
Beginning Balance at July 1,	$434	$275	$25	$28	$419	$266	$21	$24
Recoveries	—	3	—	—	—	3	—	—
Write-offs	(65)	(43)	—	(4)	(63)	(41)	—	(3)
Reserve adjustments	92	41	(1)	7	92	41	—	6
Ending Balance September 30,	$461	$276	$24	$31	$448	$269	$21	$27

	For the Nine Months Ended September 30, 2024							
	Con Edison				CECONY			
	Accounts receivable - customers		Other receivables		Accounts receivable - customers		Other receivables	
(Millions of Dollars)	2024	2023	2024	2023	2024	2023	2024	2023
Allowance for credit losses								
Beginning Balance at January 1,	$360	$322	$13	$10	$353	$314	$9	$7
Recoveries	17	11	—	—	13	10	—	—
Write-offs	(160)	(135)	—	(5)	(152)	(130)	—	(3)
Reserve adjustments	244	78	11	26	234	75	12	23
Ending Balance September 30,	$461	$276	$24	$31	$448	$269	$21	$27

Note M – Financial Information by Business Segment

Con Edison's principal business segments are CECONY's regulated utility activities, O&R's regulated utility activities and Con Edison Transmission. CECONY's principal business segments are its regulated electric, gas and steam utility activities. The financial data for the business segments for the three and nine months ended September 30, 2024 and 2023 were as follows:

	For the Three Months Ended September 30,							
	Operating revenues		Inter-segment revenues		Depreciation and amortization		Operating income (loss)	
(Millions of Dollars)	2024	2023	2024	2023	2024	2023	2024	2023
CECONY								
Electric	$3,376	$3,223	$5	$4	$376	$352	$998	$867
Gas	337	318	2	2	117	108	(112)	(108)
Steam	49	49	19	19	27	25	(83)	(80)
Consolidation adjustments	—	—	(26)	(25)	—	—	—	—
Total CECONY	$3,762	$3,590	$—	$—	$520	$485	$803	$679
O&R								
Electric	293	246	—	—	21	19	72	59
Gas	36	35	—	—	9	7	(9)	(11)
Total O&R	$329	$281	$—	$—	$30	$26	$63	$48
Con Edison Transmission	1	1	—	—	—	1	(1)	(2)
Other (a)	—	—	—	—	—	—	(3)	(3)
Total Con Edison	$4,092	$3,872	$—	$—	$550	$512	$862	$722

(a) Other includes the parent company, Con Edison's tax equity investments, the deferred project held for sale and consolidation adjustments. See Note S.

	For the Nine Months Ended September 30,							
	Operating revenues		Inter-segment revenues		Depreciation and amortization		Operating income/(loss)	
(Millions of Dollars)	2024	2023	2024	2023	2024	2023	2024	2023
CECONY								
Electric	$8,188	$7,722	$15	$14	$1,090	$1,035	$1,511	$1,292
Gas	2,119	2,140	7	6	343	319	588	533
Steam	423	425	56	55	79	74	8	(75)
Consolidation adjustments	—	—	(78)	(75)	—	—	—	—
Total CECONY	$10,730	$10,287	$—	$—	$1,512	$1,428	$2,107	$1,750
O&R								
Electric	662	588	—	—	61	56	97	73
Gas	193	215	—	—	26	22	30	27
Total O&R	$855	$803	$—	$—	$87	$78	$127	$100
Clean Energy Businesses (a)	—	129	—	—	—	—	—	37
Con Edison Transmission	3	3	—	—	1	1	(6)	(6)
Other (b)	(1)	(3)	—	—	1	(1)	(35)	864
Total Con Edison	$11,587	$11,219	$—	$—	$1,601	$1,506	$2,193	$2,745

(a) On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. As a result of this sale, the Clean Energy Businesses are no longer a principal segment. See Note R and Note S.
(b) Other includes the parent company, Con Edison's tax equity investments, the deferred project held for sale and consolidation adjustments. See Note S.

Note N – Derivative Instruments and Hedging Activities

Con Edison's subsidiaries hedge market price fluctuations associated with physical purchases and sales of electricity, natural gas, steam and, to a lesser extent, refined fuels by using derivative instruments including futures, forwards, basis swaps, options, transmission congestion contracts and financial transmission rights contracts. These are economic hedges, for which the Utilities do not elect hedge accounting. The Companies use economic hedges to manage commodity price risk in accordance with provisions set by state regulators. The volume of hedging activity at the Utilities depends upon the forecasted volume of physical commodity supply to meet customer needs, and program costs or benefits are recovered from or credited to full-service customers, respectively. Derivatives are recognized on the consolidated balance sheet at fair value (see Note O), unless an exception is available under the accounting rules for derivatives and hedging. Qualifying derivative contracts that have been designated as normal purchases or normal sales contracts are not reported at fair value under the accounting rules.

The fair values of the Companies' derivatives including the offsetting of assets and liabilities on the consolidated balance sheet at September 30, 2024 and December 31, 2023 were:

(Millions of Dollars)	2024			2023		
Balance Sheet Location	**Gross Amounts of Recognized Assets (Liabilities)**	**Gross Amounts Offset**	**Net Amounts of Assets (Liabilities) (a)**	**Gross Amounts of Recognized Assets (Liabilities)**	**Gross Amounts Offset**	**Net Amounts of Assets (Liabilities) (a)**
Con Edison						
Fair value of derivative assets						
Current	$64	$(53)	$11 (b)	$83	$(38)	$45 (b)
Noncurrent	44	(23)	21	77	(29)	48
Total fair value of derivative assets	$108	$(76)	$32	$160	$(67)	$93
Fair value of derivative liabilities						
Current	$(159)	$57	$(102) (b)	$(230)	$52	$(178) (b)
Noncurrent	(147)	27	(120)	(154)	33	(121)
Total fair value of derivative liabilities	$(306)	$84	$(222)	$(384)	$85	$(299)
Net fair value derivative assets (liabilities)	$(198)	$8	$(190)	$(224)	$18	$(206)
CECONY						
Fair value of derivative assets						
Current	$60	$(50)	$10 (b)	$78	$(35)	$43 (b)
Noncurrent	42	(22)	20	76	(27)	49
Total fair value of derivative assets	$102	$(72)	$30	$154	$(62)	$92
Fair value of derivative liabilities						
Current	$(147)	$54	$(93) (b)	$(217)	$48	$(169) (b)
Noncurrent	(131)	25	(106)	(139)	31	(108)
Total fair value of derivative liabilities	$(278)	$79	$(199)	$(356)	$79	$(277)
Net fair value derivative assets (liabilities)	$(176)	$7	$(169)	$(202)	$17	$(185)

(a) Derivative instruments and collateral were offset on the consolidated balance sheet as applicable under the accounting rules. The Companies enter into master agreements for their commodity derivatives. These agreements typically provide offset in the event of contract termination. In such case, generally the non-defaulting party's payable will be offset by the defaulting party's payable. The non-defaulting party will customarily notify the defaulting party within a specific time period and come to an agreement on the early termination amount.

(b) At September 30, 2024, margin deposits for Con Edison ($4 million and $(7) million) were classified as derivative assets and derivative liabilities, respectively, and for CECONY ($3 million and $(2) million) were classified as derivative assets and derivative liabilities, respectively, on the consolidated balance sheets, but not included in the table. At December 31, 2023 margin deposits for Con Edison ($7 million and $(15) million) were classified as derivative assets and derivative liabilities, respectively, and for CECONY ($6 million and $(10) million) were classified as derivative assets and derivative liabilities, respectively, on the consolidated balance sheets, but not included in the table. Margin is collateral, typically cash, that the holder of a derivative instrument is required to deposit in order to transact on an exchange and to cover its potential losses with its broker or the exchange.

The Utilities generally recover their prudently incurred fuel, purchased power and gas costs, including hedging gains and losses, in accordance with rate provisions approved by the applicable state utility regulators. In accordance with the accounting rules for regulated operations, the Utilities record a regulatory asset or regulatory liability to defer recognition of unrealized gains and losses on their electric and gas derivatives. As gains and losses are realized in future periods, they will be recognized as purchased power, gas and fuel costs in the Companies' consolidated income statements.

The following table presents the realized and unrealized gains or losses on derivatives that have been deferred or recognized in earnings for the three and nine months ended September 30, 2024 and 2023:

		For the Three Months Ended September 30,			
		Con Edison		CECONY	
(Millions of Dollars)	**Financial Statement Location**	**2024**	**2023**	**2024**	**2023**
Pre-tax gains (losses) deferred in accordance with accounting rules for regulated operations:					
Current	Regulatory liabilities	$(31)	$(11)	$(27)	$(9)
Noncurrent	Regulatory liabilities	(7)	(11)	(5)	(9)
Total deferred gains (losses)		$(38)	$(22)	$(32)	$(18)
Current	Regulatory assets	$(18)	$22	$(15)	$20
Current	Recoverable energy costs	(81)	(98)	(75)	(94)
Noncurrent	Regulatory assets	(39)	(34)	(34)	(29)
Total deferred gains (losses)		$(138)	$(110)	$(124)	$(103)
Net deferred gains (losses)		$(176)	$(132)	$(156)	$(121)
Pre-tax gains (losses) recognized in income					
	Other operations and maintenance expense	$(1)	$1	$(1)	$1
Total pre-tax gains (losses) recognized in income		$(1)	$1	$(1)	$1

		For the Nine Months Ended September 30,			
		Con Edison		CECONY	
(Millions of Dollars)	**Financial Statement Location**	**2024**	**2023**	**2024**	**2023**
Pre-tax gains (losses) deferred in accordance with accounting rules for regulated operations:					
Current	Regulatory liabilities	$(45)	$(221)	$(42)	$(203)
Noncurrent	Regulatory liabilities	(30)	(128)	(30)	(113)
Total deferred gains (losses)		$(75)	$(349)	$(72)	$(316)
Current	Regulatory assets	$104	$47	$102	$45
Current	Recoverable energy costs	(269)	(474)	(247)	(449)
Noncurrent	Regulatory assets	9	(68)	9	(63)
Total deferred gains (losses)		$(156)	$(495)	$(136)	$(467)
Net deferred gains (losses) (a)		$(231)	$(844)	$(208)	$(783)
Pre-tax gains (losses) recognized in income					
	Gas purchased for resale (b)	$—	$4	$—	$—
	Non-utility revenue (b)	—	17	—	—
	Other operations and maintenance expense	—	1	—	1
	Other interest expense (b)	—	5	—	—
Total pre-tax gains (losses) recognized in income		$—	$27	$—	$1

(a) Unrealized net deferred losses on electric and gas derivatives for the Utilities decreased as a result of higher electric and gas commodity prices during the nine months ended September 30, 2024. Upon settlement, short-term deferred derivative losses generally increase the recoverable costs of electric and gas purchases.
(b) Comprised of realized and unrealized gains and losses on the derivative contracts of the Clean Energy Businesses. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R.

The following table presents the hedged volume of Con Edison's and CECONY's commodity derivative transactions at September 30, 2024:

	Electric Energy (MWh) (a)(b)	Capacity (MW-mos) (a)	Natural Gas (Dt) (a)(b)	Refined Fuels (gallons)
Con Edison	36,052,760	36,600	337,880,000	2,520,000
CECONY	32,953,250	28,200	316,190,000	2,520,000

(a) Volumes are reported net of long and short positions, except natural gas collars where the volumes of long positions are reported.
(b) Excludes electric congestion and gas basis swap contracts which are associated with electric and gas contracts and hedged volumes.

The Companies are exposed to credit risk related to transactions entered into primarily for the various energy supply and hedging activities by the Utilities. Credit risk relates to the loss that may result from a counterparty's nonperformance. The Companies use credit policies to manage this risk, including an established credit approval process, monitoring of counterparty limits, netting provisions within agreements, collateral or prepayment arrangements, credit insurance and credit default swaps. The Companies measure credit risk exposure as the replacement cost for open energy commodity and derivative positions plus amounts owed from counterparties for settled transactions. The replacement cost of open positions represents unrealized gains, net of any unrealized losses where the Companies have a legally enforceable right to offset.

At September 30, 2024, Con Edison and CECONY had $6 million and $5 million, respectively, of credit exposure in connection with open energy supply net receivables and hedging activities, net of collateral. Con Edison's net credit exposure consisted of $2 million with investment-grade counterparties and $4 million with commodity exchange brokers. CECONY's net credit exposure consisted of $2 million with investment-grade counterparties and $3 million with commodity exchange brokers. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S.

The collateral requirements associated with, and settlement of, derivative transactions are included in net cash flows from operating activities in the Companies' consolidated statements of cash flows. Most derivative instrument contracts contain provisions that may require a party to provide collateral on its derivative instruments that are in a net liability position. The amount of collateral to be provided will depend on the fair value of the derivative instruments and the party's credit ratings.

The following table presents the aggregate fair value of the Companies' derivative instruments with credit-risk-related contingent features that are in a net liability position, the collateral posted for such positions and the additional collateral that would have been required to be posted had the lowest applicable credit rating been reduced one level and to below investment grade at September 30, 2024:

(Millions of Dollars)	**Con Edison (a)**	**CECONY (a)**
Aggregate fair value – net liabilities	$215	$193
Collateral posted	181	175
Additional collateral (b) (downgrade one level from current ratings)	12	3
Additional collateral (b)(c) (downgrade to below investment grade from current ratings)	166	136

(a) Non-derivative transactions for the purchase and sale of electricity and gas and qualifying derivative instruments, that have been designated as normal purchases or normal sales, are excluded from the table. These transactions primarily include purchases of electricity from independent system operators. In the event the Utilities are no longer extended unsecured credit for such purchases, the Companies would be required to post $1 million of additional collateral at September 30, 2024. For certain other such non-derivative transactions, the Companies could be required to post collateral under certain circumstances, including in the event counterparties had reasonable grounds for insecurity.

(b) The Companies measure the collateral requirements by taking into consideration the fair value amounts of derivative instruments that contain credit-risk-related contingent features that are in a net liability position plus amounts owed to counterparties for settled transactions and amounts required by counterparties for minimum financial security. The fair value amounts represent unrealized losses, net of any unrealized gains where the Companies have a legally enforceable right to offset.

(c) Derivative instruments that are net assets have been excluded from the table. At September 30, 2024, if Con Edison had been downgraded to below investment grade, it would have been required to post additional collateral for such derivative instruments of $7 million.

Note O – Fair Value Measurements

The accounting rules for fair value measurements and disclosures define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, that refer broadly to assumptions that market participants use in pricing assets or liabilities. These inputs can be readily observable, market corroborated, or generally unobservable firm inputs. The Companies often make certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, and the risks inherent in the inputs to valuation techniques. The Companies use valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

The accounting rules for fair value measurements and disclosures established a fair value hierarchy, that prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The rules require that assets and liabilities be classified in their entirety based on the level of input that is significant to the fair value measurement. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability and may affect the valuation of the asset or liability and their placement within the fair value hierarchy. The Companies classify fair value balances based on the fair value hierarchy defined by the accounting rules for fair value measurements and disclosures as follows:

- Level 1 – Consists of assets or liabilities whose value is based on unadjusted quoted prices in active markets at the measurement date. An active market is one in which transactions for assets or liabilities occur with sufficient frequency and volume to provide pricing information on an ongoing basis. This category includes contracts traded on active exchange markets valued using unadjusted prices quoted directly from the exchange.
- Level 2 – Consists of assets or liabilities valued using industry standard models and based on prices, other than quoted prices within Level 1, that are either directly or indirectly observable as of the measurement date. The industry standard models consider observable assumptions including time value, volatility factors and current market and contractual prices for the underlying commodities, in addition to other economic measures. This category includes contracts traded on active exchanges or in over-the-counter markets priced with industry standard models.
- Level 3 – Consists of assets or liabilities whose fair value is estimated based on internally developed models or methodologies using inputs that are generally less readily observable and supported by little, if any, market activity at the measurement date. Unobservable inputs are developed based on the best available information and subject to cost benefit constraints. This category includes contracts priced using models that are internally developed and contracts placed in illiquid markets. It also includes contracts that expire after the period of time for which quoted prices are available and internal models are used to determine a significant portion of the value.

For information on the measurement of Con Edison's investment in MVP that was measured at fair value on a non-recurring basis, see Note A. Assets and liabilities measured at fair value on a recurring basis as of September 30, 2024 and December 31, 2023 are summarized below.

	2024					2023				
(Millions of Dollars)	Level 1	Level 2	Level 3	Netting Adjustment (d)	Total	Level 1	Level 2	Level 3	Netting Adjustment (d)	Total
Con Edison										
Derivative assets:										
Commodity (a)(b)(c)	$3	$92	$1	$(60)	$36	$6	$146	$2	$(54)	$100
Mutual Funds (a)(b)	574	—	—	—	574	505	—	—	—	505
Cash Value of Life Insurance Policies (a)(b)	—	133	—	—	133	—	118	—	—	118
Total assets	$577	$225	$1	$(60)	$743	$511	$264	$2	$(54)	$723
Derivative liabilities:										
Commodity (a)(b)(c)	$8	$260	$26	$(65)	229	$22	$347	$10	$(65)	$314
CECONY										
Derivative assets:										
Commodity (a)(b)(c)	$3	$89	$1	$(60)	$33	$6	$143	$1	$(52)	$98
Mutual Funds (a)(b)	557	—	—	—	557	488	—	—	—	488
Cash Value of Life Insurance Policies (a)(b)	—	127	—	—	127	—	113	—	—	113
Total assets	$560	$216	$1	$(60)	$717	$494	$256	$1	$(52)	$699
Derivative liabilities:										
Commodity (a)(b)(c)	$6	$244	$18	$(67)	201	$20	$326	$6	$(65)	$287

(a) The Companies' policy is to review the fair value hierarchy and recognize transfers into and transfers out of the levels at the end of each reporting period. Con Edison and CECONY had $5 million of commodity derivative assets and an immaterial amount of liabilities transferred from level 3 to level 2 during the nine months ended September 30, 2024 because of availability of observable market data due to the decrease in the terms of certain contracts from beyond three years as of December 31, 2023 to less than three years as of September 30, 2024. Con Edison and CECONY had an immaterial amount of derivative assets and $9 million and $6 million of commodity derivative liabilities, respectively, transferred from level 3 to level 2 during the year ended December 31, 2023 because of availability of observable market data due to the decrease in the terms of certain contracts from beyond three years as of September 30, 2023 to less than three years as of December 31, 2023.

(b) Level 2 assets and liabilities include investments held in the deferred compensation plan and/or non-qualified retirement plans, exchange-traded contracts where there is insufficient market liquidity to warrant inclusion in Level 1, and certain over-the-counter derivative instruments for electricity, refined products and natural gas. Derivative instruments classified as Level 2 are valued using industry standard models that incorporate corroborated observable inputs, such as pricing services or prices from similar instruments that trade in liquid markets, time value and volatility factors.

(c) The accounting rules for fair value measurements and disclosures require consideration of the impact of nonperformance risk (including credit risk) from a market participant perspective in the measurement of the fair value of assets and liabilities. At September 30, 2024 and

December 31, 2023, the Companies determined that nonperformance risk would have no material impact on their financial position or results of operations.
(d) Amounts represent the impact of legally-enforceable master netting agreements that allow the Companies to net gain and loss positions and cash collateral held or placed with the same counterparties.

The employees in the Companies' risk management group develop and maintain the Companies' valuation policies and procedures for, and verify pricing and fair value valuation of, commodity derivatives. Under the Companies' policies and procedures, multiple independent sources of information are obtained for forward price curves used to value commodity derivatives. Fair value and changes in fair value of commodity derivatives are reported monthly to the Companies' risk committees, comprised of officers and employees of the Companies that oversee energy hedging at the Utilities. The risk management group reports to the Companies' Vice President and Treasurer.

	Fair Value of Level 3 at September 30, 2024 *(Millions of Dollars)*	Valuation Techniques	Unobservable Inputs	Range	Average Market Price
Con Edison – Commodity					
Electricity	$(12)	Discounted Cash Flow	Forward energy prices ($/MWh) (a)	$33.80-$109.05	$58.66
Electricity	(14)	Discounted Cash Flow	Forward capacity prices ($/kW-month) (a)	$0.96-$7.53	$3.92
Transmission Congestion Contracts	1	Discounted Cash Flow	Inter-zonal forward price curves adjusted for historical zonal losses ($/MWh) (b)	$0.18-$3.35	$1.10
Total Con Edison—Commodity	$(25)				
CECONY – Commodity					
Electricity	$(12)	Discounted Cash Flow	Forward energy prices ($/MWh) (a)	$35.70-$109.05	$59.06
Electricity	(6)	Discounted Cash Flow	Forward capacity prices ($/kW-month) (a)	$0.96-$7.53	$3.96
Transmission Congestion Contracts	1	Discounted Cash Flow	Inter-zonal forward price curves adjusted for historical zonal losses ($/MWh) (b)	$0.18-$3.35	$1.10
Total CECONY—Commodity	$(17)				

(a) Generally, increases (decreases) in this input in isolation would result in a higher (lower) fair value measurement.
(b) Generally, increases (decreases) in this input in isolation would result in a lower (higher) fair value measurement.

The table listed below provides a reconciliation of the beginning and ending net balances for assets and liabilities measured at fair value as of September 30, 2024 and 2023 and classified as Level 3 in the fair value hierarchy:

	For the Three Months Ended September 30,			
	Con Edison		CECONY	
(Millions of Dollars)	2024	2023	2024	2023
Beginning balance as of July 1,	$(11)	$(7)	$(6)	$(4)
Included in earnings	(1)	2	—	1
Included in regulatory assets and liabilities	(15)	(3)	(12)	(3)
Settlements	2	(2)	1	(1)
Ending balance as of September 30,	$(25)	$(10)	$(17)	$(7)

	For the Nine Months Ended September 30,			
	Con Edison		CECONY	
(Millions of Dollars)	2024	2023	2024	2023
Beginning balance as of January 1,	$(8)	$15	$(5)	$(6)
Included in earnings	(6)	(2)	(2)	(1)
Included in regulatory assets and liabilities	(13)	16	(8)	10
Settlements	7	—	3	—
Decrease due to the sale of the Clean Energy Businesses (a)	—	(29)	—	—
Transfer out of level 3	(5)	(10)	(5)	(10)
Ending balance as of September 30,	$(25)	$(10)	$(17)	$(7)

(a) On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S.

For the Utilities, realized gains and losses on Level 3 commodity derivative assets and liabilities are reported as part of purchased power, gas and fuel costs. The Utilities generally recover these costs in accordance with rate provisions approved by the applicable state public utilities regulators. See Note A. Unrealized gains and losses for commodity derivatives are generally deferred on the consolidated balance sheet in accordance with the accounting rules for regulated operations.

For the Clean Energy Businesses, realized and unrealized gains and losses on Level 3 commodity derivative assets and liabilities were reported in non-utility revenues ($17 million loss) on the consolidated income statement for the nine months ended September 30, 2023. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses and amounts for 2023 are shown through the date of sale. See Note R and Note S.

Note P – Related Party Transactions

The NYSPSC generally requires that the Utilities and Con Edison's other subsidiaries be operated as separate entities. The Utilities and the other subsidiaries are required to have separate operating employees and operating officers of the Utilities may not be operating officers of the other subsidiaries. The Utilities may provide administrative and other services to, and receive such services from, Con Edison and its other subsidiaries only pursuant to cost allocation procedures approved by the NYSPSC. Transfers of assets between the Utilities and Con Edison or its other subsidiaries may be made only as approved by the NYSPSC. The debt of the Utilities is to be raised directly by the Utilities and not derived from Con Edison. Without the prior permission of the NYSPSC, the Utilities may not make loans to, guarantee the obligations of, or pledge assets as security for the indebtedness of Con Edison or its other subsidiaries. The NYSPSC limits the dividends that the Utilities may pay Con Edison. As a result, substantially all of the net assets of CECONY and O&R ($19,873 million and $1,134 million, respectively), at September 30, 2024, are considered restricted net assets. The NYSPSC may impose additional measures to separate, or "ring fence," the Utilities from Con Edison and its other subsidiaries.

The costs of administrative and other services provided by CECONY to, and received by it from, Con Edison and its other subsidiaries for the three and nine months ended September 30, 2024 and 2023 were as follows:

	For the Three Months Ended September 30,	
	CECONY (a)	
(Millions of Dollars)	**2024**	**2023**
Cost of services provided	$39	$39
Cost of services received	$21	$21

	For the Nine Months Ended September 30,	
	CECONY (a)	
(Millions of Dollars)	**2024**	**2023**
Cost of services provided	$106	$105
Cost of services received	$62	$61

(a) On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S.

In addition, CECONY and O&R have joint gas supply arrangements in connection with which CECONY sold to O&R, $14 million of natural gas for the three months ended September 30, 2024 and 2023 and $52 million and $60 million for the nine months ended September 30, 2024 and 2023, respectively. These amounts are net of the effect of related hedging transactions.

At September 30, 2024 and December 31, 2023, CECONY's net receivable from Con Edison for income taxes were $452 million and $110 million, respectively.

The Utilities perform work and incur expenses on behalf of New York Transco, a company in which Con Edison Transmission has a 45.7 percent interest in New York Transco's New York Energy Solution project and a 41.7 percent interest in New York Transco's share of the Propel NY Energy project that is jointly owned with New York Power Authority (NYPA). The Utilities bill New York Transco for such work and expenses in accordance with established policies. For the three and nine months ended September 30, 2024 and 2023, the amounts billed by the Utilities to New York Transco were immaterial.

CECONY has a 20-year transportation contract with MVP for 200,000 Dts per day of capacity. Con Edison Transmission's interest in MVP is expected to be approximately 6.6 percent. See "Investment in Mountain Valley Pipeline, LLC (MVP)" in Note A. In October 2017, the Environmental Defense Fund and the Natural Resource Defense Council requested the NYSPSC to prohibit CECONY from recovering costs under its contract with MVP unless CECONY can demonstrate that the contract is in the public interest. CECONY advised the NYSPSC that it would respond to the request if the NYSPSC were to open a proceeding to consider this request. For the three and nine months ended September 30, 2024, the amounts billed by MVP to CECONY were $12 million.

FERC has authorized CECONY to lend funds to O&R for a period of not more than 12 months, in an amount not to exceed $250 million, at prevailing market rates. At September 30, 2024 and December 31, 2023 there were no outstanding loans to O&R.

The Consolidated Edison Foundation, Inc. (the Foundation), established in December 2023, is a non-consolidated not-for-profit corporation funded by Con Edison that plans to make contributions to selected charitable organizations. In April 2024, Con Edison made a $12 million contribution to the Foundation that Con Edison accrued as an expense in “Other Income and Deductions” within its consolidated income statement for the year ended December 31, 2023.

Note Q – New Financial Accounting Standards

In November 2023, the Financial Accounting Standards Board (FASB) issued amendments to the disclosure requirements for a public entity’s reportable segments through ASU 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures." The amendments improve the disclosures about a public entity’s reportable segments and address requests from investors for additional, more detailed information about a reportable segment’s expenses. The amendments are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. A public entity should apply these amendments retrospectively to all prior periods presented in the financial statements. The Companies do not expect the new guidance to have a material impact on their financial position, results of operations and liquidity.

In December 2023, the FASB issued amendments to the guidance on accounting for Income Taxes (Topic 740) through ASU 2023-09 to improve disclosures related to income taxes. The amendments focus on three key areas: rate reconciliation, income taxes paid, and income (or loss)/income tax expense (or benefit) from disaggregated continuing operations. For public entities, the amendments are effective for annual reporting periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements. The Companies do not expect the new guidance to have a material impact on their financial position, results of operations and liquidity.

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40) to improve disclosures about a public business entity's expenses. The ASU addresses requests from investors for more detailed information about the types of expenses (including purchases of inventory, employee compensation, depreciation, amortization, and depletion) in commonly presented expense captions. The amendments require a public business entity to disclose, in the notes to the financial statements, specified information about certain costs and expenses at each interim and annual reporting period. The amendments are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The Companies are in the process of evaluating the potential impact of the ASU on their financial position, results of operations and liquidity.

Note R – Dispositions

During the first nine months of 2022, Con Edison considered strategic alternatives with respect to the Clean Energy Businesses. On October 1, 2022, following the conclusion of such review and to allow for continued focus on the Utilities and their clean energy transition, Con Edison entered into a purchase and sale agreement pursuant to which Con Edison agreed to sell all of the stock of the Clean Energy Businesses to RWE Renewables Americas, LLC, a subsidiary of RWE for a total of $6,800 million, subject to closing adjustments. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses to RWE for $3,993 million. The preliminary purchase price at closing was adjusted (i) upward for certain cash and cash equivalents, (ii) downward for certain indebtedness and debt-like items, (iii) downward for certain transaction expenses, (iv) downward to the extent that the net working capital varied from a set target, (v) upward to the extent that capital investments incurred prior to the closing of the transaction varied from a set budget, and (vi) downward by the value allocated to Broken Bow II, a project that was not able to be conveyed to RWE upon closing of the transaction. The process to finalize the purchase price was completed during the second quarter of 2024. The final purchase price was subject to customary adjustments for timing differences and a final valuation report, among other factors. The transaction was completed at arm's length and RWE was not, and will not be, considered a related party to Con Edison.

Con Edison's preliminary gain on the sale of all of the stock of the Clean Energy Businesses was $866 million ($784 million, after tax) for the nine months ended September 30, 2023, including an immaterial amount for the three months ended September 30, 2023. Con Edison's preliminary gain on the sale of all of the stock of the Clean Energy Businesses was $865 million ($767 million, after tax) for the year ended December 31, 2023. Cumulatively through September 30, 2024 the gain on the sale of all of the stock of the Clean Energy Businesses was $835 million ($745 million, after tax), reflecting a downward adjustment of $30 million ($22 million after-tax) for the nine month period, resulting from certain customary closing adjustments. The portion of the gain attributable to the non-controlling interest retained in certain tax-equity projects was not material. The sale included all assets, operations and projects of the Clean Energy Businesses with the exception of tax equity interests in three projects, described below, and one deferred project, Broken Bow II, a 75MW nameplate capacity wind power project located in Nebraska. See Note S. Transfer of the project depends on one outstanding counterparty consent, and if and when such consent is obtained within two years of the sale of all of the stock of the Clean Energy Businesses, i.e., by February 28, 2025, the project will transfer and the corresponding value, subject to adjustment, will be paid to Con Edison. RWE Renewables Americas, LLC operates the facility on behalf of Con Edison pursuant to certain service agreements, for which the fees are not material.

Con Edison retained the Clean Energy Businesses' tax equity investment interest in the Crane solar project and another tax equity investment interest in two solar projects located in Virginia. These tax equity partnerships produced renewable energy tax credits that can be used to reduce Con Edison's federal income tax. These tax credits are subject to recapture, in whole or in part, if the assets are sold within a five-year period beginning on the date on which the assets are placed in service. Con Edison will continue to employ HLBV accounting for its interests in these tax equity partnerships. The combined carrying value of the retained tax equity interests is approximately $9 million at September 30, 2024.

Con Edison also retained any post-sale deferred income taxes (federal and state income taxes, including tax attributes), any valuation allowances associated with the deferred tax assets, all current federal taxes and New York State taxes and the estimated liability for uncertain tax positions. The unamortized deferred investment tax credits of the Clean Energy Businesses were recognized in full upon the completion of the sale of all of the stock of the Clean Energy Businesses.

Concurrent with entering into the purchase and sale agreement, Con Edison incurred costs in the normal course of the sale process. Transaction costs of an immaterial amount and $11 million ($8 million after-tax), were recorded in the three and nine months ended September 30, 2023, respectively, and were immaterial for the three and nine months ended September 30, 2024. Also, depreciation and amortization expense of approximately $41 million ($28 million after-tax) were not recorded on the assets of the Clean Energy Businesses in 2023 through the closing of the transaction.

Following the sale of all of the stock of the Clean Energy Businesses and pursuant to a reimbursement and indemnity agreement with RWE, Con Edison remains responsible for certain potential costs related to a battery storage project located in Imperial County, California. Con Edison's exposure under the agreement could range up to approximately $172 million. As of September 30, 2024, no material amounts were recorded as liabilities on Con Edison's consolidated balance sheet related to this agreement.

The following table shows the pre-tax operating income for the Clean Energy Businesses. The 2023 period shown is through the date of the sale of the Clean Energy Businesses; there is no applicable data for the three and nine months ended September 30, 2024.

	Nine Months Ended September 30, 2023
(Millions of Dollars)	**2023**
Pre-tax operating income	$25
Pre-tax operating income, excluding non-controlling interest	$21

Note S – Assets and Liabilities Held-for-Sale

On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R. The sale included all assets, operations and projects of the Clean Energy Businesses with the exception of tax equity interests in three projects and one deferred project, Broken Bow II, a 75 MW nameplate capacity wind power project located in Nebraska. Transfer of the project from Con Edison to RWE depends on one outstanding counterparty consent, and if and when such consent is obtained within two years of the sale of all of the stock of the Clean Energy Businesses, i.e., by February 28, 2025, the project will transfer. RWE Renewables Americas, LLC operates the facility on behalf of Con Edison pursuant to certain service agreements for which the fees are not material.

At September 30, 2024, the carrying amounts of the major classes of assets and liabilities of Broken Bow II that are expected to be sold are presented on a held-for-sale basis, and accordingly exclude net deferred tax liability balances, as follows:

(Millions of Dollars)	**September 30, 2024**
ASSETS	
CURRENT ASSETS	
Cash and temporary cash investments	$1
Accrued unbilled revenue	1
Restricted cash	8
Other current assets	2
TOTAL CURRENT ASSETS	12
NON-UTILITY PLANT	
Non-utility property, net accumulated depreciation	76
NET PLANT	76
OTHER NONCURRENT ASSETS	
Intangible assets less accumulated amortization	72
Operating lease right-of-use asset	7
TOTAL OTHER NONCURRENT ASSETS	79
TOTAL ASSETS	$167

(Millions of Dollars)	**September 30, 2024**
LIABILITIES	
CURRENT LIABILITIES	
Long-term debt due within one year	$2
Operating lease liabilities	2
Other current liabilities	9
TOTAL CURRENT LIABILITIES	13
NONCURRENT LIABILITIES	
Asset retirement obligations	3
Operating lease liabilities	5
TOTAL NONCURRENT LIABILITIES	8
LONG-TERM DEBT	59
TOTAL LIABILITIES	$80

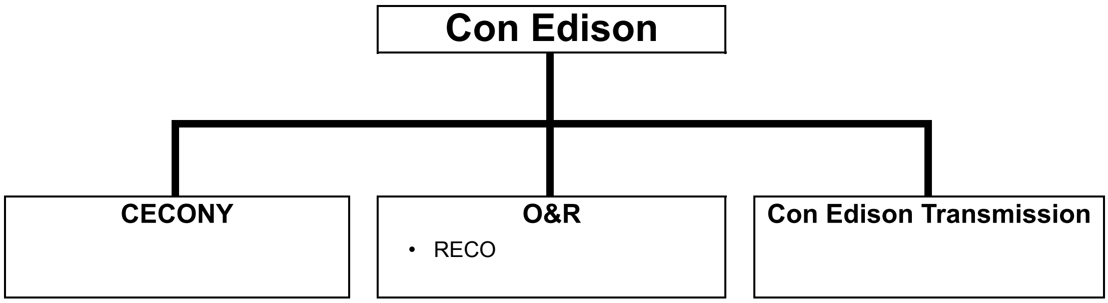
Item 2: Management’s Discussion and Analysis of Financial Condition and Results of Operations

This combined management’s discussion and analysis of financial condition and results of operations (MD&A) relates to the consolidated financial statements (the Third Quarter Financial Statements) included in this report of two separate registrants: Consolidated Edison, Inc. (Con Edison) and Consolidated Edison Company of New York, Inc. (CECONY). As used in this report, the term the “Companies” refers to Con Edison and CECONY. CECONY is a subsidiary of Con Edison and, as such, information in this MD&A about CECONY applies to Con Edison.

This MD&A should be read in conjunction with the Third Quarter Financial Statements and the notes thereto and the MD&A in Item 7 of the Companies’ combined Annual Report on Form 10-K for the year ended December 31, 2023 (File Nos.1-14514 and 1-01217, the Form 10-K) and the MD&A in Part 1, Item 2 of the Companies' combined Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2024 and June 30, 2024 (File Nos. 1-14514 and 1-01217).

Information in any item of this report referred to in this discussion and analysis is incorporated by reference herein. The use of terms such as “see” or “refer to” shall be deemed to incorporate by reference into this discussion and analysis the information to which reference is made.

Con Edison, incorporated in New York State in 1997, is a holding company that owns all of the outstanding common stock of CECONY, Orange and Rockland Utilities, Inc. (O&R) and Con Edison Transmission, Inc. As used in this report, the term the “Utilities” refers to CECONY and O&R.



Con Edison’s principal business operations are those of the Utilities and Con Edison Transmission. CECONY’s principal business operations are its regulated electric, gas and steam delivery businesses. O&R’s principal business operations are its regulated electric and gas delivery businesses. Con Edison Transmission, through its subsidiaries, invests in electric transmission projects supporting Con Edison's effort to transition to clean, renewable energy and manages, through joint ventures, both electric and gas assets while seeking to develop electric transmission projects that will bring clean, renewable electricity to customers focusing on New York and the Northeast. See "Investments" in Note A to the Third Quarter Financial Statements. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S to the Third Quarter Financial Statements.

Con Edison seeks to provide shareholder value through continued dividend growth, supported by earnings growth in regulated utilities and contracted electric transmission assets. Con Edison invests to provide reliable, resilient, safe and clean energy critical for its New York and New Jersey customers. Con Edison is a responsible neighbor, helping the communities it serves become more sustainable.

In addition to the Companies’ material contingencies described in Notes B, G and H to the Third Quarter Financial Statements, the Companies’ management considers the following events, trends, and uncertainties to be important to understanding the Companies’ current and future financial condition.

Aged Accounts Receivable Balances

At September 30, 2024, CECONY's and O&R's customer accounts receivables balances of $2,904 million and $123 million, respectively, included aged accounts receivables (balances outstanding in excess of 60 days) of $1,654 million and $34 million, respectively. In comparison, CECONY's and O&R's customer accounts receivable balances at February 28, 2020 were $1,322 million and $89 million, respectively, including aged accounts receivables (balances outstanding in excess of 60 days) of $408 million and $15 million, respectively. Prior to the start of the COVID-19 pandemic, the Utilities' practice was to write off customer accounts receivables as uncollectible 90 days after the account is disconnected for non-payment or the account is closed during the collection process. In general, the Utilities suspended collection activities and service disconnections during the COVID-19 pandemic and have since resumed such activities. CECONY's rate plans include reconciliation of late payment charges (from January 1, 2023 through December 31, 2025 for electric and gas and from January 1, 2020 through October 31, 2026 for steam) and write-offs of customer accounts receivable balances (from January 1, 2020 through December 31, 2025 for electric and gas and from January 1, 2020 through October 31, 2026 for steam) to amounts reflected in rates, with recovery/refund from or to customers via surcharge/sur-credit. CECONY's surcharge recoveries for late payment charges and write-offs of accounts receivable balances will, collectively, be subject to separate annual caps for electric and gas that produce no more than a half percent (0.5 percent) total customer bill impact per commodity (estimated for electric to be $57.3 million, $60.3 million, $62.6 million for 2023, 2024 and 2025, respectively, and for gas to be $14.8 million, $15.9 million and $16.8 million for 2023, 2024 and 2025, respectively). CECONY's surcharge recoveries for late payment charges and write-offs of accounts receivables for steam will each be subject to an annual cap that produces no more than half percent (0.5 percent) total customer bill impact (estimated to be $2.5 million, $3.0 million and $3.5 million for 2024, 2025 and 2026, respectively). Amounts in excess of the surcharge caps will be deferred as a regulatory asset for recovery in CECONY's next base rate cases. O&R's 2022 - 2024 rate plans include reconciliation of late payment charges to amounts reflected in rates for years 2022 through 2024, with full recovery/refund via surcharge/sur-credit once the annual variance equals or exceeds 5 basis points of return on equity and reconciliation of write-offs of customer accounts receivable balances to amounts reflected in rates from January 1, 2020 through December 31, 2024, with full recovery/refund via surcharge/sur-credit once the annual variance equals or exceeds 5 basis points of return on equity. Although these regulatory mechanisms are in place, a continued increase in accounts receivable balances has impacted and is expected to continue to impact the Companies' liquidity. See "Liquidity and Capital Resources," below, and Note B and Note L to the Third Quarter Financial Statements.

In May 2024, the NYSPSC issued an order implementing amendments to certain provisions of the New York State Public Service Law that require utilities, including CECONY and O&R, to bill most residential and small non-residential customers within three months instead of six months of the end of their service period, to provide 13 months of usage information on all electric, gas and steam bills and to make available two years of historical billing information upon customer request. The NYSPSC also ordered the NYSDPS to further consider regulations that would expand the new billing requirements to large non-residential customers and to prohibit utilities, including CECONY and O&R, from recovering revenue lost due to untimely billing.

Clean Energy Goals

The success of the Companies' efforts to meet federal, state and city clean energy policy goals and the impact of energy consumers' efforts to meet such goals on CECONY's electric, gas and steam businesses and O&R's electric and gas businesses may impact the Companies' future financial condition. The Utilities expect electric usage to increase and gas and steam usage to decrease in their service territories as federal, state and local laws and policies are enacted and implemented that aim to reduce the carbon intensity of the energy that is consumed in their respective jurisdictions. The Utilities' and their regulators' efforts to maintain electric reliability in their service territories as electric usage increases may also impact the Companies' future financial condition. The long-term future of the Utilities' gas businesses depends upon the role that natural gas or other gaseous fuels will play in facilitating New York State's and New York City's climate goals. In addition, the impact and costs of climate change on the Utilities' systems and the success of the Utilities' efforts to maintain system reliability and manage service interruptions resulting from severe weather may impact the Companies' future financial condition, results of operations and liquidity.

Con Edison Transmission

Con Edison Transmission, through its New York Transco partnership and jointly NYPA, is developing the Propel NY Energy transmission project that will deliver offshore wind energy from Long Island to New York City, Westchester County and the rest of New York State's high voltage power grid. Con Edison Transmission is also participating in competitive solicitations to develop additional electric projects, including a proposal submitted in April 2024 with another entity to build transmission infrastructure that will carry offshore wind power to New Jersey's electric grid and multiple proposals submitted in June 2024 through its New York Transco partnership to integrate electricity produced from offshore wind into New York City's energy grid. The success of Con Edison Transmission's efforts in these competitive solicitations and to grow its electric transmission portfolio may impact Con Edison's future capital requirements.

CECONY

Electric

CECONY provides electric service to approximately 3.7 million customers in all of New York City (except a part of Queens) and most of Westchester County, an approximately 660 square mile service area with a population of more than nine million.

During the summer of 2024, electric peak demand in CECONY's service area was 11,822 MW (which occurred on July 16, 2024). At design conditions, electric peak demand in CECONY's service area would have been approximately 12,540 MW in 2024 compared to the company's forecast of 12,800 MW. The lower peak demand at design conditions as compared to the forecast primarily reflects lower than anticipated new business. CECONY increased its five-year forecast of average annual growth in electric peak demand in its service area at design conditions from approximately 0.7 percent (for 2024 to 2028) to approximately 1.0 percent (for 2025 to 2029).

Gas

CECONY delivers gas to approximately 1.1 million customers in Manhattan, the Bronx, parts of Queens and most of Westchester County.

In June 2024, CECONY decreased its five-year forecast of average annual growth of the firm peak gas demand in its service area at design conditions from approximately 0.8 percent (for 2024 to 2028) to approximately 0.1 percent (for 2025 to 2029). The decrease is reflective of and aligned with state and local clean energy future policies driving the phase-out of the use of natural gas.

Steam

CECONY operates the largest steam distribution system in the United States by producing and delivering approximately 15,444 MMlb of steam annually to approximately 1,510 customers in parts of Manhattan.

In June 2024, CECONY increased its five-year forecast of the average annual peak steam demand in its service area at design conditions from a 0.5 percent decrease (for 2024 to 2028) to a 0.4 percent decrease (for 2025 to 2029). The increase is reflective of and aligned with local policies driving the phase-out of the use of natural gas along with an anticipated increase in oil-to-steam customer conversions.

Collective Bargaining Agreement

In June 2024, CECONY reached a collective bargaining agreement with its largest union covering approximately 7,300 employees. The union subsequently ratified the four-year agreement with an effective date of June 23, 2024.

O&R

Electric

O&R and its utility subsidiary, Rockland Electric Company (RECO) (together referred to herein as O&R) provide electric service to approximately 0.3 million customers in southeastern New York and northern New Jersey an approximately 1,300 square mile service area.

During the summer of 2024, electric peak demand in O&R's service area was 1,484 MW (which occurred on July 16, 2024). At design conditions, electric peak demand in O&R's service area would have been approximately 1,533 MW in 2024 compared to O&R's forecast of 1,530 MW. O&R increased its five-year forecast of average annual growth in electric peak demand in its service area at design conditions from approximately 2.0 percent (for 2024 to 2028) to approximately 3.7 percent (for 2025 to 2029).

Gas
O&R delivers gas to over 0.1 million customers in southeastern New York.

In June 2024, O&R increased its five-year forecast of the average annual firm peak gas demand in its service area at design conditions from a 0.2 percent decrease (for 2024 to 2028) to a 0.1 percent decrease (for 2025 to 2029). This change is reflective of and aligned with state clean energy future policies driving the phase-out of the use of natural gas.

Certain financial data of Con Edison’s businesses are presented below:

	For the Three Months Ended September 30, 2024				For the Nine Months Ended September 30, 2024				At September 30, 2024	
(Millions of Dollars, except percentages)	Operating Revenues		Net Income for Common Stock		Operating Revenues		Net Income for Common Stock		Assets	
CECONY	$3,762	92 %	$537	91 %	$10,730	93 %	$1,417	95 %	$63,849	92 %
O&R	329	8	42	7	855	7	82	5	3,970	6
Total Utilities	$4,091	100 %	$579	98 %	$11,585	100 %	$1,499	100 %	$67,819	98 %
Con Edison Transmission	1	—	11	2	3	—	35	2	456	1
Other (a)	—	—	(2)	—	(1)	—	(24)	(2)	370	1
Total Con Edison	**$4,092**	**100 %**	**$588**	**100 %**	**$11,587**	**100 %**	**$1,510**	**100 %**	**$68,645**	**100 %**

(a) Other includes the parent company, Con Edison’s tax equity investments, the deferred project held for sale and consolidation adjustments. Net income for common stock for the nine months ended September 30, 2024 includes $(22) million (after-tax) for an adjustment related to the sale of the Clean Energy Businesses. See Note R and Note S to the Third Quarter Financial Statements.

Inflation Reduction Act
On August 16, 2022, the Inflation Reduction Act of 2022 (the IRA) was signed into law and included a new 15 percent Corporate Alternative Minimum Tax (CAMT). Under the IRA, a corporation is subject to the CAMT if its average annual adjusted financial statement Income for the three taxable year period ending prior to the taxable year exceeds $1,000 million, and applies to tax years beginning after December 31, 2022. Con Edison and CECONY were not subject to the CAMT in 2023 and are subject to the CAMT beginning in 2024. The Companies are continuing to assess the impacts of the IRA on their financial statements and will update estimates based on future guidance to be issued by the Department of the Treasury.

New York Legislation
In April 2021, New York passed a law that increased the corporate franchise tax rate on business income from 6.5 percent to 7.25 percent, retroactive to January 1, 2021, for taxpayers with taxable income greater than $5 million. The law also reinstated the business capital tax at 0.1875 percent, not to exceed a maximum tax liability of $5 million per taxpayer. New York requires a corporate franchise taxpayer to calculate and pay the highest amount of tax under the three alternative methods: a tax on business income; a tax on business capital; or a fixed dollar minimum. The provisions to increase the corporate franchise tax rate and reinstate a capital tax were scheduled to expire after 2023. In May 2023, New York passed a law that extended the increase in the corporate franchise tax rate from 6.5 percent to 7.25 percent for an additional three years, through tax year 2026 and extended the business capital tax through tax year 2026. New York also passed a law establishing a permanent rate of 30 percent for the metropolitan transportation business tax surcharge. As a result of the sale of all of the stock of the Clean Energy Businesses in 2023, Con Edison’s New York State taxable income was higher than $5 million and it was subject to the higher 7.25 percent rate (9.425 percent with the surcharge rate) on its taxable income for tax year 2023, but is not expected to be subject to the higher rate in tax year 2024.

Results of Operations

Net income for common stock and earnings per share for the three and nine months ended September 30, 2024 and 2023 were as follows:

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2024	2023	2024	2023	2024	2023	2024	2023
(Millions of Dollars, except per share amounts)	Net Income for Common Stock		Earnings per Share		Net Income for Common Stock		Earnings per Share	
CECONY	$537	$515	$1.55	$1.49	$1,417	$1,308	$4.10	$3.75
O&R	42	36	0.12	0.10	82	75	0.24	0.21
Clean Energy Businesses (a) (e)	—	—	—	—	—	22	—	0.06
Con Edison Transmission (c)	11	4	0.03	0.01	35	10	0.10	0.03
Other (b)	(2)	(29)	—	(0.07)	(24)	770	(0.07)	2.22
Con Edison (d)	**$588**	**$526**	**$1.70**	**$1.53**	**$1,510**	**$2,185**	**$4.37**	**$6.27**

(a) Net income for common stock from the Clean Energy Businesses for the nine months ended September 30, 2023 included $(9) million or $(0.03) a share net after-tax mark-to-market effects. Net income for common stock and earnings per share from the Clean Energy Businesses for the nine months ended September 30, 2023 also includes $2 million or $0.01 a share (after-tax) net of the effects of HLBV accounting for tax equity investments in certain renewable electric projects. Depreciation and amortization expenses on their assets of $31 million or $0.09 a share (after-tax) were not recorded for the nine months ended September 30, 2023.

(b) Other includes the parent company, Con Edison's tax equity investments, the deferred project held for sale and consolidation adjustments. Net income for common stock and earnings per share for the nine months ended September 30, 2024 includes $(22) million (after-tax) or $(0.07) a share (after-tax) for an adjustment related to the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S to the Third Quarter Financial Statements. Net income for common stock and earnings per share for the three and nine months ended September 30, 2024 also included $2 million or $0.01 a share (after-tax) and $1 million or $0.01 a share (after-tax), respectively, net of the effects of HLBV accounting for tax equity investments in certain renewable electric projects.

Net income for common stock and earnings per share for the nine months ended September 30, 2023 included an immaterial amount or $0.00 a share net of income tax impact on the net after-tax mark-to-market effects. Net income for common stock and earnings per share for the three and nine months ended September 30, 2023, respectively, also included $(3) million or $(0.01) a share and $(7) million or $(0.02) a share net of income tax impact on the effects of HLBV accounting for tax equity investments in certain renewable electric projects. Net income for common stock for the three and nine months ended September 30, 2023 also included $(5) million or $(0.01) a share and $(13) million and $(0.04) a share of transaction costs and other accruals, respectively, related to the sale of all of the stock of the Clean Energy Businesses (net of tax). Impact of the sale of the Clean Energy Businesses on the changes in state unitary tax apportionments (net of federal taxes) is $(7) million or $(0.02) per share and $(17) million or $(0.05) per share for the three and nine months ended September 30, 2023, respectively. Depreciation and amortization expenses on the assets of the Clean Energy Businesses of $(3) million or $(0.01) a share (after-tax) were not recorded for the nine months ended September 30, 2023. Net income for common stock and earnings per share for the three months ended September 30, 2023 included an increase in the state taxes on sale of $(19) million or $(0.05) a share. Net income for common stock and earnings per share for the nine months ended September 30, 2023 included $784 million (after-tax) or $2.25 a share (after-tax) for the gain on the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S to the Third Quarter Financial Statements.

(c) Net income for common stock and earnings per share for the three and nine months ended September 30, 2024 includes $3 million or $0.01 a share (after-tax) for accretion of the basis difference of Con Edison's equity investment in Mountain Valley Pipeline, LLC (MVP).

(d) Earnings per share on a diluted basis were $1.69 a share and $1.52 a share for the three months ended September 30, 2024 and 2023, respectively and $4.35 a share and $6.24 a share for the nine months ended September 30, 2024 and 2023, respectively.

(e) On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S to the Third Quarter Financial Statements.

The following tables present the estimated effect of major factors on earnings per share and net income for common stock for the three and nine months ended September 30, 2024 as compared with the 2023 period.

Variation for the Three Months Ended September 30, 2024 vs. 2023

	Net Income for Common Stock (Net of Tax) (Millions of Dollars)	Earnings per Share
CECONY (a)		
Higher electric rate base	$72	$0.22
New steam rate plan effective November 2023	4	0.01
Higher interest expense	(33)	(0.10)
Higher stock-based compensation expense	(9)	(0.03)
Change in gas rate base	(3)	(0.01)
Change in incentives earned under the electric and gas earnings adjustment mechanisms	(2)	(0.01)
Other	(7)	(0.02)
Total CECONY	22	0.06
O&R (a)		
Electric base rate increase	10	0.03
Higher interest expense	(3)	(0.01)
Other	(1)	—
Total O&R	6	0.02
Con Edison Transmission		
Higher investment income, primarily due to allowance for funds used during construction (AFUDC) from MVP	7	0.02
Accretion of the basis difference of Con Edison's equity investment in MVP	3	0.01
Other	(3)	(0.01)
Total Con Edison Transmission	7	0.02
Other, including parent company expenses		
Gain and other impacts related to the sale of the Clean Energy Businesses	31	0.08
HLBV effects	6	0.02
Lower interest income	(5)	(0.02)
Other	(5)	(0.01)
Total Other, including parent company expenses	27	0.07
Total Reported (GAAP basis)	$62	$0.17

a. Under the revenue decoupling mechanisms in the Utilities' New York electric and gas rate plans, revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved. In general, the Utilities recover on a current basis the fuel, gas purchased for resale and purchased power costs they incur in supplying energy to their full-service customers. Accordingly, such costs do not generally affect Con Edison's results of operations.

Variation for the Nine Months Ended September 30, 2024 vs. 2023

	Net Income for Common Stock (Net of Tax) (Millions of Dollars)	Earnings per Share
CECONY (a)		
Higher electric rate base	$109	$0.31
New steam rate plan effective November 2023	63	0.18
Higher gas rate base	17	0.05
Change in incentives earned under the electric and gas earnings adjustment mechanisms	2	0.01
Impact of the NYSPSC order denying an April 2023 petition by CECONY that requested permission to capitalize costs to implement its new customer billing and information system	(37)	(0.11)
Higher operations maintenance activities	(32)	(0.09)
Higher stock-based compensation	(7)	(0.02)
Higher payroll taxes	(4)	(0.01)
Accretive effect of share repurchase	—	0.04
Other	(2)	(0.01)
Total CECONY	109	0.35
O&R (a)		
Electric base rate increase	17	0.05
Gas base rate increase	2	0.01
Higher interest expense	(4)	(0.01)
Other	(8)	(0.02)
Total O&R	7	0.03
Clean Energy Businesses (b)		
Total Clean Energy Businesses	(22)	(0.06)
Con Edison Transmission		
Higher investment income and an income tax adjustment due to AFUDC from MVP	22	0.06
Accretion of the basis difference of Con Edison's equity investment in MVP	3	0.01
Total Con Edison Transmission	25	0.07
Other, including parent company expenses		
HLBV effects	9	0.03
Gain and other impacts related to the sale of the Clean Energy Businesses	(776)	(2.23)
Lower interest income	(19)	(0.06)
Higher interest expense	(2)	(0.01)
Other	(6)	(0.02)
Total Other, including parent company expenses	(794)	(2.29)
Total Reported (GAAP basis)	$(675)	$(1.90)

a. Under the revenue decoupling mechanisms in the Utilities' New York electric and gas rate plans and the weather-normalization clause applicable to their gas businesses, revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved. Effective November 1, 2023, revenues from CECONY's steam sales are also subject to a weather normalization clause, as a result of which, delivery revenues reflect normal weather conditions during the heating season. In general, the Utilities recover on a current basis the fuel, gas purchased for resale and purchased power costs they incur in supplying energy to their full-service customers. Accordingly, such costs do not generally affect Con Edison's results of operations.

b. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses.

The Companies' other operations and maintenance expenses for the three and nine months ended September 30, 2024 and 2023 were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(Millions of Dollars)	2024	2023	2024	2023
CECONY				
Operations	$472	$513	$1,457	$1,383
Pensions and other postretirement benefits	35	87	104	259
Health care and other benefits	53	52	140	124
Regulatory fees and assessments (a)	136	111	350	283
Other (b)	184	71	488	292
Total CECONY	$880	$834	$2,539	$2,341
O&R	104	96	294	283
Clean Energy Businesses (c)	—	—	—	47
Con Edison Transmission	2	2	8	8
Other (d)	—	1	—	(1)
Total other operations and maintenance expenses	**$986**	**$933**	**$2,841**	**$2,678**

(a) Includes Demand Side Management, System Benefit Charges and Public Service Law 18A assessments that are collected in revenues.
(b) Other includes the impact of the NYSPSC order denying an April 2023 petition by CECONY that requested permission to capitalize costs to implement its new customer billing and information system for the nine months ended September 30, 2024 ($51 million).
(c) On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S to the Third Quarter Financial Statements.
(d) Other includes the parent company, Con Edison's tax equity investments, the deferred project held for sale and consolidation adjustments. See Note S to the Third Quarter Financial Statements.

A discussion of the results of operations by principal business segment for the three and nine months ended September 30, 2024 and 2023 follows. For additional business segment financial information, see Note M to the Third Quarter Financial Statements.

The Companies' results of operations for the three months ended September 30, 2024 and 2023 were as follows:

	CECONY		O&R		Con Edison Transmission		Other (a)		Con Edison (b)	
(Millions of Dollars)	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Operating revenues	$3,762	$3,590	$329	$281	$1	$1	$—	$—	$4,092	$3,872
Purchased power	642	719	101	77	—	—	—	—	743	796
Fuel	27	34	—	—	—	—	—	—	27	34
Gas purchased for resale	59	62	7	11	—	—	1	—	67	73
Other operations and maintenance	880	834	104	96	2	2	—	1	986	933
Depreciation and amortization	520	485	30	26	—	1	—	—	550	512
Taxes, other than income taxes	831	777	24	23	—	—	2	1	857	801
Loss on sale of the Clean Energy Businesses	—	—	—	—	—	—	—	(1)	—	(1)
Operating income (loss)	803	679	63	48	(1)	(2)	(3)	(3)	862	722
Other income	138	184	8	12	16	8	3	3	165	207
Net interest expense	285	239	17	13	—	—	4	7	306	259
Income (loss) before income tax expense	656	624	54	47	15	6	(4)	(7)	721	670
Income tax expense (benefit)	119	109	12	11	4	2	(2)	22	133	144
Net income (loss)	**$537**	**$515**	**$42**	**$36**	**$11**	**$4**	**$(2)**	**$(29)**	**$588**	**$526**
Net income (loss) for common stock	**$537**	**$515**	**$42**	**$36**	**$11**	**$4**	**$(2)**	**$(29)**	**$588**	**$526**

(a) Other includes the parent company, Con Edison's tax equity investments, the deferred project held for sale and consolidation adjustments. See Note S to the Third Quarter Financial Statements.
(b) Represents the consolidated results of operations of Con Edison and its businesses.

CECONY

(Millions of Dollars)	For the Three Months Ended September 30, 2024				For the Three Months Ended September 30, 2023				
(Millions of Dollars)	Electric	Gas	Steam	2024 Total	Electric	Gas	Steam	2023 Total	2024-2023 Variation
Operating revenues	$3,376	$337	$49	$3,762	$3,223	$318	$49	$3,590	$172
Purchased power	637	—	5	642	713	—	6	719	(77)
Fuel	27	—	—	27	33	—	1	34	(7)
Gas purchased for resale	—	59	—	59	—	62	—	62	(3)
Other operations and maintenance	696	132	52	880	644	129	61	834	46
Depreciation and amortization	376	117	27	520	352	108	25	485	35
Taxes, other than income taxes	642	141	48	831	614	127	36	777	54
Operating income	**$998**	**$(112)**	**$(83)**	**$803**	**$867**	**$(108)**	**$(80)**	**$679**	**$124**

Electric

CECONY's results of electric operations for the three months ended September 30, 2024 compared with the 2023 period were as follows:

	For the Three Months Ended		
(Millions of Dollars)	September 30, 2024	September 30, 2023	Variation
Operating revenues	$3,376	$3,223	$153
Purchased power	637	713	(76)
Fuel	27	33	(6)
Other operations and maintenance	696	644	52
Depreciation and amortization	376	352	24
Taxes, other than income taxes	642	614	28
Electric operating income	**$998**	**$867**	**$131**

CECONY's electric sales and deliveries for the three months ended September 30, 2024 compared with the 2023 period were:

	Millions of kWh Delivered				Revenues in Millions (a)			
	For the Three Months Ended				For the Three Months Ended			
Description	September 30, 2024	September 30, 2023	Variation	Percent Variation	September 30, 2024	September 30, 2023	Variation	Percent Variation
Residential/Religious (b)	4,155	3,960	195	4.9 %	$1,438	$1,233	$205	16.6 %
Commercial/Industrial	2,947	3,052	(105)	(3.4)	846	840	6	0.7
Retail choice customers	6,168	5,914	254	4.3	940	817	123	15.1
NYPA, Municipal Agency and other sales	2,653	2,657	(4)	(0.2)	290	284	6	2.1
Other operating revenues (c)	—	—	—	—	(138)	49	(187)	Large
Total	**15,923**	**15,583**	**340**	**2.2 % (d)**	**$3,376**	**$3,223**	**$153**	**4.7 %**

(a) Revenues from electric sales are subject to a revenue decoupling mechanism, as a result of which delivery revenues generally are not affected by changes in delivery volumes from levels assumed when rates were approved.
(b) "Residential/Religious" generally includes single-family dwellings, individual apartments in multi-family dwellings, religious organizations and certain other not-for-profit organizations.
(c) Other electric operating revenues generally reflect changes in the revenue decoupling mechanism current asset or regulatory liability and changes in regulatory assets and liabilities in accordance with other provisions of CECONY's rate plan.
(d) After adjusting for variations, primarily weather and billing days, electric delivery volumes in CECONY's service area increased 1.6 percent in the three months ended September 30, 2024 compared with the 2023 period.

Operating revenues increased $153 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to an increase in revenues from the electric rate plan ($168 million), offset in part by lower fuel expenses ($6 million).

Purchased power expenses decreased $76 million in the three months ended September 30, 2024 compared with the 2023 period due to lower purchased volumes ($11 million) and lower unit costs ($65 million).

Fuel expenses decreased $6 million in the three months ended September 30, 2024 compared with the 2023 period due to lower unit costs ($5 million) and lower purchased volumes from the company's electric generating facilities ($1 million).

Other operations and maintenance expenses increased $52 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to higher total surcharges for assessments and fees that are collected in revenues from customers ($37 million) and an increase in stock-based compensation ($9 million).

Depreciation and amortization expenses increased $24 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to higher electric utility plant balances.

Taxes, other than income taxes increased $28 million in the three months ended September 30, 2024 compared with the 2023 period due to higher property taxes ($78 million) and higher state and local revenue taxes ($2 million), offset in part by higher deferral of under-collected property taxes ($53 million).

Gas

CECONY's results of gas operations for the three months ended September 30, 2024 compared with the 2023 period were as follows:

	For the Three Months Ended		
(Millions of Dollars)	**September 30, 2024**	**September 30, 2023**	**Variation**
Operating revenues	$337	$318	$19
Gas purchased for resale	59	62	(3)
Other operations and maintenance	132	129	3
Depreciation and amortization	117	108	9
Taxes, other than income taxes	141	127	14
Gas operating income	**$(112)**	**$(108)**	**$(4)**

CECONY's gas sales and deliveries, excluding off-system sales, for the three months ended September 30, 2024 compared with the 2023 period were:

	Thousands of Dt Delivered				Revenues in Millions (a)			
	For the Three Months Ended				For the Three Months Ended			
Description	**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**	**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**
Residential	3,557	3,884	(327)	(8.4)%	$133	$131	$2	1.5 %
General	3,252	4,094	(842)	(20.6)	72	58	14	24.1
Firm transportation	9,726	9,953	(227)	(2.3)	103	85	18	21.2
Total firm sales and transportation	**16,535**	**17,931**	**(1,396)**	**(7.8)% (b)**	**$308**	**$274**	**$34**	**12.4 %**
Interruptible sales (c)	496	2,693	(2,197)	(81.6)	5	13	(8)	(61.5)
NYPA	15,611	15,214	397	2.6	1	1	—	—
Generation plants	21,255	23,215	(1,960)	(8.4)	8	6	2	33.3
Other	3,966	4,023	(57)	(1.4)	6	6	—	—
Other operating revenues (d)	—	—	—	—	9	18	(9)	(50.0)
Total	**57,863**	**63,076**	**(5,213)**	**(8.3)%**	**$337**	**$318**	**$19**	**6.0 %**

(a) Revenues from gas sales are subject to a revenue decoupling mechanism as a result of which delivery revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved.
(b) After adjusting for variations, primarily billing days, firm gas sales and transportation volumes in CECONY's service area decreased 7.7 percent in the three months ended September 30, 2024 compared with the 2023 period.
(c) Includes 725 thousand and 1,819 thousand of Dt for the 2024 and 2023 periods, respectively, that are also reflected in firm transportation and other.
(d) Other gas operating revenues generally reflect changes in the revenue decoupling mechanism current asset or regulatory liability and changes in regulatory assets and liabilities in accordance with other provisions of CECONY's rate plan.

Operating revenues increased $19 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to an increase in gas revenues under the company's gas rate plan ($19 million).

Gas purchased for resale decreased $3 million in the three months ended September 30, 2024 compared with the 2023 period due to lower unit costs ($7 million), offset in part by higher purchased volumes ($4 million).

Other operations and maintenance expenses increased $3 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to an increase in stock-based compensation ($2 million).

Depreciation and amortization expenses increased $9 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to higher gas utility plant balances.

Taxes, other than income taxes increased $14 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to higher property taxes ($11 million) and lower deferral of under-collected property taxes ($4 million), offset in part by lower state and local revenue taxes ($2 million).

Steam

CECONY's results of steam operations for the three months ended September 30, 2024 compared with the 2023 period were as follows:

	For the Three Months Ended		
(Millions of Dollars)	**September 30, 2024**	**September 30, 2023**	**Variation**
Operating revenues	$49	$49	$—
Purchased power	5	6	(1)
Fuel	—	1	(1)
Other operations and maintenance	52	61	(9)
Depreciation and amortization	27	25	2
Taxes, other than income taxes	48	36	12
Steam operating income	**$(83)**	**$(80)**	**$(3)**

CECONY's steam sales and deliveries for the three months ended September 30, 2024 compared with the 2023 period were:

	Millions of Pounds Delivered				Revenues in Millions			
	For the Three Months Ended				For the Three Months Ended			
Description	**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**	**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**
General	15	7	8	Large	$2	$2	$—	— %
Apartment house	591	568	23	4.0	14	12	2	16.7
Annual power	1,677	1,796	(119)	(6.6)	34	30	4	13.3
Other operating revenues (a)	—	—	—	—	(1)	5	(6)	Large
Total	**2,283**	**2,371**	**(88)**	**(3.7)% (b)**	**$49**	**$49**	**$—**	**— %**

(a) Other steam operating revenues generally reflect changes in regulatory assets and liabilities in accordance with CECONY's rate plan.
(b) After adjusting for variations, primarily weather prior to November 1, 2023, and billing days, steam sales and deliveries in the company's service area decreased 3.0 percent in the three months ended September 30, 2024 compared with the 2023 period.

Operating revenues remained consistent in the three months ended September 30, 2024 compared with the 2023 period.

Other operations and maintenance expenses decreased $9 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to lower costs for pension and other postretirement benefits, reflecting reconciliation to the rate plan level ($15 million), offset in part by an increase in the total sur-credits for assessments and fees that are collected in revenues from customers municipal infrastructure support ($1 million) and higher stock-based compensation ($1 million).

Taxes, other than income taxes increased $12 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to a lower deferral of under-collected property taxes ($10 million) and higher property taxes ($2 million).

Taxes, Other Than Income Taxes

At $831 million, taxes other than income taxes remain one of CECONY's largest operating expenses for the three months ended September 30, 2024. The principal components of, and variations in, taxes other than income taxes were:

	For the Three Months Ended September 30,		
(Millions of Dollars)	2024	2023	Variation
Property taxes	$772	$681	$91
State and local taxes related to revenue receipts	115	115	—
Payroll taxes	20	19	1
Other taxes (b)	(76)	(38)	(38)
Total	**$831 (a)**	**$777 (a)**	**$54**

(a) Including sales tax on customers' bills, total taxes other than income taxes in 2024 and 2023 were $1,025 million and $990 million, respectively.
(b) Including the deferral of under-collected property taxes in 2024 and 2023 of $78 million and $40 million, respectively.

Other Income (Deductions)

Other income decreased $46 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to lower credits associated with components of pension and other postretirement benefits other than service cost ($44 million).

Net Interest Expense

Net interest expense increased $46 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to higher interest on long-term debt ($41 million) and an increase in the carrying charges and interest on regulatory liability balances ($2 million).

Income Tax Expense

Income taxes increased $10 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to higher income before income tax expense ($10 million) and various immaterial tax adjustments ($7 million), offset in part by higher amortization of excess deferred federal income taxes ($7 million).

O&R

	For the Three Months Ended September 30, 2024			For the Three Months Ended September 30, 2023			
(Millions of Dollars)	Electric	Gas	2024 Total	Electric	Gas	2023 Total	2024-2023 Variation
Operating revenues	$293	$36	$329	$246	$35	$281	$48
Purchased power	101	—	101	77	—	77	24
Gas purchased for resale	—	7	7	—	11	11	(4)
Other operations and maintenance	83	21	104	76	20	96	8
Depreciation and amortization	21	9	30	19	7	26	4
Taxes, other than income taxes	16	8	24	15	8	23	1
Operating income (loss)	**$72**	**$(9)**	**$63**	**$59**	**$(11)**	**$48**	**$15**

Electric

O&R's results of electric operations for the three months ended September 30, 2024 compared with the 2023 period were as follows:

	For the Three Months Ended		
(Millions of Dollars)	September 30, 2024	September 30, 2023	Variation
Operating revenues	$293	$246	$47
Purchased power	101	77	24
Other operations and maintenance	83	76	7
Depreciation and amortization	21	19	2
Taxes, other than income taxes	16	15	1
Electric operating income	**$72**	**$59**	**$13**

O&R's electric sales and deliveries for the three months ended September 30, 2024 compared with the 2023 period were:

	Millions of kWh Delivered				Revenues in Millions (a)			
	For the Three Months Ended				For the Three Months Ended			
Description	September 30, 2024	September 30, 2023	Variation	Percent Variation	September 30, 2024	September 30, 2023	Variation	Percent Variation
Residential/Religious (b)	691	627	64	10.2 %	$162	$140	$22	15.7 %
Commercial/Industrial	269	252	17	6.7	57	41	16	39.0
Retail choice customers	721	703	18	2.6	68	62	6	9.7
Public authorities	31	34	(3)	(8.8)	4	3	1	33.3
Other operating revenues (c)	—	—	—	—	2	—	2	Large
Total	**1,712**	**1,616**	**96**	**5.9 % (d)**	**$293**	**$246**	**$47**	**19.1 %**

(a) O&R's New York electric delivery revenues are subject to a revenue decoupling mechanism, as a result of which delivery revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved. The majority of O&R's electric distribution revenues in New Jersey are subject to a conservation incentive program, as a result of which distribution revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved. O&R's electric transmission revenues in New Jersey are not subject to a conservation incentive program, and as a result, changes in such volumes do impact revenues.
(b) "Residential/Religious" generally includes single-family dwellings, individual apartments in multi-family dwellings, religious organizations and certain other not-for-profit organizations.
(c) Other electric operating revenues generally reflect changes in regulatory assets and liabilities in accordance with O&R's electric rate plan.
(d) After adjusting for weather and other variations, electric delivery volumes in O&R's service area increased 7.7 percent in the three months ended September 30, 2024 compared with the 2023 period.

Operating revenues increased $47 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to higher purchased power expenses ($24 million) and higher revenues from the New York electric rate plan ($17 million).

Purchased power expense increased $24 million in the three months ended September 30, 2024 compared with the 2023 period due to higher purchased volumes ($19 million) and higher unit costs ($5 million).

Other operations and maintenance expenses increased $7 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to higher costs to comply with the New Jersey Clean Energy Act ($2 million), higher regulatory amortizations ($2 million), higher non-deferred storm costs ($1 million) and higher tree trimming costs ($1 million).

Gas

O&R's results of gas operations for the three months ended September 30, 2024 compared with the 2023 period were as follows:

	For the Three Months Ended		
(Millions of Dollars)	**September 30, 2024**	**September 30, 2023**	**Variation**
Operating revenues	$36	$35	$1
Gas purchased for resale	7	11	(4)
Other operations and maintenance	21	20	1
Depreciation and amortization	9	7	2
Taxes, other than income taxes	8	8	—
Gas operating income	**$(9)**	**$(11)**	**$2**

O&R's gas sales and deliveries, excluding off-system sales, for the three months ended September 30, 2024 compared with the 2023 period were:

	Thousands of Dt Delivered				Revenues in Millions (a)			
	For the Three Months Ended				For the Three Months Ended			
Description	September 30, 2024	September 30, 2023	Variation	Percent Variation	September 30, 2024	September 30, 2023	Variation	Percent Variation
Residential	863	908	(45)	(5.0)%	$16	$18	$(2)	(11.1)%
General	184	262	(78)	(29.8)	3	3	—	—
Firm transportation	542	575	(33)	(5.7)	5	4	1	25.0
Total firm sales and transportation	**1,589**	**1,745**	**(156)**	**(8.9)% (b)**	**$24**	**$25**	**$(1)**	**(4.0)%**
Interruptible sales	108	896	(788)	(87.9)	1	1	—	—
Generation plants	3	3	—	—	1	—	1	Large
Other	6	7	(1)	(14.3)	1	—	1	Large
Other gas revenues	—	—	—	—	9	9	—	—
Total	**1,706**	**2,651**	**(945)**	**(35.6)%**	**$36**	**$35**	**$1**	**2.9 %**

(a) Revenues from New York gas sales are subject to a weather normalization clause and a revenue decoupling mechanism as a result of which delivery revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved.
(b) After adjusting for weather and other variations, firm sales and transportation volumes in O&R's service area decreased 2.4 percent in the three months ended September 30, 2024 compared with the 2023 period.

Operating revenues increased $1 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to a change in incentives earned under the earnings adjustment mechanisms ($3 million), offset in part by lower gas purchased for resale ($4 million).

Gas purchased for resale decreased $4 million in the three months ended September 30, 2024 compared with the 2023 period due to lower unit costs ($4 million).

Taxes, Other Than Income Taxes

Taxes, other than income taxes, remained consistent in 2024 compared with 2023 for the three months ended September 30, 2024. The principal components of taxes, other than income taxes, were:

	For the Three Months Ended September 30,		
(Millions of Dollars)	**2024**	**2023**	**Variation**
Property taxes	$19	$18	$1
State and local taxes related to revenue receipts	3	3	—
Payroll taxes	2	2	—
Total	**$24 (a)**	**$23 (a)**	**$1**

(a) Including sales tax on customers' bills, total taxes other than income taxes in 2024 and 2023 were $35 million and $32 million, respectively.

Other Income (Deductions)
Other income decreased $4 million in the three months ended September 30, 2024 compared with the 2023 period primarily due to lower credits associated with components of pension and other postretirement benefits other than service cost ($4 million).

Con Edison Transmission
Other Income (Deductions)
Other income increased $8 million in the three months ended September 30, 2024 compared with the 2023 period due to higher investment income from MVP ($8 million).

Other
Income Tax Expense
Income taxes decreased $24 million in the three months ended September 30, 2024 compared with the 2023 period due to non-recurring state taxes on the gain on the sale of all of the stock of the Clean Energy Businesses ($24 million) recognized in 2023.

The Companies’ results of operations for the nine months ended September 30, 2024 and 2023 were as follows:

	CECONY		O&R		Clean Energy Businesses (a)		Con Edison Transmission		Other (a)		Con Edison (b)	
(Millions of Dollars)	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Operating revenues	$10,730	$10,287	$855	$803	$—	$129	$3	$3	$(1)	$(3)	$11,587	$11,219
Purchased power	1,718	1,802	224	191	—	—	—	—	—	—	1,942	1,993
Fuel	130	241	—	—	—	—	—	—	—	—	130	241
Gas purchased for resale	352	518	51	82	—	41	—	—	(1)	(1)	402	640
Other operations and maintenance	2,539	2,341	294	283	—	47	8	8	—	(1)	2,841	2,678
Depreciation and amortization	1,512	1,428	87	78	—	—	1	1	1	(1)	1,601	1,506
Taxes, other than income taxes	2,372	2,207	72	69	—	4	—	—	4	2	2,448	2,282
Gain (Loss) on sale of the Clean Energy Businesses	—	—	—	—	—	—	—	—	(30)	866	(30)	866
Operating income	2,107	1,750	127	100	—	37	(6)	(6)	(35)	864	2,193	2,745
Other income (deductions)	436	550	24	36	—	1	46	22	1	2	507	611
Net interest expense	825	695	44	38	—	16	—	2	14	7	883	758
Income before income tax expense	1,718	1,605	107	98	—	22	40	14	(48)	859	1,817	2,598
Income tax expense	301	297	25	23	—	3	5	4	(24)	89	307	416
Net income	**$1,417**	**$1,308**	**$82**	**$75**	**$—**	**$19**	**$35**	**$10**	**($24)**	**$770**	**$1,510**	**$2,182**
Loss attributable to non-controlling interest	—	—	—	—	—	(3)	—	—	—	—	—	(3)
Net income for common stock	**$1,417**	**$1,308**	**$82**	**$75**	**$—**	**$22**	**$35**	**$10**	**($24)**	**$770**	**$1,510**	**$2,185**

(a) On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S to the Third Quarter Financial Statements.
(b) Other includes the parent company, Con Edison’s tax equity investments, the deferred project held for sale and consolidation adjustments. See Note S to the Third Quarter Financial Statements.
(c) Represents the consolidated results of operations of Con Edison and its businesses.

CECONY

(Millions of Dollars)	For the Nine Months Ended September 30, 2024 Electric	Gas	Steam	2024 Total	For the Nine Months Ended September 30, 2023 Electric	Gas	Steam	2023 Total	2024-2023 Variation
Operating revenues	$8,188	$2,119	$423	$10,730	$7,722	$2,140	$425	$10,287	$443
Purchased power	1,697	—	21	1,718	1,771	—	31	1,802	(84)
Fuel	96	—	34	130	129	—	112	241	(111)
Gas purchased for resale	—	352	—	352	—	518	—	518	(166)
Other operations and maintenance	1,979	407	153	2,539	1,781	386	174	2,341	198
Depreciation and amortization	1,090	343	79	1,512	1,035	319	74	1,428	84
Taxes, other than income taxes	1,815	429	128	2,372	1,714	384	109	2,207	165
Operating income	**$1,511**	**$588**	**$8**	**$2,107**	**$1,292**	**$533**	**$(75)**	**$1,750**	**$357**

Electric

CECONY's results of electric operations for the nine months ended September 30, 2024 compared with the 2023 period were as follows:

	For the Nine Months Ended		
(Millions of Dollars)	**September 30, 2024**	**September 30, 2023**	**Variation**
Operating revenues	$8,188	$7,722	$466
Purchased power	1,697	1,771	(74)
Fuel	96	129	(33)
Other operations and maintenance	1,979	1,781	198
Depreciation and amortization	1,090	1,035	55
Taxes, other than income taxes	1,815	1,714	101
Electric operating income	**$1,511**	**$1,292**	**$219**

CECONY's electric sales and deliveries for the nine months ended September 30, 2024 compared with the 2023 period were:

	Millions of kWh Delivered				Revenues in Millions (a)			
	For the Nine Months Ended				For the Nine Months Ended			
Description	**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**	**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**
Residential/Religious (b)	9,266	8,854	412	4.7 %	$3,304	$2,614	$690	26.4 %
Commercial/Industrial	7,827	8,179	(352)	(4.3)	2,205	2,083	122	5.9
Retail choice customers	15,788	15,363	425	2.8	2,069	1,781	288	16.2
NYPA, Municipal Agency and other sales	7,216	7,113	103	1.4	673	609	64	10.5
Other operating revenues (c)	—	—	—	—	(63)	635	(698)	Large
Total	**40,097**	**39,509**	**588**	**1.5 % (d)**	**$8,188**	**$7,722**	**$466**	**6.0 %**

(a) Revenues from electric sales are subject to a revenue decoupling mechanism, as a result of which delivery revenues generally are not affected by changes in delivery volumes from levels assumed when rates were approved.
(b) "Residential/Religious" generally includes single-family dwellings, individual apartments in multi-family dwellings, religious organizations and certain other not-for-profit organizations.
(c) Other electric operating revenues generally reflect changes in the revenue decoupling mechanism current asset or regulatory liability and changes in regulatory assets and liabilities in accordance with other provisions of CECONY's rate plan.
(d) After adjusting for variations, primarily weather and billing days, electric delivery volumes in CECONY's service area decreased 0.2 percent in the nine months ended September 30, 2024 compared with the 2023 period.

Operating revenues increased $466 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to an increase in revenues from the electric rate plan ($445 million).

Purchased Power expenses decreased $74 million in the nine months ended September 30, 2024 compared with the 2023 period due to lower unit costs ($140 million), offset in part by higher purchased volumes ($66 million).

Fuel expenses decreased $33 million in the nine months ended September 30, 2024 compared with the 2023 period due to lower unit costs ($25 million) and lower purchased volumes from CECONY's electric generating facilities ($8 million).

Other operations and maintenance expenses increased $198 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due higher total surcharges for assessments and fees that are collected in revenues from customers ($71 million), the impact of the NYSPSC order denying an April 2023 petition by CECONY that requested permission to capitalize costs to implement its new customer billing and information system in 2024 ($37 million), higher uncollectible expenses ($30 million), higher electric operations maintenance activities ($20 million), an increase in stock-based compensation ($7 million), higher health care costs ($4 million) and an increase in the costs for injuries and damages ($1 million).

Depreciation and amortization expenses increased $55 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to higher electric utility plant balances.

*Taxes, other than in*come *taxes* increased $101 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to higher property taxes ($140 million) and higher state and local revenue taxes ($22 million) offset in part by a higher deferral of under-collected property taxes ($64 million).

Gas

CECONY's results of gas operations for the nine months ended September 30, 2024 compared with the 2023 period were as follows:

	For the Nine Months Ended		
(Millions of Dollars)	**September 30, 2024**	**September 30, 2023**	**Variation**
Operating revenues	$2,119	$2,140	$(21)
Gas purchased for resale	352	518	(166)
Other operations and maintenance	407	386	21
Depreciation and amortization	343	319	24
Taxes, other than income taxes	429	384	45
Gas operating income	**$588**	**$533**	**$55**

CECONY's gas sales and deliveries, excluding off-system sales, for the nine months ended September 30, 2024 compared with the 2023 period were:

	Thousands of Dt Delivered					Revenues in Millions (a)			
	For the Nine Months Ended					For the Nine Months Ended			
Description	**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**		**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**
Residential	34,026	34,900	(874)	(2.5)%		$878	$925	$(47)	(5.1)%
General	22,485	22,756	(271)	(1.2)		487	410	77	18.8
Firm transportation	55,110	55,808	(698)	(1.3)		705	643	62	9.6
Total firm sales and transportation	**111,621**	**113,464**	**(1,843)**	**(1.6)**	**(b)**	**2,070**	**1,978**	**92**	**4.7**
Interruptible sales (c)	2,483	6,136	(3,653)	(59.5)		24	43	(19)	(44.2)
NYPA	44,014	39,306	4,708	12.0		2	2	—	—
Generation plants	48,169	46,449	1,720	3.7		18	20	(2)	(10.0)
Other	14,871	14,767	104	0.7		31	27	4	14.8
Other operating revenues (d)	—	—	—	—		(26)	70	(96)	Large
Total	**221,158**	**220,122**	**1,036**	**0.5 %**		**$2,119**	**$2,140**	**$(21)**	**(1.0)%**

(a) Revenues from gas sales are subject to a weather normalization clause and a revenue decoupling mechanism as a result of which delivery revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved.
(b) After adjusting for variations, primarily billing days, firm gas sales and transportation volumes in CECONY's service area decreased 2.8 percent in the nine months ended September 30, 2024 compared with the 2023 period.
(c) Includes 854 thousand and 2,564 thousand of Dt for the 2024 and 2023 periods, respectively, that are also reflected in firm transportation and other.

(d) Other gas operating revenues generally reflect changes in the revenue decoupling mechanism and weather normalization clause current asset or regulatory liability and changes in regulatory assets and liabilities in accordance with other provisions of CECONY's rate plan.

Operating revenues decreased $21 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to a decrease in gas purchased for resale ($166 million), higher interest accrual on net plant reconciliation ($11 million) and a change in incentives earned under the earnings adjustment mechanisms ($5 million), offset in part by an increase in revenues from the gas rate plan ($159 million).

Gas purchased for resale decreased $166 million in the nine months ended September 30, 2024 compared with the 2023 period due to lower unit costs ($204 million), offset in part by higher purchased volumes ($38 million).

Other operations and maintenance expenses increased $21 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to higher uncollectible expenses ($13 million) and the impact of the NYSPSC order denying an April 2023 petition by CECONY that requested permission to capitalize costs to implement its new customer billing and information system in 2024 ($8 million).

Depreciation and amortization expenses increased $24 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to higher gas utility plant balances.

Taxes, other than income taxes increased $45 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to a higher property taxes ($38 million) and lower deferral of under-collected property taxes ($13 million), offset in part by lower state and local taxes ($6 million).

Steam

CECONY's results of steam operations for the nine months ended September 30, 2024 compared with the 2023 period were as follows:

	For the Nine Months Ended		
(Millions of Dollars)	**September 30, 2024**	**September 30, 2023**	**Variation**
Operating revenues	$423	$425	$(2)
Purchased power	21	31	(10)
Fuel	34	112	(78)
Other operations and maintenance	153	174	(21)
Depreciation and amortization	79	74	5
Taxes, other than income taxes	128	109	19
Steam operating income	**$8**	**$(75)**	**$83**

CECONY's steam sales and deliveries for the nine months ended September 30, 2024 compared with the 2023 period were:

	Millions of Pounds Delivered				Revenues in Millions			
	For the Nine Months Ended				For the Nine Months Ended			
Description	**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**	**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**
General	330	315	15	4.8 %	$23	$19	$4	21.1 %
Apartment house	3,612	3,408	204	6.0	119	114	5	4.4
Annual power	7,820	7,924	(104)	(1.3)	297	278	19	6.8
Other operating revenues (a)	—	—	—	—	(16)	14	(30)	Large
Total	**11,762**	**11,647**	**115**	**1.0 % (b)**	**$423**	**$425**	**$(2)**	**(0.5)%**

(a) Other steam operating revenues generally reflect changes in regulatory assets and liabilities in accordance with CECONY's rate plan.
(b) After adjusting for variations, primarily weather and billing days, steam sales and deliveries decreased 3.3 percent in the nine months ended September 30, 2024 compared with the 2023 period.

Operating revenues decreased $2 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to lower fuel expenses ($78 million) and lower purchased power expenses ($10 million), offset in part by the benefit from the new steam rate plan ($85 million).

Purchased power expenses decreased $10 million in the nine months ended September 30, 2024 compared with the 2023 period due to lower unit costs ($10 million).

Fuel expenses decreased $78 million in the nine months ended September 30, 2024 compared with the 2023 period due to lower unit costs ($80 million), offset in part by higher purchased volumes from CECONY's steam generating facilities ($2 million).

Other operations and maintenance expenses decreased $21 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to lower costs for pension and other postretirement benefits, reflecting reconciliation to the rate plan level ($45 million), offset in part by the impact of the NYSPSC order denying an April 2023 petition by CECONY that requested permission to capitalize costs to implement its new customer billing and information system in 2024 ($6 million), higher steam operations maintenance activities ($4 million), an increase in municipal infrastructure support ($4 million), higher total surcharges for assessments and fees that are collected in revenues from customers ($1 million) and an increase in stock-based compensation ($1 million).

Depreciation and amortization expenses increased $5 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to higher steam utility plant balances.

Taxes, other than income taxes increased $19 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to lower deferral of under-collected property taxes ($11 million), higher property taxes ($6 million) and higher state and local taxes ($1 million).

Taxes, Other Than Income Taxes

At $2,372 million, taxes other than income taxes remain one of CECONY's largest operating expenses for the nine months ended September 30, 2024. The principal components of, and variations in, taxes other than income taxes were:

	For the Nine Months Ended September 30,		
(Millions of Dollars)	2024	2023	Variation
Property taxes	$2,071	$1,887	$184
State and local taxes related to revenue receipts	329	312	17
Payroll taxes	71	66	5
Other taxes (b)	(99)	(58)	(41)
Total	**$2,372 (a)**	**$2,207 (a)**	**$165**

(a) Including sales tax on customers' bills, total taxes other than income taxes in 2024 and 2023 were $2,923 million and $2,747 million, respectively.
(b) Including the deferral of under-collected property taxes in 2024 and 2023 of $104 million and $64 million, respectively.

Other Income (Deductions)

Other income decreased $114 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to lower costs associated with components of pension and other postretirement benefits other than service cost ($131 million), offset in part by an increase in AFUDC ($8 million) and an increase in the revenue decoupling mechanism interest accrual ($7 million).

Net Interest Expense

Net interest expense increased $130 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to higher interest expense for long-term debt ($100 million) and short-term debt ($11 million) and an increase in the carrying charges and interest on regulatory liability balances ($10 million).

Income Tax Expense

Income taxes increased $4 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to higher income before income tax expense ($28 million), higher cost of removal ($3 million) and various immaterial tax adjustments ($5 million), offset in part by higher amortization of excess deferred federal income taxes ($22 million) and the absence in 2024 of a remeasurement of state deferred income tax assets and liabilities as a result of the enacted New York State legislation in 2023 ($10 million).

O&R

(Millions of Dollars)	For the Nine Months Ended September 30, 2024 Electric	Gas	2024 Total	For the Nine Months Ended September 30, 2023 Electric	Gas	2023 Total	2024-2023 Variation
Operating revenues	$662	$193	$855	$588	$215	$803	$52
Purchased power	224	—	224	191	—	191	33
Gas purchased for resale	—	51	51	—	82	82	(31)
Other operations and maintenance	233	61	294	223	60	283	11
Depreciation and amortization	61	26	87	56	22	78	9
Taxes, other than income taxes	47	25	72	45	24	69	3
Operating income	**$97**	**$30**	**$127**	**$73**	**$27**	**$100**	**$27**

Electric

O&R's results of electric operations for the nine months ended September 30, 2024 compared with the 2023 period were as follows:

(Millions of Dollars)	For the Nine Months Ended September 30, 2024	September 30, 2023	Variation
Operating revenues	$662	$588	$74
Purchased power	224	191	33
Other operations and maintenance	233	223	10
Depreciation and amortization	61	56	5
Taxes, other than income taxes	47	45	2
Electric operating income	**$97**	**$73**	**$24**

O&R's electric sales and deliveries for the nine months ended September 30, 2024 compared with the 2023 period were:

	Millions of kWh Delivered				Revenues in Millions (a)			
	For the Nine Months Ended				For the Nine Months Ended			
Description	September 30, 2024	September 30, 2023	Variation	Percent Variation	September 30, 2024	September 30, 2023	Variation	Percent Variation
Residential/Religious (b)	1,668	1,510	158	10.5 %	$365	$329	$36	10.9 %
Commercial/Industrial	730	745	(15)	(2.0)	131	112	19	17.0
Retail choice customers	1,938	1,761	177	10.1	157	132	25	18.9
Public authorities	86	87	(1)	(1.1)	9	9	—	—
Other operating revenues (c)	—	—	—	—	—	6	(6)	Large
Total	**4,422**	**4,103**	**319**	**7.8 % (d)**	**$662**	**$588**	**$74**	**12.6 %**

(a) O&R's New York electric delivery revenues are subject to a revenue decoupling mechanism, as a result of which delivery revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved. The majority of O&R's electric distribution revenues in New Jersey are subject to a conservation incentive program, as a result of which distribution revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved. O&R's electric transmission revenues in New Jersey are not subject to a conservation incentive program, and as a result, changes in such volumes do impact revenues.
(b) "Residential/Religious" generally includes single-family dwellings, individual apartments in multi-family dwellings, religious organizations and certain other not-for-profit organizations.
(c) Other electric operating revenues generally reflect changes in regulatory assets and liabilities in accordance with O&R's electric rate plan.
(d) After adjusting for weather and other variations, electric delivery volumes in O&R's service area increased 3.1 percent in the nine months ended September 30, 2024 compared with the 2023 period.

Operating revenues increased $74 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to higher purchased power expenses ($33 million) and higher revenues from the New York electric rate plan ($32 million) and higher revenue related to the Clean Energy Act ($3 million).

Purchased power expenses increased $33 million in the nine months ended September 30, 2024 compared with the 2023 period due to higher purchased volumes ($30 million) and higher unit costs ($3 million).

Other operations and maintenance expenses increased $10 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to higher regulatory amortizations ($3 million), higher costs to comply with the New Jersey Clean Energy Act ($2 million), higher uncollectible expenses ($2 million) and higher tree trimming costs ($2 million).

Depreciation and Amortization expenses increased $5 million in the nine months ended September 30, 2024 compared with the 2023 period due to higher electric utility plant balances.

Gas

O&R's results of gas operations for the nine months ended September 30, 2024 compared with the 2023 period were as follows:

	For the Nine Months Ended		
(Millions of Dollars)	**September 30, 2024**	**September 30, 2023**	**Variation**
Operating revenues	$193	$215	$(22)
Gas purchased for resale	51	82	(31)
Other operations and maintenance	61	60	1
Depreciation and amortization	26	22	4
Taxes, other than income taxes	25	24	1
Gas operating income	**$30**	**$27**	**$3**

O&R's gas sales and deliveries, excluding off-system sales, for the nine months ended September 30, 2024 compared with the 2023 period were:

	Thousands of Dt Delivered					Revenues in Millions (a)			
	For the Nine Months Ended					For the Nine Months Ended			
Description	**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**		**September 30, 2024**	**September 30, 2023**	**Variation**	**Percent Variation**
Residential	8,620	7,640	980	12.8 %		$133	$142	$(9)	(6.3)%
General	1,377	1,669	(292)	(17.5)		17	24	(7)	(29.2)
Firm transportation	3,869	3,783	86	2.3		29	29	—	—
Total firm sales and transportation	**13,866**	**13,092**	**774**	**5.9**	**(b)**	**$179**	**$195**	**$(16)**	**(8.2)**
Interruptible sales	1,411	2,656	(1,245)	(46.9)		5	4	1	25.0
Generation plants	4	4	—	—		1	—	1	Large
Other	49	312	(263)	(84.3)		1	1	—	—
Other gas revenues	—	—	—	—		7	15	(8)	(53.3)
Total	**15,330**	**16,064**	**(734)**	**(4.6)%**		**$193**	**$215**	**$(22)**	**(10.2)%**

(a) Revenues from New York gas sales are subject to a weather normalization clause and a revenue decoupling mechanism as a result of which delivery revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved.
(b) After adjusting for weather and other variations, total firm sales and transportation volumes in O&R's service area decreased 2.3 percent in the nine months ended September 30, 2024 compared with the 2023 period.

Operating revenues decreased $22 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to a decrease in gas purchased for resale ($31 million), offset in part by a change in incentives earned under the earnings adjustment mechanisms ($4 million) and higher revenues from the New York gas rate plan ($3 million).

Gas purchased for resale decreased $31 million in the nine months ended September 30, 2024 compared with the 2023 period due to lower unit costs ($35 million), offset in part by higher purchased volumes ($4 million).

Depreciation and Amortization expenses increased $4 million in the nine months ended September 30, 2024 compared with the 2023 period due to higher gas utility plant balances.

Taxes, Other Than Income Taxes

Taxes, other than income taxes, increased by $3 million in 2024 compared with 2023 for the nine months ended September 30, 2024. The principal components of taxes, other than income taxes, were:

	For the Nine Months Ended September 30,		
(Millions of Dollars)	**2024**	**2023**	**Variation**
Property taxes	$54	$53	$1
State and local taxes related to revenue receipts	10	9	1
Payroll taxes	8	7	1
Total	**$72 (a)**	**$69 (a)**	**$3**

(a) Including sales tax on customers' bills, total taxes other than income taxes in 2024 and 2023 were $97 million and $93 million, respectively.

Other Income (Deductions)

Other income decreased $12 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to lower credits associated with components of pension and other postretirement benefits other than service cost ($13 million).

Con Edison Transmission

Other Income (Deductions)

Other income (deductions) increased $24 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to higher investment income from MVP ($21 million) and New York Transco ($2 million).

Other

Income Tax Expense

Income taxes decreased $113 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to lower income before income tax expense ($244 million), primarily due to the prior year gain on the sale of all of the stock of the Clean Energy Businesses and offsetting non-recurring tax benefits principally from the recognition of unamortized investment tax credits ($133 million) recognized in 2023.

Clean Energy Businesses

On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S to the Third Quarter Financial Statements. The Clean Energy Businesses' results of operations for the nine months ended September 30, 2024 compared with the 2023 period were as follows:

	For the Nine Months Ended		
(Millions of Dollars)	**September 30, 2024**	**September 30, 2023**	**Variation**
Operating revenues	$—	$129	$(129)
Gas purchased for resale	—	41	(41)
Other operations and maintenance	—	47	(47)
Taxes, other than income taxes	—	4	(4)
Operating income	**$—**	**$37**	**$(37)**

Net Interest Expense

Net interest expense decreased $16 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to lower unrealized gains on interest rate swaps in the 2023 period. On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses and the impact on the 2023 period is shown through the date of sale. See Note R and Note S to the Third Quarter Financial Statements.

Income Tax Expense

Income taxes decreased $3 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to lower income before income tax expense ($6 million) and a decrease in the valuation allowance on deferred state net operating losses ($2 million), offset in part by lower renewable energy credits due to the sale of all of the stock of the Clean Energy Businesses on March 1, 2023 ($5 million).

Income (Loss) Attributable to Non-Controlling Interest

Loss attributable to non-controlling interest decreased $3 million in the nine months ended September 30, 2024 compared with the 2023 period primarily due to the sale of all of the stock of the Clean Energy Businesses.

Liquidity and Capital Resources

The Companies monitor the financial markets closely, including borrowing rates and daily cash collections. Increases in aged accounts receivable balances, inflationary pressure and higher interest rates have increased the amount of capital needed by the Utilities and the costs of such capital. See "Interest Rate Risk," below, "Aged Accounts Receivable Balances," above and "Capital Resources," below.

Con Edison and the Utilities have a $2,500 million revolving credit agreement (the Credit Agreement) in place under which banks are committed to provide loans on a revolving credit basis until March 2029, unless extended for an additional one-year term, subject to certain conditions. CECONY has a $500 million 364-day revolving credit agreement (the CECONY Credit Agreement) in place under which banks are committed to provide loans on a revolving credit basis until March 2025, subject to certain conditions. Con Edison and the Utilities have not entered into any loans under the Credit Agreement and CECONY has not entered into any loans under the CECONY Credit Agreement. See Note D to the Third Quarter Financial Statements.

FERC has authorized CECONY through April 30, 2026 and O&R through July 31, 2026 to issue short-term borrowings for a period of not more than 12 months, in an amount not to exceed $4,000 million and $250 million, respectively, at prevailing market rates.

The Companies’ liquidity reflects cash flows from operating, investing and financing activities, as shown on their respective consolidated statements of cash flows and as discussed below.

The Companies' cash, temporary cash investments and restricted cash resulting from operating, investing and financing activities for the nine months ended September 30, 2024 and 2023 are summarized as follows:

	For the Nine Months Ended September 30,											
	CECONY		O&R		Clean Energy Businesses (d)		Con Edison Transmission		Other (a)(b)		Con Edison (b)	
(Millions of Dollars)	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Operating activities	$2,087	$1,221	$121	$127	$—	$—	$13	$(145)	$83	$(22)	$2,304	$1,181
Investing activities	(3,642)	(3,178)	(226)	(208)	—	(248)	(23)	(49)	2	4,035	(3,889)	352
Financing activities	450	921	121	75	—	—	(2)	212	(77)	(3,725)	492	(2,517)
Net change for the period	(1,105)	(1,036)	16	(6)	—	(248)	(12)	18	8	288	(1,093)	(984)
Balance at beginning of period	1,138	1,056	23	35	—	248	25	—	9	191	1,195	1,530
Balance at end of period (c)	$33	$20	$39	$29	$—	$—	$13	$18	$17	$479	$102	$546
Less: Balance held for sale (d)	—	—	—	—	—	—	—	—	9	6	9	6
Balance at end of period excluding held for sale	$33	$20	$39	$29	$—	$—	$13	$18	$8	$473	$93	$540

(a) Other includes the parent company, Con Edison's tax equity investments, the deferred project held for sale and consolidation adjustments. See Note S to the Third Quarter Financial Statements.
(b) Represents the consolidated results of operations of Con Edison and its businesses.
(c) See "Reconciliation of Cash, Temporary Cash Investments and Restricted Cash" in Note A to the Third Quarter Financial Statements.
(d) On March 1, 2023, Con Edison completed the sale of all of the stock of the Clean Energy Businesses. See Note R and Note S to the Third Quarter Financial Statements.

Cash Flows from Operating Activities
The Utilities' cash flows from operating activities primarily reflect their energy sales and deliveries and cost of operations. The volume of energy sales and deliveries is primarily affected by factors external to the Utilities, such as customer demand, weather, market prices for energy and economic conditions. Measures that promote distributed energy resources, such as distributed generation, demand reduction and energy efficiency, also affect the volume of energy sales and deliveries.

Pursuant to their rate plans, the Utilities have recovered from customers a portion of the tax liability they will pay in the future as a result of temporary differences between the book and tax basis of assets and liabilities. These temporary differences affect the timing of cash flows, but not net income, as the Companies are required to record deferred tax assets and liabilities at the current corporate tax rate for the temporary differences. For the Utilities, credits to their customers of the net benefits of the TCJA, including the reduction of the corporate tax rate to 21 percent, decrease cash flows from operating activities. Pursuant to their rate plans, the Utilities also recover from customers the amount of property taxes they will pay. The payment of property taxes by the Utilities affects the timing of cash flows and increases the amount of short-term borrowings issued by the Utilities when property taxes are due and as property taxes increase, but generally does not impact net income. See Note J to the Third Quarter Financial Statements.

In general, the Utilities suspended service disconnections during the COVID-19 pandemic and have since resumed such activities in accordance with applicable law. At September 30, 2024, CECONY's and O&R's customer accounts receivables balances of $2,904 million and $123 million, respectively, included aged accounts receivables (balances outstanding in excess of 60 days) of $1,654 million and $34 million, respectively. A continued increase in accounts receivable balances has impacted and is expected to continue to impact the Companies' liquidity. See "Aged Accounts Receivable Balances," above.

Net income is the result of cash and non-cash (or accrual) transactions. Only cash transactions affect the Companies' cash flows from operating activities. Principal non-cash charges or credits include depreciation, deferred income tax expense, amortizations of certain regulatory assets and liabilities and accrued unbilled revenue. Non-cash charges or credits may also be accrued under the revenue decoupling and cost reconciliation mechanisms in the Utilities' New York electric and gas rate plans.

Net cash flows from operating activities for the nine months ended September 30, 2024 for Con Edison were $1,123 million higher than in the 2023 period. The change in net cash flows for Con Edison primarily reflects:
- an increase in accounts payable of $374 million;
- higher net deferred credits, noncurrent liabilities, leases and other regulatory liabilities balances of $371 million;
- a decrease in the revenue decoupling mechanism receivable of $157 million;
- an increase in accrued interest of $51 million;
- a decrease in other receivables and other current assets of $44 million; and
- an increase in pension and retiree benefits and contributions of $9 million.

Net cash flows from operating activities for the nine months ended September 30, 2024 for CECONY were $866 million higher than in the 2023 period. The change in net cash flows for CECONY primarily reflects:
- higher net deferred credits, noncurrent liabilities, leases and other regulatory liabilities balances of $418 million;
- a decrease in other receivables and other current assets of $241 million;
- an increase in accounts payable of $202 million; and
- a decrease in the revenue decoupling mechanism receivable of $154 million.

Offset in part by
- an increase in unbilled revenue and net unbilled revenue deferrals of ($40 million);
- an increase in materials and supplies, including fuel oil and gas in storage of ($35 million);
- a change in pensions and retiree benefits obligations of ($24 million);
- a decrease in Superfund and environmental remediation costs of ($19 million); and
- an increase in prepayments of ($15 million).

Cash Flows From (Used in) Investing Activities

The following table summarizes key components of Con Edison's investing cash flows.

	For the Nine Months Ended September 30,		
(Millions of Dollars)	**2024**	**2023**	**Variance**
INVESTING ACTIVITIES			
Utility construction expenditures	$(3,533)	$(3,097)	$(436)
Cost of removal less salvage	(335)	(289)	(46)
Non-utility construction expenditures	—	(141)	141
Proceeds from sale of the Clean Energy Businesses, net of cash and cash equivalents sold	—	3,927	(3,927)
Other investing activities	(21)	(48)	27
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	$(3,889)	$352	$(4,241)

Net cash flows from investing activities for Con Edison were $4,241 million lower for the nine months ended September 30, 2024 compared with the 2023 period. The change for Con Edison primarily reflects:

- the proceeds from the sale of all of the stock of the Clean Energy Businesses, net of cash and cash equivalents sold in the prior year of $3,927 million;
- an increase in utility construction expenditures of $436 million; and
- higher cost of removal less salvage of $46 million.

Offset in part by

- a decrease in non-utility construction expenditures of ($141 million).

The following table summarizes key components of CECONY's investing cash flows.

	For the Nine Months Ended September 30,		
(Millions of Dollars)	**2024**	**2023**	**Variance**
INVESTING ACTIVITIES			
Utility construction expenditures	$(3,312)	$(2,894)	$(418)
Cost of removal less salvage	(330)	(284)	(46)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	$(3,642)	$(3,178)	$(464)

Net cash flows used in investing activities for CECONY were $464 million higher for the nine months ended September 30, 2024 compared with the 2023 period. The change for CECONY primarily reflects:

- an increase in utility construction expenditures of $418 million; and
- higher cost of removal less salvage of $46 million.

Pursuant to their rate plans, the Utilities recover the cost of utility construction expenditures from customers, including an approved rate of return (before and after being placed in service and AFUDC before being placed in service). Increases in the amount of utility construction expenditures may temporarily increase the amount of short-term debt issued by the Utilities prior to the long-term financing of such amounts.

Cash Flows From (Used In) Financing Activities

The following table summarizes key components of Con Edison's financing cash flows.

	For the Nine Months Ended September 30,		
(Millions of Dollars)	**2024**	**2023**	**Variance**
FINANCING ACTIVITIES			
Net payment of short-term debt	$(229)	$(1,160)	$931
Issuance of long-term debt	1,525	500	1,025
Retirement of long-term debt	—	(60)	60
Debt issuance costs	(25)	(5)	(20)
Common stock dividends	(824)	(829)	5
Issuance of common shares for stock plans	45	41	4
Repurchase of common shares	—	(1,000)	1,000
Distribution to noncontrolling interest	—	(4)	4
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	$492	$(2,517)	$3,009

Net cash flows from financing activities for Con Edison were $3,009 million higher for the nine months ended September 30, 2024 compared with the 2023 period and reflect the following transactions:

- an increase in proceeds in long-term debt of $1,025 million. In May 2024, CECONY issued $1,400 million aggregate principal amount of debentures, the net proceeds from the sale of which were used to repay short-term borrowings and for other general corporate purposes. In September 2024, O&R issued $125 million aggregate principal amount of debentures, the net proceeds from the sale of which were used to repay short-term borrowings and for other general corporate purchases. See Note C to the Third Quarter Financial Statements;
- the repurchase of common shares of $1,000 million in the 2023 period;
- a decrease in the net payment of short-term debt of $931 million; and
- a decrease in common stock dividends of $5 million.

Offset in part by

- an increase in debt issuance costs of ($20 million).

The following table summarizes key components of CECONY's financing cash flows.

	For the Nine Months Ended September 30,		
(Millions of Dollars)	**2024**	**2023**	**Variance**
FINANCING ACTIVITIES			
Net payment of short-term debt	$(227)	$(502)	$275
Issuance of long-term debt	1,400	500	900
Debt issuance costs	(24)	(5)	(19)
Capital contribution by Con Edison	105	1,720	(1,615)
Dividend to Con Edison	(804)	(792)	(12)
NET CASH FLOWS FROM FINANCING ACTIVITIES	$450	$921	$(471)

Net cash flows from financing activities for CECONY were $471 million lower for the nine months ended September 30, 2024 compared with the 2023 period and reflects the following transactions:

- a decrease in contributed equity from Con Edison of $1,615 million.

Offset in part by

- an increase in proceeds in long-term debt of ($900 million) as described above; and
- a decrease in the net payment of short-term debt of ($275 million).

Cash flows from financing activities of the Companies also reflect commercial paper issuances and repayments. The commercial paper amounts outstanding at September 30, 2024 and 2023 and the average daily balances for the nine months ended September 30, 2024 and 2023 for Con Edison and CECONY were as follows:

	2024		2023	
(Millions of Dollars, except Weighted Average Yield)	**Outstanding at September 30,**	**Daily average**	**Outstanding at September 30,**	**Daily average**
Con Edison	$2,059	$1,939	$1,880	$1,351
CECONY	$1,676	$1,487	$1,798	$1,313
Weighted average yield	5.1 %	5.5 %	5.5 %	5.2 %

Capital Resources

For each of the Companies, the common equity ratio at September 30, 2024 and December 31, 2023 was:

	Common Equity Ratio (Percent of total capitalization)	
	September 30, 2024	**December 31, 2023**
Con Edison	48.3	49.1
CECONY	47.2	47.9

Assets, Liabilities and Equity

The Companies' assets, liabilities, and equity at September 30, 2024 and December 31, 2023 are summarized as follows.

	CECONY		O&R		Con Edison Transmission		Other (a)		Con Edison (b)	
(Millions of Dollars)	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
ASSETS										
Current assets	$5,704	$5,981	$414	$302	$15	$25	$(53)	$229	$6,080	$6,537
Investments	692	608	23	22	417	365	4	4	1,136	999
Net plant	48,257	46,648	3,084	2,943	17	17	(1)	—	51,357	49,608
Other noncurrent assets	9,196	8,363	449	408	7	7	420	409	10,072	9,187
Total Assets	$63,849	$61,600	$3,970	$3,675	$456	$414	$370	$642	$68,645	$66,331
LIABILITIES AND SHAREHOLDERS' EQUITY										
Current liabilities	$5,218	$5,694	$406	$349	$6	$5	$397	$414	$6,027	$6,462
Noncurrent liabilities	16,562	15,950	1,188	1,146	(68)	(76)	(400)	(236)	17,282	16,784
Long-term debt	22,196	20,810	1,242	1,118	—	—	—	(1)	23,438	21,927
Equity	19,873	19,146	1,134	1,062	518	485	373	465	21,898	21,158
Total Liabilities and Equity	$63,849	$61,600	$3,970	$3,675	$456	$414	$370	$642	$68,645	$66,331

(a) Other includes the parent company, Con Edison's tax equity investments, the deferred project held for sale and consolidation adjustments. See Note S to the Third Quarter Financial Statements.
(b) Represents the consolidated results of operations of Con Edison and its businesses.

CECONY

Current assets at September 30, 2024 were $277 million lower than at December 31, 2023. The change in current assets primarily reflects a decrease in cash and temporary cash investments ($1,105 million), offset in part by an increase in prepayments ($714 million) and accounts receivables, net of allowance for uncollectible accounts ($126 million).

Investments at September 30, 2024 were $84 million higher than at December 31, 2023. The change in investments primarily reflects increases in supplemental retirement income plan assets ($71 million) and deferred income plan assets ($12 million). See Note E to the Third Quarter Financial Statements.

Net plant at September 30, 2024 was $1,609 million higher than at December 31, 2023. The change in net plant primarily reflects an increase in electric ($1,532 million), gas ($536 million) and steam ($65 million) plant balances and an increase in construction work in progress ($520 million), offset in part by an increase in accumulated depreciation ($945 million) and a decrease in the general ($99 million) plant balance.

Other noncurrent assets at September 30, 2024 were $833 million higher than at December 31, 2023. The change in other noncurrent assets primarily reflects an increase in the regulatory assets for legacy meters ($405 million), system peak reduction and energy efficiency programs ($97 million) COVID-19 pandemic deferrals ($93 million), revenue taxes ($48 million) and electric vehicle make ready programs ($37 million). The change in regulatory assets also reflects the period's amortization of accounting costs. See Note B to the Third Quarter Financial Statements.

Current liabilities at September 30, 2024 were $476 million lower than at December 31, 2023. The change in current liabilities primarily reflects a decrease in accounts payable ($301 million), notes payable ($227 million) and a decrease in the fair value of derivative liabilities ($84 million), offset in part by an increase in accrued interest ($156 million).

Other noncurrent liabilities at September 30, 2024 were $612 million higher than at December 31, 2023. The change in other noncurrent liabilities primarily reflects an increase in the deferred income taxes and unamortized investment tax credits ($814 million) and an increase in the pensions and retiree benefits ($37 million). The increase is offset in part by a decrease in future income tax ($195 million) and deferred derivative gains - long term ($30 million). See Note B and Note E to the Third Quarter Financial Statements.

Long-term debt at September 30, 2024 was $1,386 million higher than at December 31, 2023. The change in long-term debt primarily reflects the 2024 issuances of $1,400 million of debentures. See "Liquidity and Capital Resources - Cash Flows From Financing Activities" above and Note C to the Third Quarter Financial Statements.

Equity at September 30, 2024 was $727 million higher than at December 31, 2023. The change in equity primarily reflects net income for the nine months ended September 30, 2024 ($1,417 million), capital contributions from Con Edison ($105 million) in 2024 and a change in stock awards ($9 million), offset in part by common stock dividends to Con Edison ($804 million) in 2024.

O&R

Current assets at September 30, 2024 were $112 million higher than at December 31, 2023. The change in current assets primarily reflects an increase in accounts receivable, net of allowance for uncollectible accounts ($23 million) (see "Aged Accounts Receivable Balances," above), an increase in prepayments ($22 million), an increase in accounts receivable from affiliated companies ($20 million), an increase in cash and temporary cash investments ($16 million), an increase in the revenue decoupling mechanism receivable ($12 million) and an increase in accrued unbilled revenue ($7 million).

Net plant at September 30, 2024 was $141 million higher than at December 31, 2023. The change in net plant primarily reflects an increase in electric ($101 million), gas ($56 million) and general ($24 million) plant balances and an increase in construction work in progress ($25 million), offset in part by an increase in accumulated depreciation ($65 million).

Noncurrent assets at September 30, 2024 were $41 million higher than at December 31, 2023. The change in noncurrent assets primarily reflects an increase in regulatory assets ($52 million) and the fair value of derivative assets ($1 million), offset partially by a decrease in pension and retiree benefits ($12 million).

Current liabilities at September 30, 2024 were $57 million higher than at December 31, 2023. The change in current liabilities primarily reflects an increase in regulatory liabilities ($34 million) and an increase in accounts payable ($24 million).

Noncurrent liabilities at September 30, 2024 were $42 million higher than at December 31, 2023. The change in noncurrent liabilities primarily reflects an increase in deferred income taxes and unamortized investment tax credits ($43 million).

Long-term debt at September 30, 2024 was $124 million higher than at December 31, 2023. The change in long-term debt primarily reflects the 2024 issuance of $125 million of debentures. See "Liquidity and Capital Resources - Cash Flows From Financing Activities" above and Note C to the Third Quarter Financial Statements.

Equity at September 30, 2024 was $72 million higher than at December 31, 2023. The change in equity primarily reflects net income for the nine months ended September 30, 2024 ($82 million), capital contributions from Con Edison ($45 million) in 2024 and a change in stock awards ($1 million), offset in part by common stock dividends to Con Edison ($51 million) in 2024 and a decrease in other comprehensive income ($5 million).

Con Edison Transmission

Current assets at September 30, 2024 were $10 million lower than at December 31, 2023. The change in current assets primarily reflects lower cash and temporary investments due to a net investment in New York Transco ($7 million).

Investments at September 30, 2024 were $52 million higher than at December 31, 2023. The increase in investments reflects additional investment and investment income in New York Transco ($32 million) and investment income from MVP ($21 million).

Equity at September 30, 2024 was $33 million higher than at December 31, 2023. The change in equity primarily reflects Con Edison Transmission's earnings ($35 million), offset in part by dividends to Con Edison ($3 million).

Environmental Matters

Clean Energy Future

New York State’s Climate Leadership and Community Protection Act

In September 2024, the NYSPSC issued an order evaluating the combined gas system long-term plan (the GSLTP) filed by the Utilities in November 2023. The order directs the Utilities to make additional filings to further the process of decarbonizing their gas systems and achieving the GHG emission reduction targets established in the CLCPA. These additional filings include, among other things, a proposal for a demand response program; a non-pipes alternatives deployment plan; a report on pipeline safety, including records to substantiate maximum allowable operating pressure in certain pipe segments; a definition of hard-to-electrify customers; reports on the benefits to, and impacts on, disadvantaged communities; and a bill impact analysis that reflects reduced natural gas usage over a 20-year period for every service classification. The order also directs the Utilities to include certain information in their annual updates to the GSLTP and in their next GSLTP, due 2027, such as increases in electric load and associated reliability impacts and a description of a scenario that meets all load growth with non-pipe alternatives rather than additional infrastructure, and for the Utilities to identify a preferred pathway among the three pathways set forth in the GSLTP.

Also in September 2024, O&R entered into a settlement agreement that is subject to approval by the FERC. The settlement agreement provides for a formula rate to the NYISO tariff to enable O&R to recover the costs and a return on equity of: (1) 10.5 percent for transmission projects that O&R exercises its right of first refusal; (2) 10.85 percent for all other transmission projects selected by the NYISO to meet a public policy transmission need; and (3) the lower of the NYSPSC-determined rates or 10.6 percent for transmission projects needed to meet local New York State climate and renewable energy goals. If approved, parties to the settlement agreement would be restricted from seeking to challenge the return on equity levels for five years.

In August 2024, CECONY entered into a settlement agreement that is subject to approval by the FERC. The settlement agreement provides for a formula rate to the NYISO tariff to enable CECONY to recover the costs and a return on equity of: (1) 10.6 percent for transmission projects that CECONY exercises its right of first refusal; (2) 10.85 percent for all other transmission projects selected by the NYISO to meet a public policy transmission need; and (3) the lower of the NYSPSC-determined rates or 10.6 percent for transmission projects needed to meet local New York State climate and renewable energy goals. If approved, parties to the settlement agreement would be restricted from seeking to challenge the return on equity levels for five years.

In August 2024, New York Transco entered into a settlement agreement for its Propel NY Energy project that is subject to approval by the FERC. Con Edison Transmission has a 41.7 percent interest in New York Transco's share of the Propel NY Energy project that is jointly owned with NYPA. The settlement agreement provides for a formula rate to the NYISO tariff to enable New York Transco to recover the costs and a return on equity of 11.3 percent (which is comprised of a 10.3 percent return on equity and 75 basis points added for risk and 25 basis points added for grid enhancement). If approved, parties to the settlement agreement would be restricted from seeking to challenge the return on equity levels until after May 31, 2030. In addition, the Propel NY Energy project will receive construction work in progress and abandoned plant incentives.

Also in August 2024, the NYSPSC issued an order instituting a proceeding that directs New York utilities, including CECONY and O&R, to proactively identify and develop grid upgrades needed to meet new demand from transportation and building heating electrification across New York State. The order directs the utilities to develop a joint filing that identifies these needs and describes, among other things, timelines, utility data assumptions, evaluation criteria, cost recovery and cost allocation for projects. The order also allows each individual utility to request approval from the NYSPSC for urgent upgrades that begin construction before the completion of the joint utilities' proposed planning process, which is estimated to occur in the first half of 2026.

In May 2024, CECONY filed its inaugural annual Investing in Disadvantaged Communities Report, as required by the NYSPSC. The report summarizes the impacts of CECONY's investments in disadvantaged communities (DACs) within the company's service territory, based on 2023 data. The report includes, among other things, building electrification and energy efficiency initiatives, as well as data related to the company's long-running electric and gas operations. DAC locations were identified by New York State in connection with the implementation process for the CLCPA.

Offshore Wind

In February 2024, NYSERDA announced that it selected two offshore wind projects for contract negotiations representing 1,734 MW of energy by 2026. One of the conditional awards, Empire Wind 1, is expected to connect 810 MW of offshore wind electricity to the New York City electrical grid at CECONY's Gowanus substation. In March 2024, FERC approved the interconnection agreement among Empire Offshore Wind, LLC, the NYISO, and CECONY. In May 2024, the NYSPSC approved a certificate of public convenience and necessity to allow
construction of Empire Wind 1 to begin.

Energy Storage
In June 2024, the NYSPSC issued an order adopting an updated roadmap for achieving 6,000 MW of statewide energy storage resource deployment by 2030 and recognized the need for additional statewide energy storage of 12,000 MW by 2040 and 17,000 MW by 2050. The NYSPSC directed New York utilities, including CECONY and O&R, to study the potential of energy storage to provide non-market transmission and distribution services and identify services that are cost-effective compared to traditional alternatives.

Thermal Energy Networks
In April 2024, the NYSDPS approved CECONY's and O&R's December 2023 Stage 1 filings (Project Scope, Feasibility, and Stakeholder Engagement) for utility-scale thermal energy network pilot projects. The NYSDPS also confirmed CECONY and O&R are authorized to incur costs of $17.1 million and $4.6 million, respectively, through the completion of Stage 2 (Pilot Project Engineering Design and Customer Protection Plan). These projected costs are within the budgets proposed by CECONY and O&R of $255 million and $46 million, respectively. The remaining proposed budget amounts are subject to approval by the NYSPSC. In May 2024, CECONY filed a petition with the NYSDPS seeking $6 million for certain unaddressed costs that are necessary to complete Stage 2 of its utility thermal energy network pilot projects, in addition to the $17.1 million described above.

Superfund
Gowanus Canal
The EPA has identified 39 potentially responsible parties (PRPs) with respect to the Gowanus Canal Superfund Site, including CECONY (which the EPA indicated has facilities that may be a source of PCBs at the site). Certain federal agencies and the NYSDEC also notified potentially responsible parties (PRPs), including CECONY, of their intent to perform a natural resource damage assessment for the Gowanus Canal Superfund Site.

In March 2024, CECONY received a notice that the U.S. Fish and Wildlife Service, the NYSDEC, and the National Oceanic and Atmospheric Administration (collectively, the "Trustees") published a Draft Natural Resource Assessment Plan, indicating that the Trustees are conducting a natural resource damage assessment to determine, among other things, the appropriate amount and type of projects needed to restore, replace, or acquire the equivalent of injured natural resources at the Gowanus Canal Superfund Site.

In June 2024, the EPA issued an order amending its January 2020 order and that requires six PRPs, including CECONY, to initiate remedial action work in the middle segment of the Gowanus Canal Superfund Site. The EPA estimated the cost of this work would be $369 million (although actual costs may be significantly higher) and has indicated the work would take several years to complete.

In the third quarter of 2024, dredging and stabilization was largely completed in the upper segment of the Gowanus Canal Superfund Site, as set forth in the January 2020 order, at a cost of approximately $260 million.

In October 2024, a PRP filed a lawsuit against the other PRPs, including CECONY, with respect to the Gowanus Canal Superfund Site. The plaintiff asserts claims pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 and the New York Navigation Law for cleanup costs incurred, and to be incurred, by the plaintiff at the site.

CECONY is unable to estimate its exposure to liability for the Gowanus Canal Superfund Site.

Other Environmental Matters
In April 2024, a CECONY feeder in the Bronx leaked resulting in a release of approximately one thousand gallons of dielectric fluid (a non-toxic synthetic compound similar to mineral oil), a portion of which migrated to a nearby sewer system and a sheen was seen in the Bronx River. CECONY stopped the feeder leak and began the cleanup on the same day the discharge occurred. CECONY, with assistance from the NYSDEC, also placed booms in the Bronx River at various locations to collect any fluid that made it to the river through the sewer system. CECONY is addressing the remaining sheen on the river, and also voluntarily cleaned up a significant amount of debris and trash in the area of the oil sheen. In April 2024, CECONY also discovered the presence of oil in the Hudson River within the permanent containment boom surrounding Pier 98 that likely originated from an internal leak of approximately 4,400 gallons of oil at CECONY's steam generating plant on 59th Street in Manhattan. CECONY immediately installed an additional containment boom and an absorbent boom in the Hudson River and has estimated that 72 gallons of oil was released to the river. The U.S. Coast Guard, the New York City Department of

Environmental Protection, and the NYSDEC were notified and oversaw the clean-up operations. The costs associated with these matters are not expected to have a material adverse effect on CECONY's financial condition, results of operations or liquidity. In connection with the incidents, CECONY may incur monetary sanctions from government agencies of more than $0.3 million for violations of certain provisions regulating the discharge of materials into, and for the protection of, the environment.

For additional information about the Companies' environmental matters, see Note G to the Third Quarter Financial Statements.

Electric Reliability Needs

CECONY and O&R monitor the adequacy of the electric capacity resources and related developments in their service areas, and work with other parties on long-term resource adequacy and transmission security within the framework of the NYISO reliability planning process. CECONY has identified and developed a solution for a local reliability need that may begin as soon as the summer of 2026. In October 2024, the NYISO issued its 2024 Reliability Needs Assessment (RNA) that identifies a bulk power system electric reliability need in New York City beginning in the summer of 2033 primarily driven by forecasted increases in peak demand and the assumed retirement of NYPA small gas generating plants as required by New York State law. Following approval of the 2024 RNA by the NYISO board, the NYISO is expected to issue a solicitation for both market-based and regulated solutions. CECONY, as the Responsible Transmission Owner, would propose a regulated backstop solution.

Con Edison Transmission

Con Edison Transmission owns a 45.7 percent interest in New York Transco that is comprised of: a 45.7 percent interest in New York Transco's Transmission Owner Transmission Solutions (TOTS) projects; a 45.7 percent interest in New York Transco's New York Energy Solution (NYES) project; and a 41.7 percent interest in New York Transco's share of the Propel NY Energy project. Con Edison Transmission also owns a 71.2 percent interest in Honeoye Storage Corporation (Honeoye) and its interest in Mountain Valley Pipeline, LLC (MVP) is expected to be approximately 6.6 percent. See "Environmental Matters - Clean Energy Future - New York State's Climate Leadership and Community Protection Act," above.

In June 2024, construction of the Dover Station, an additional network upgrade to support the NYES project, resumed following the reissuance of its permits. Construction is anticipated to be completed by June 2025.

Financial and Commodity Market Risks

The Companies are subject to various risks and uncertainties associated with financial and commodity markets. The most significant market risks include interest rate risk, commodity price risk and investment risk.

Interest Rate Risk

The Companies' interest rate risk primarily relates to new debt financing needed to fund capital requirements, including the construction expenditures of the Utilities and maturing debt securities, and variable-rate debt. Con Edison and its subsidiaries manage interest rate risk through the issuance of mostly fixed-rate debt with varying maturities and through opportunistic refinancing of debt. Con Edison and CECONY estimate that at September 30, 2024, a 10 percent increase in interest rates applicable to its variable rate debt would result in an increase in annual interest expense of $12 million and $10 million, respectively. Under CECONY's current electric, gas and steam rate plans, variations in actual variable rate tax-exempt debt interest expense, including costs associated with the refinancing of the variable rate tax-exempt debt, are reconciled to levels reflected in rates.

Higher interest rates have resulted in increased interest expense on commercial paper, variable-rate debt and long-term debt issuances.

Commodity Price Risk

Con Edison's commodity price risk primarily relates to the purchase and sale of electricity, gas and related derivative instruments. The Utilities apply risk management strategies to mitigate their related exposures. See Note N to the Third Quarter Financial Statements.

Con Edison estimates that, as of September 30, 2024, a 10 percent decline in market prices would result in a decline in fair value of $148 million for the derivative instruments used by the Utilities to hedge purchases of electricity and gas, of which $136 million is for CECONY and $12 million is for O&R. As of September 30, 2023, Con Edison estimated that a 10 percent decline in market prices would result in a decline in fair value of $177 million for the derivative instruments used by the Utilities to hedge purchases of electricity and gas, of which $165 million is for CECONY and $12 million is for O&R. Con Edison expects that any such change in fair value would be largely offset by directionally opposite changes in the cost of the electricity and gas purchased.

The Utilities do not make any margin or profit on the electricity or gas they sell. In accordance with provisions approved by state regulators, the Utilities generally recover from full-service customers the costs they incur for energy purchased for those customers, including gains and losses on certain derivative instruments used to hedge energy purchased and related costs. However, increases in electric and gas commodity prices may contribute to a slower recovery of cash from outstanding customer accounts receivable balances.

Investment Risk
The Companies' investment risk relates to the investment of plan assets for their pension and other postretirement benefit plans. Con Edison's investment risk also relates to the investments of Con Edison Transmission that are accounted for under the equity method. See "Investments" in Note A to the Third Quarter Financial Statements.

The Companies' current investment policy for pension plan assets includes investment targets of 26 to 30 percent equity securities, 42 to 60 percent debt securities and 14 to 30 percent alternatives. At September 30, 2024, the pension plan investments consisted of 28 percent equity securities, 51 percent debt securities and 21 percent alternatives.

For the Utilities' pension and other postretirement benefit plans, regulatory accounting treatment is generally applied in accordance with the accounting rules for regulated operations. In accordance with the Statement of Policy issued by the NYSPSC and its current electric, gas and steam rate plans, CECONY defers for payment to or recovery from customers the difference between the pension and other postretirement benefit expenses and the amounts for such expenses reflected in rates. O&R also defers such difference pursuant to its New York rate plans.

Material Contingencies
For information concerning potential liabilities arising from the Companies' material contingencies, see "Other Regulatory Matters" in Note B and Notes G and H to the Third Quarter Financial Statements.

Item 3: Quantitative and Qualitative Disclosures About Market Risk
For information about the Companies' primary market risks associated with activities in derivative financial instruments, other financial instruments and derivative commodity instruments, see "Financial and Commodity Market Risks," in Part I, Item 2 of this report, that is incorporated herein by reference.

Item 4: Controls and Procedures
The Companies maintain disclosure controls and procedures designed to provide reasonable assurance that the information required to be disclosed in the reports that they submit to the Securities and Exchange Commission (SEC) is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Securities Exchange Act of 1934, as amended, is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. For each of the Companies, its management, with the participation of its principal executive officer and principal financial officer, has evaluated its disclosure controls and procedures as of the end of the period covered by this report and, based on such evaluation, has concluded that the controls and procedures are effective to provide such reasonable assurance. Reasonable assurance is not absolute assurance, however, and there can be no assurance that any design of controls or procedures would be effective under all potential future conditions, regardless of how remote.

There was no change in the Companies' internal control over financial reporting that occurred during the Companies' most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Companies' internal control over financial reporting.

Part II Other Information

Item 1: Legal Proceedings

For information about certain legal proceedings affecting the Companies, see "Other Regulatory Matters" in Note B and Notes G and H to the financial statements in Part I, Item 1 of this report and "Environmental Matters - Superfund" and "Environmental Matters - Other Environmental Matters" in Part I, Item 2 of this report, that is incorporated herein by reference.

Item 1A: Risk Factors

There were no material changes in the Companies' risk factors compared to those disclosed in Item 1A of the Form 10-K.

Item 5: Other Information

During the three months ended September 30, 2024, no director or officer (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended) adopted, terminated or modified any Rule 10b5-1 or non-Rule 10b5-1 trading arrangement (as defined in Item 408(a) of Regulation S-K).

Item 6: Exhibits

Con Edison

Exhibit 31.1.1	Rule 13a-14(a)/15d-14(a) Certifications – Chief Executive Officer.
Exhibit 31.1.2	Rule 13a-14(a)/15d-14(a) Certifications – Chief Financial Officer.
Exhibit 32.1.1	Section 1350 Certifications – Chief Executive Officer.
Exhibit 32.1.2	Section 1350 Certifications – Chief Financial Officer.
Exhibit 101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
Exhibit 101.SCH	XBRL Taxonomy Extension Schema.
Exhibit 101.CAL	XBRL Taxonomy Extension Calculation Linkbase.
Exhibit 101.DEF	XBRL Taxonomy Extension Definition Linkbase.
Exhibit 101.LAB	XBRL Taxonomy Extension Label Linkbase.
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation Linkbase.
Exhibit 104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

CECONY

Exhibit 31.2.1	Rule 13a-14(a)/15d-14(a) Certifications – Chief Executive Officer.
Exhibit 31.2.2	Rule 13a-14(a)/15d-14(a) Certifications – Chief Financial Officer.
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Exhibit 101.LAB	XBRL Taxonomy Extension Label Linkbase.
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation Linkbase.
Exhibit 104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, instruments defining the rights of holders of long-term debt of Con Edison's subsidiaries other than CECONY, the total amount of which does not exceed ten percent of the total assets of Con Edison and its subsidiaries on a consolidated basis, are not filed as exhibits to Con Edison's Form 10-K or Form 10-Q. Con Edison agrees to furnish to the SEC upon request a copy of any such instrument.

Signatures

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

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

Date: November 7, 2024

By /s/ Kirkland B. Andrews

Kirkland B. Andrews
Senior Vice President, Chief Financial Officer and Duly Authorized Officer

Exhibit 31.1.1

CERTIFICATIONS

I, Timothy P. Cawley, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 of Consolidated Edison, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2024

/s/ Timothy P. Cawley

Timothy P. Cawley
Chairman, President and Chief Executive Officer

Exhibit 31.1.2

CERTIFICATIONS

I, Kirkland B. Andrews, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 of Consolidated Edison, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 7, 2024

/s/ Kirkland B. Andrews

Kirkland B. Andrews
Senior Vice President and Chief Financial Officer

Exhibit 31.2.1

CERTIFICATIONS

I, Timothy P. Cawley, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 of Consolidated Edison Company of New York, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2024

/s/ Timothy P. Cawley

Timothy P. Cawley
Chairman and Chief Executive Officer

Exhibit 31.2.2

CERTIFICATIONS

I, Kirkland B. Andrews, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 of Consolidated Edison Company of New York, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2024

/s/ Kirkland B. Andrews

Kirkland B. Andrews
Senior Vice President and Chief Financial Officer

Exhibit 32.1.1

Certification Required Under Section 906 of the Sarbanes-Oxley Act of 2002

I, Timothy P. Cawley, the Chief Executive Officer of Consolidated Edison, Inc. (the “Company”) certify that the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024, which this statement accompanies (the “Form 10-Q”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)) and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Timothy P. Cawley

Timothy P. Cawley

Date: November 7, 2024

Exhibit 32.1.2

Certification Required Under Section 906 of the Sarbanes-Oxley Act of 2002

I, Kirkland B. Andrews, the Chief Financial Officer of Consolidated Edison, Inc. (the “Company”) certify that the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024, which this statement accompanies (the “Form 10-Q”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)) and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kirkland B. Andrews

Kirkland B. Andrews

Date: November 7, 2024

Exhibit 32.2.1

Certification Required Under Section 906 of the Sarbanes-Oxley Act of 2002

I, Timothy P. Cawley, the Chief Executive Officer of Consolidated Edison Company of New York, Inc. (the “Company”) certify that the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024, which this statement accompanies (the “Form 10-Q”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)) and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Timothy P. Cawley
Timothy P. Cawley

Date: November 7, 2024

Exhibit 32.2.2

Certification Required Under Section 906 of the Sarbanes-Oxley Act of 2002

I, Kirkland B. Andrews, the Chief Financial Officer of Consolidated Edison Company of New York, Inc. (the "Company") certify that the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024, which this statement accompanies (the "Form 10-Q"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)) and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kirkland B. Andrews
Kirkland B. Andrews

Date: November 7, 2024