FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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[x] Quarterly Report Pursuant To Section 13 or 15(d)
of the Securities Exchange Act of 1934
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 1994

OR

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

Commission File No. 1-1217

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

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

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

The Registrant has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and has been subject to such filing requirements for the past 90 days.

Yes ___X___ No _______

As of the close of business on October 31, 1994, the Registrant had outstanding 234,898,683 shares of Common Stock ($2.50 par value).

PART I. - FINANCIAL INFORMATION

CONTENTS

The following consolidated financial statements are unaudited but, in the opinion of management, reflect all adjustments (which include only normal recurring adjustments) necessary to a fair statement of the results for the interim periods presented. These condensed unaudited interim financial statements do not contain the detail, or footnote disclosure concerning accounting policies and other matters, which would be included in full-year financial statements and, accordingly, should be read in conjunction with the Company's audited financial statements (including the notes thereto) included in the Company's Annual Report on Form 10-K for the year ended December 31, 1993 (File No. 1-1217).

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED BALANCE SHEET
AS AT SEPTEMBER 30, 1994, DECEMBER 31, 1993 AND SEPTEMBER 30, 1993

	As At		
	Sept. 30, 1994	Dec. 31, 1993	Sept. 30, 1993
	(Thousands of Dollars)		
ASSETS			
Utility plant, at original cost			
Electric	$ 10,819,169	$ 10,530,193	$ 10,500,636
Gas	1,398,780	1,341,704	1,307,205
Steam	416,878	403,411	389,956
General	1,075,428	1,015,947	986,303
Total	13,710,255	13,291,255	13,184,100
Less: Accumulated depreciation	3,790,758	3,594,784	3,639,179
Net	9,919,497	9,696,471	9,544,921
Construction work in progress	383,425	389,244	390,835
Nuclear fuel assemblies and components, less accumulated amortization	90,666	70,441	72,217
Net utility plant	10,393,588	10,156,156	10,007,973
Current assets			
Cash and temporary cash investments	360,737	36,756	203,963
Accounts receivable - customers, less allowance for uncollectible accounts of $21,509, $21,600 and $19,928	492,486	459,261	500,072
Other receivables	62,417	84,955	72,989
Regulatory accounts receivable	16,994	97,117	99,328
Fuel, at average cost	54,505	53,755	43,077
Gas in storage, at average cost	48,831	49,091	45,407
Materials and supplies, at average cost	238,930	245,785	260,235
Prepayments	169,929	56,274	163,532
Other current assets	14,289	11,486	11,131
Total current assets	1,459,118	1,094,480	1,399,734
Investments and nonutility property			
Investments	109,183	92,108	89,142
Nonutility property	1,207	1,791	1,722
Total investments and nonutility property	110,390	93,899	90,864
Deferred charges			
Recoverable fuel costs	(15,722)	17,649	23,989
Enlightened Energy program costs	161,152	140,057	123,456
Unamortized debt expense	139,305	144,928	119,518
Power contract termination costs	148,751	121,740	121,740
Other deferred charges	316,444	337,826	333,314
Total deferred charges	749,930	762,200	722,017
Regulatory asset-future federal income taxes	1,335,932	1,376,759	1,358,274
Total	$ 14,048,958	$ 13,483,494	$ 13,578,862

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

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED BALANCE SHEET
AS AT SEPTEMBER 30, 1994, DECEMBER 31, 1993 AND SEPTEMBER 30, 1993

	As At		
	Sept. 30, 1994	Dec. 31, 1993	Sept. 30, 1993
	(Thousands of Dollars)		
CAPITALIZATION AND LIABILITIES			
Capitalization			
Common stock, authorized 340,000,000 shares; outstanding 234,895,212 shares, 234,372,931 shares and 233,978,202 shares	$ 1,463,835	$ 1,448,845	$ 1,436,799
Capital stock expense	(39,005)	(39,201)	(39,205)
Retained earnings	3,896,475	3,658,886	3,663,980
Total common equity	5,321,305	5,068,530	5,061,574
Preferred stock			
Subject to mandatory redemption			
7.20% Series I	50,000	50,000	50,000
6-1/8% Series J	50,000	50,000	50,000
Total preferred stock subject to mandatory redemption	100,000	100,000	100,000
Other preferred stock			
$ 5 Cumulative Preferred	175,000	175,000	175,000
5-3/4% Series A	60,000	60,000	60,000
5-1/4% Series B	75,000	75,000	75,000
4.65% Series C	60,000	60,000	60,000
4.65% Series D	75,000	75,000	75,000
5-3/4% Series E	50,000	50,000	50,000
6.20% Series F	40,000	40,000	40,000
6% Convertible Series B	5,387	5,728	5,893
Total other preferred stock	540,387	540,728	540,893
Total preferred stock	640,387	640,728	640,893
Long-term debt	3,932,799	3,643,891	3,785,624
Total capitalization	9,894,491	9,353,149	9,488,091
Noncurrent liabilities			
Obligations under capital leases	48,443	50,355	50,992
Other noncurrent liabilities	82,897	125,369	162,360
Total noncurrent liabilities	131,340	175,724	213,352
Current liabilities			
Long-term debt due within one year	135,743	133,639	13,505
Accounts payable	315,857	399,543	309,766
Customer deposits	160,964	157,380	156,963
Accrued income taxes	147,586	28,410	204,713
Other accrued taxes	23,415	30,896	43,130
Accrued interest	70,555	82,002	70,266
Accrued wages	83,480	81,174	79,405
Other current liabilities	146,690	172,876	176,440
Total current liabilities	1,084,290	1,085,920	1,054,188
Deferred credits			
Accumulated deferred federal income tax	1,114,882	1,083,720	1,052,117
Accumulated deferred investment tax credits	193,944	201,144	204,124
Other deferred credits	294,079	207,078	208,716
Total deferred credits	1,602,905	1,491,942	1,464,957
Deferred tax liability-future federal income taxes	1,335,932	1,376,759	1,358,274
Total	$ 14,048,958	$ 13,483,494	$ 13,578,862

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

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED INCOME STATEMENT
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1994 AND 1993

	1994	1993
	(Thousands of Dollars)	
Operating revenues		
Electric	$ 1,642,823	$ 1,629,464
Gas	115,239	107,375
Steam	63,929	62,846
Total operating revenues	1,821,991	1,799,685
Operating expenses		
Fuel and purchased power	375,679	389,893
Gas purchased for resale	30,940	28,781
Other operations	279,654	272,049
Maintenance	110,674	125,766
Depreciation and amortization	106,098	101,806
Taxes, other than federal income tax	303,631	304,929
Federal income tax	196,940	176,360
Total operating expenses	1,403,616	1,399,584
Operating income	418,375	400,101
Other income (deductions)		
Investment income	2,930	830
Allowance for equity funds used during construction	1,781	1,160
Other income less miscellaneous deductions	(6,328)	(1,815)
Federal income tax	500	990
Total other income	(1,117)	1,165
Income before interest charges	417,258	401,266
Interest on long-term debt	73,628	71,315
Other interest	4,545	5,649
Allowance for borrowed funds used during construction	(784)	(535)
Net interest charges	77,389	76,429
Net income	339,869	324,837
Preferred stock dividend requirements	8,896	8,904
Net income for common stock	$ 330,973	$ 315,933
Common shares outstanding - average (000)	234,889	233,974
Earnings per share	$ 1.41	$ 1.35
Dividends declared per share of common stock	$ .50	$ .485
Sales		
Electric (Thousands of Kwhrs.)		
Con Edison Customers	10,867,000	10,778,674
Deliveries for NYPA Customers	2,286,314	2,217,908
Service for Municipal Agencies	112,704	95,729
Total Sales in Service Territory	13,266,018	13,092,311
Other Electric Utilities (a)	402,300	138,670
Gas - Firm Customers (Dekatherms)	10,056,613	9,660,688
Steam (Thousands of Lbs.)	6,768,672	6,854,430

(a) The 1993 period includes 192 thousands of kwhrs. which were sold to the New York Power Authority ("NYPA") and are also included in the deliveries for NYPA. There were no such sales in the 1994 period.

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

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED INCOME STATEMENT
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1994 AND 1993

	1994	1993
	(Thousands of Dollars)	
Operating revenues		
Electric	$ 3,936,365	$ 3,934,127
Gas	698,801	593,776
Steam	276,672	253,877
Total operating revenues	4,911,838	4,781,780
Operating expenses		
Fuel and purchased power	1,038,234	1,101,035
Gas purchased for resale	283,070	209,414
Other operations	834,778	818,633
Maintenance	384,964	406,504
Depreciation and amortization	314,418	300,723
Taxes, other than federal income tax	857,733	888,422
Federal income tax	357,100	300,130
Total operating expenses	4,070,297	4,024,861
Operating income	841,541	756,919
Other income (deductions)		
Investment income	5,615	2,843
Allowance for equity funds used during construction	6,432	5,897
Other income less miscellaneous deductions	(9,544)	(586)
Federal income tax	(670)	(150)
Total other income	1,833	8,004
Income before interest charges	843,374	764,923
Interest on long-term debt	215,954	211,839
Other interest	13,860	14,578
Allowance for borrowed funds used during construction	(2,831)	(2,722)
Net interest charges	226,983	223,695
Net income	616,391	541,228
Preferred stock dividend requirements	26,692	26,715
Net income for common stock	$ 589,699	$ 514,513
Common shares outstanding - average (000)	234,710	233,959
Earnings per share	$ 2.51	$ 2.20
Dividends declared per share of common stock	$ 1.50	$ 1.455
Sales		
Electric (Thousands of Kwhrs.)		
Con Edison Customers	28,151,349	27,672,575
Deliveries for NYPA Customers	6,590,006	6,318,137
Service for Municipal Agencies	305,061	270,067
Total Sales in Service Territory	35,046,416	34,260,779
Other Electric Utilities (a)	1,129,809	465,381
Gas - Firm Customers (Dekatherms)	73,158,618	67,572,516
Steam (Thousands of Lbs.)	25,055,697	23,248,249

(a) The 1993 period includes 192 thousands of kwhrs. which were sold to the New York Power Authority ("NYPA") and are also included in the deliveries for NYPA. There were no such sales in the 1994 period.

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

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED INCOME STATEMENT
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 1994 AND 1993

	1994	1993
	(Thousands of Dollars)	
Operating revenues		
Electric	$ 5,133,903	$ 5,134,720
Gas	913,414	790,986
Steam	348,135	334,884
Total operating revenues	6,395,452	6,260,590
Operating expenses		
Fuel and purchased power	1,355,029	1,451,565
Gas purchased for resale	363,363	282,508
Other operations	1,123,111	1,104,796
Maintenance	549,254	565,320
Depreciation and amortization	417,424	397,832
Taxes, other than federal income tax	1,128,595	1,178,595
Federal income tax	422,990	351,810
Total operating expenses	5,359,766	5,332,426
Operating income	1,035,686	928,164
Other income (deductions)		
Investment income	7,706	5,187
Allowance for equity funds used during construction	7,758	8,729
Other income less miscellaneous deductions	(16,524)	(3,335)
Federal income tax	490	(970)
Total other income	(570)	9,611
Income before interest charges	1,035,116	937,775
Interest on long-term debt	285,870	279,091
Other interest	19,004	20,923
Allowance for borrowed funds used during construction	(3,443)	(4,100)
Net interest charges	301,431	295,914
Net income	733,685	641,861
Preferred stock dividend requirements	35,594	35,537
Net income for common stock	$ 698,091	$ 606,324
Common shares outstanding - average (000)	234,543	233,950
Earnings per share	$ 2.98	$ 2.59
Dividends declared per share of common stock	$ 1.985	$ 1.93
Sales		
Electric (Thousands of Kwhrs.)		
Con Edison Customers	36,719,773	36,254,221
Deliveries for NYPA Customers	8,713,494	8,385,445
Service for Municipal Agencies	396,848	377,268
Total Sales in Service Territory	45,830,115	45,016,934
Other Electric Utilities (a)	1,269,273	523,968
Gas - Firm Customers (Dekatherms)	95,425,428	90,744,373
Steam (Thousands of Lbs.)	31,201,783	30,137,121

(a) The 1994 and 1993 periods include 1,950 and 192 thousands of Kwhrs. respectively, which were sold to the New York Power Authority ("NYPA") and are also included in the deliveries for NYPA.

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

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1994 AND 1993

	1994	1993
	(Thousands of Dollars)	
Operating activities		
Net income	$ 616,391	$ 541,228
Principal non-cash charges (credits) to income		
Depreciation and amortization	314,418	300,723
Deferred recoverable fuel costs	33,371	(2,468)
Federal income tax deferred	17,920	67,750
Common equity component of allowance for funds used during construction	(6,065)	(5,548)
Other non-cash charges	41,388	(23,342)
Changes in assets and liabilities		
Accounts receivable - customers, less allowance for uncollectibles	(33,225)	(75,723)
Regulatory accounts receivable	80,123	68,603
Materials and supplies, including fuel and gas in storage	6,365	60,466
Prepayments, other receivables and other current assets	(93,920)	(127,173)
Enlightened Energy program costs	(21,095)	(42,696)
Federal income tax refund	52,937	-
Power contract termination costs	(63,480)	(60,870)
Accounts payable	(83,686)	(66,770)
Accrued income taxes	119,176	167,214
Other - net	(39,020)	(12,824)
Net cash flows from operating activities	941,598	788,570
Investing activities including construction		
Construction expenditures	(498,233)	(552,323)
Nuclear fuel expenditures	(39,191)	(9,005)
Contributions to nuclear decommissioning trust	(11,669)	(16,330)
Common equity component of allowance for funds used during construction	6,065	5,548
Net cash flows from investing activities including construction	(543,028)	(572,110)
Financing activities including dividends		
Issuance of common stock	14,650	-
Issuance of long-term debt	300,000	1,231,000
Retirement of long-term debt	(7,015)	(156,406)
Advance refunding of long-term debt	-	(922,257)
Issuance and refunding costs	(3,423)	(80,160)
Common stock dividends	(352,111)	(340,415)
Preferred stock dividends	(26,690)	(26,713)
Net cash flows from financing activities including dividends	(74,589)	(294,951)
Net increase (decrease) in cash and temporary cash investments	323,981	(78,491)
Cash and temporary cash investments at January 1	36,756	282,454
Cash and temporary cash investments at September 30	$ 360,737	$ 203,963
Supplemental disclosure of cash flow information		
Cash paid during the period for:		
Interest	$ 215,586	$ 210,864
Income taxes	206,186	65,491

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

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 1994 AND 1993

	1994	1993
	(Thousands of Dollars)	
Operating activities		
Net income	$ 733,685	$ 641,861
Principal non-cash charges (credits) to income		
Depreciation and amortization	417,424	397,832
Deferred recoverable fuel costs	39,711	(3,339)
Federal income tax deferred	44,380	64,850
Common equity component of allowance for funds used during construction	(7,312)	(8,197)
Other non-cash charges	40,281	(25,930)
Changes in assets and liabilities		
Accounts receivable - customers, less allowance for uncollectibles	7,586	(81,786)
Regulatory accounts receivable	82,334	36,433
Materials and supplies, including fuel and gas in storage	6,453	38,259
Prepayments, other receivables and other current assets	1,017	(3,193)
Enlightened Energy program costs	(37,696)	(56,726)
Federal income tax refund	52,937	-
Power contract termination costs	(70,990)	(60,870)
Accounts payable	6,091	(22,393)
Accrued income taxes	(57,127)	99,110
Other - net	(80,481)	45,657
Net cash flows from operating activities	1,178,293	1,061,568
Investing activities including construction		
Construction expenditures	(734,978)	(808,227)
Nuclear fuel expenditures	(44,278)	(13,045)
Contributions to nuclear decommissioning trust	(14,586)	(16,330)
Common equity component of allowance for funds used during construction	7,312	8,197
Net cash flows from investing activities including construction	(786,530)	(829,405)
Financing activities including dividends		
Issuance of common stock	26,530	-
Issuance of long-term debt	447,475	1,431,000
Retirement of long-term debt	(28,506)	(307,273)
Advance refunding of long-term debt and preferred stock	(147,475)	(1,072,257)
Funds held for redemption of mortgage bonds	-	148,099
Issuance and refunding costs	(31,824)	(90,589)
Common stock dividends	(465,598)	(451,529)
Preferred stock dividends	(35,591)	(35,314)
Net cash flows from financing activities including dividends	(234,989)	(377,863)
Net increase (decrease) in cash and temporary cash investments	156,774	(145,700)
Cash and temporary cash investments at beginning of period	203,963	349,663
Cash and temporary cash investments at September 30	$ 360,737	$ 203,963
Supplemental disclosure of cash flow information		
Cash paid during the period for:		
Interest	$ 270,197	$ 270,134
Income taxes	420,817	184,957

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

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For purposes of these interim financial statements, the information in this note supplements the information under the same headings in Note A to the financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 1993 (File No. 1-1217).

NUCLEAR DECOMMISSIONING. In the first quarter of 1994 a site-specific study was prepared for both the Indian Point 2 and the retired Indian Point 1 nuclear units. The estimated decommissioning cost in 1993 dollars is $657 million, comprised of $609 million for nuclear and $48 million for non-nuclear portions of the units. Assuming the expenditures will be made in 2016, on a dollar-weighted average basis, and assuming an average annual escalation rate of five percent, the estimated decommissioning cost in future dollars is $2,019 million, comprised of $1,870 million for nuclear and $149 million for non-nuclear portions. Based on the study, the Company is seeking in its electric rate filing submitted to the Public Service Commission in April 1994 an increase of $27.6 million in the annual decommissioning allowance for the nuclear portion of the plant.

INVESTMENTS. In the first quarter of 1994 the Company adopted Statement of Financial Accounting Standards No. 115, "Accounting for Certain Investments in Debt and Equity Securities". Pursuant to the Statement, the securities held in the Company's nuclear decommissioning trust fund at September 30, 1994 are reported at fair value. Pursuant to the accounting requirements of the Federal Energy Regulatory Commission, gains or losses are included in nuclear decommissioning trust assets and added to accumulated decommissioning included within Accumulated Depreciation. Accordingly, the $1.2 million net unrealized gain resulting from reporting the securities at fair value at September 30, 1994 has been included in the accumulated depreciation reserve.

NOTE B - CONTINGENCIES

INDIAN POINT. Nuclear generating units similar in design to the Company's Indian Point 2 unit have experienced problems of varying severity in their steam generators, which in a number of instances have required steam generator replacement. Inspections of the Indian Point 2 steam generators since 1976 have revealed various problems, some of which appear to have been arrested, but the remaining service life of the steam generators is uncertain and may be shorter than the unit's life. The projected service life of the steam generators is reassessed periodically in the light of the inspections made during scheduled outages of the unit. Based on data from the latest inspection (1993) and other sources, the Company estimates that steam generator replacement will not be required before 1997, and possibly not until some years later. To avoid procurement delays in the event replacement is necessary, the Company purchased, and has stored at the site, replacement steam generators. If replacement of the steam generators is required, such replacement is presently estimated (in 1993 dollars) to require additional expenditures of approximately $135 million (exclusive of replacement power costs) and an outage of approximately six months. However, securing necessary permits and approvals or other factors could require a substantially longer outage if steam generator replacement is required on short notice.

NUCLEAR INSURANCE. The insurance polices covering the Company's nuclear facilities for property damage, excess property damage, and outage costs permit assessments under certain conditions to cover insurers' losses. As of September 30, 1994, the highest amount which could be assessed for losses during the current policy year under all of the policies was $24.5 million. While assessments may also be made for losses in certain prior years, the Company is not aware of any losses in such years which it believes are likely to result in an assessment.

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

The Company participates in an insurance program covering liabilities for injuries to certain workers in the nuclear power industry. In the event of such injuries, the Company is subject to assessment up to an estimated maximum of approximately $3.2 million.

SUPERFUND CLAIMS. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Superfund) by its terms imposes joint and several strict liability, regardless of fault, upon generators of hazardous substances for resulting removal and remedial costs and environmental damages. Complex technical and factual determinations must be made prior to the ultimate disposition of these claims. Accordingly, estimates of removal, remedial and environmental damage costs for these sites may not be accurate. Moreover, the Company at appropriate times seeks recovery of its share of these costs under any applicable insurance coverage and through inclusion of such costs in allowable costs for rate-making purposes.

The Company has received process or notice concerning possible claims under Superfund or similar state statutes relating to 15 sites at which it is alleged that hazardous substances generated by the Company (and, in most instances, a large number of other potentially responsible parties) were deposited. For most, but not all, of these sites, the Company has developed estimates of investigative, removal, remedial and environmental damage costs it will be obligated to pay. These estimates aggregate approximately $12 million and the Company has accrued a liability in this amount. It is possible that substantial additional costs may be incurred with respect to the 15 sites and other sites.

The Company evaluates its potential Superfund liability on an ongoing basis. Based on the information and relevant circumstances known to the Company at this time, it is the opinion of the Company that the amounts it will be obligated to pay for the 15 sites will not have a material adverse effect on the Company's financial position.

DEC PROCEEDING. In June 1992 the Staff of the New York State Department of Environmental Conservation (DEC) instituted a civil administrative proceeding against the Company before the DEC, alleging environmental violations. The complaint sought approximately $20 million in civil penalties, and injunctive measures. The Company settled this complaint with the DEC under a consent order signed in November 1994. Under the consent order, the Company is assessed a $9 million penalty and will contribute $5 million to a fund to support programs designed to benefit the environment. The Company must also conduct an environmental compliance audit and an environmental management review, develop and implement a "best management practices plan" for certain facilities and undertake a remediation program for certain sites. The Company presently estimates the cost of the remediation program to be approximately $13.8 million. A $1 million suspended penalty could be assessed in the event of material or substantive violations of the consent order.

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

ELECTRIC AND MAGNETIC FIELDS. Electric and magnetic fields (EMF) are found wherever electricity is used. Several scientific studies have raised concerns that EMF surrounding electric equipment and wires, including power lines, may present health risks. In the event that a causal relationship between EMF and adverse health effects is established, there could be a material adverse effect on the electric utility industry, including the Company.

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

The following discussion and analysis relates to the interim financial statements appearing in this report and should be read in conjunction with Management's Discussion and Analysis appearing in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 1993 (File No. 1-1217). Reference is made to the notes to the financial statements in Item 1 of this report, which notes are incorporated herein by reference.

LIQUIDITY AND CAPITAL RESOURCES

Cash and temporary investments were $360.7 million at September 30, 1994 compared with $36.8 million at December 31, 1993 and $204.0 million at September 30, 1993. The Company's cash balances reflect the timing and amounts of external financing. As discussed below, in March 1994 the Company received approximately $60 million of federal income tax refunds and related interest.

In February 1994 the Company issued $150 million of 35-year debentures. The debentures bear an interest rate of 7-1/8 percent. Pursuant to its amended dividend reinvestment plan, in the first quarter of 1994 the Company issued new shares of common stock for $14.6 million.

In July 1994 the Company issued $150 million of five-year floating rate debentures due July 1, 1999 which were offered to the public at 99.9452 percent. The initial interest rate of 5-1/8 percent was based on a spread of 0.1875 percent over the three-month LIBOR (London Interbank Offered Rate), and will be reset quarterly. The rate for the fourth quarter of 1994 has been reset at 5-5/8 percent.

In October 1994 the Company redeemed at maturity the $125 million 4.60 percent Series BB mortgage bonds.

The Company expects to finance the balance of its capital requirements for the remainder of 1994 and 1995 from internally generated funds and external financing of about $250 million. Most, if not all, of this financing will be debt issues.

Customer accounts receivable, less allowance for uncollectible accounts, amounted to $492.5 million at September 30, 1994 compared with $459.3 million at December 31, 1993 and $500.1 million at September 30, 1993. In terms of equivalent days of revenue outstanding, these amounts represented 25.8, 27.6 and 24.6 days, respectively.

Regulatory accounts receivable, amounting to $17.0 million at September 30, 1994, $97.1 million at December 31, 1993 and $99.3 million at September 30, 1993, represents accruals under the three-year electric rate settlement agreement effective April 1, 1992. It includes the "ERAM" accrual (differences in actual electric sales revenues from the levels forecast in the agreement), incentives and "lost revenues" related to the Company's Enlightened Energy program, incentives for customer service, and savings achieved in fuel and purchased power costs relative to target levels. Regulatory accounts receivable were reduced in 1993 and the first nine months of 1994 by billings to customers of prior period incentive accruals and by negative ERAM accruals for the first nine months of the year (reflecting sales in excess of estimated levels).

In July 1994 the Company made a semi-annual payment of $207.3 million to New York City for property taxes. Prepayments and other current assets at September 30, 1994 include the unamortized portion (approximately $108.7 million) of this payment.

Deferred charges include Enlightened Energy program costs of $161.2 million at September 30, 1994, $140.1 million at December 31, 1993 and $123.5 at September 30, 1993. Under the provisions of the 1992 electric rate settlement agreement, these costs are generally recoverable over a five-year period.

In March 1994 the Company received federal income tax refunds and related interest for years 1980 through 1986 amounting to approximately $60 million, $53 million of which is currently deferred and included in other deferred credits pending future rate treatment.

As a result of 1993 tax law changes, the Company will generally be required, beginning in 1994, to pay a larger portion of its current year federal income tax during the first three quarters of each year, than had been required in prior years. Largely because of this change (as well as higher pre-tax income), income taxes paid during the first nine months of 1994 were $140.7 million higher than in the corresponding 1993 period, while accrued income taxes at September 30, 1994 were $57.1 million lower than at September 30, 1993.

Interest coverage under the SEC formula for the twelve months ended September 30, 1994 was 4.57 times compared with 4.19 times for the year 1993 and 4.12 times for the twelve months ended September 30, 1993.

Gas and Steam Rate Agreements

In October 1994 the Public Service Commission ("PSC") approved three-year rate agreements for gas and steam services. The agreements provide for gas and steam rate increases in the first rate year of $7.7 million (0.9 percent) and $9.9 million (3.0 percent), respectively, and a methodology for rate changes in the second and third rate years. For both services, the October 1994 increases reflect a 10.9 percent rate of return on common equity and a 52.0 percent common equity ratio. The agreements contain "excess earnings" provisions giving stockholders the benefit of 100 percent retention of any earnings between 10.90 percent and 11.65 percent, and 50 percent sharing with customers above 11.65 percent. The gas agreement contains incentive/penalty mechanisms (not subject to the "excess earnings" provisions), equivalent to approximately 85 basis points of return on common equity.

Under two-year gas and steam rate agreements approved by the PSC in October 1992, earnings above 11.95 percent were to be shared with customers. The Company's rate of return on steam common equity for the second rate year was above the sharing threshold and as a result the Company recorded in 1994 a provision for refund to steam customers of 50 percent of the excess, or $3.3 million. Gas equity earnings did not exceed the threshold during the agreement period.

1992 Electric Rate Agreement

In March 1994 the PSC approved an electric rate increase of $55.2 million (1.1 percent), which became effective April 1, 1994 for the third and final year of the 1992 electric rate agreement, the twelve months ended March 31, 1995. Effective April 1, 1994, the Company's electric rates reflect the increase in the federal income tax rate from 34 percent to 35 percent which had previously been deferred.

For the second rate year, the twelve months ended March 31, 1994, the Company's rate of return on electric common equity, calculated in accordance with the provisions of the agreement which excludes incentives earned and labor productivity in excess of amounts reflected in rates, was approximately 11.2 percent, which was below the 11.85 percent threshold for sharing earnings with ratepayers.

1994 Electric Rate Increase Filing

In April 1994 the Company filed for a $191.3 million (3.6 percent) electric rate increase to become effective April 1, 1995. This consists of an increase of $168.7 million for Con Edison customers and a $22.6 million increase for delivery services to the New York Power Authority ("NYPA") and its Economic Development customers. The rate increase request was premised upon an allowed equity return of 11.75 percent and a common equity ratio of 52.0 percent of total capitalization. The major reasons for the requested increase are power purchases required from independent power producers ("IPPs"), increased taxes and infrastructure investment.

The filing includes measures to distribute more equitably the Company's costs of providing service and better position the Company in the increasingly competitive electric utility industry. The Company has proposed tariff changes for back-up and supplemental service to customers that install on-site generation, so as to reflect more accurately the cost of these services, and charges to reimburse the Company for the costs incurred to serve present Company customers that currently are eligible for, and in the future elect to take, service from NYPA. The Company has also requested additional depreciation allowances for retired generation facilities and acceleration of recovery of other production plant.

The filing includes a proposal for a three-year rate agreement, with estimated increases in the second and third years averaging 1.5 percent a year. These estimated increases do not reflect the possible effect of any incentives earned (or penalties) or other reconciliations.

On September 9, 1994, the PSC trial staff and intervenors filed their recommendations applicable to the electric filing. PSC trial staff recommended a first-year rate reduction of $199 million, reflecting the proposed disallowance of certain costs of the Company's contract for energy from Sithe Energies' Independence power plant, an equity return of 11.1%, rejection of the Company's proposals for accelerated recovery of retired generation facilities and other production plant, and various other expense adjustments. PSC trial staff also proposed to substantially reduce incentives, and limit future rate changes so as to reduce the difference between the Company's rates and national average electric rates by one-half over a ten-year period. In addition, the staff proposed to eliminate the fuel adjustment clause and to reconcile sales revenues annually to a target that reflects the average forecasted revenue per customer for each service classification.

If adopted, the trial staff's position could have serious adverse effects on the Company's future financial position and results of operations. In particular, elimination of the fuel adjustment clause could expose the Company to substantial risks of non-recovery of fuel price increases. However, the trial staff's recommendations are but one interim step in a year-long rate-setting process which will end with a decision by the Commission itself, which may differ significantly.

On September 23, 1994, the Company revised its total rate increase request to $223 million, based on updated projections, including a cost of equity of 12.25 percent. The Administrative Law Judges are expected to issue a recommended decision in January 1995 and a PSC decision is expected in March 1995. In the interim the Company, PSC staff and intervenors have opened discussions on a possible multi-year settlement agreement.

Credit Ratings

The Company's senior debt securities (first mortgage bonds) are rated Aa2 by Moody's Investors Service, Inc. ("Moody's"), AA- by Standard & Poor's Corporation ("S&P") and AA- by Duff and Phelps, Inc. In September 1994, following the filing by the PSC's trial staff of its recommendations with respect to the Company's 1994 electric rate increase filing, Moody's placed its rating of the Company under review for possible downgrade and S&P placed its ratings of the Company on CreditWatch with negative implications.

Possible Accounting Effects of Competition

Regulatory proceedings are pending in numerous states, including New York, and before the Federal Energy Regulatory Commission, relating to increasing competition in the electric utility industry, and the regulatory response to such competition. Among the issues being considered is the extent to which, in a competitive environment, rate regulation should provide for recovery of all costs prudently incurred. These proceedings could affect the eligibility of electric utilities to apply Statement of Financial Accounting Standards No. 71, "Accounting for the Effects of Certain Types of Regulation" ("SFAS No. 71"). If the Company were to be rendered ineligible to rely on SFAS No. 71, significant write-downs of assets could be required.

Electric Generating Capacity

In May 1994 the Company terminated a power purchase arrangement with NYPA under which it would have received substantial amounts of electricity from Hydro-Quebec during a 20 year period beginning in 1999. This arrangement no longer represented an economical power purchase for the Company's electric customers. The Company is exploring with Hydro-Quebec an extension of the existing summer diversity contract, set to expire in 1998, for a period of up to five years. Under the current contract, the Company purchases 780 MW of capacity and associated energy from Hydro-Quebec during the summer months.

The Company has terminated IPP contracts involving approximately 585 MW of capacity and related energy for $169 million (exclusive of interest) to be paid over a period of several years. The Company's electric customers will save substantially more than this amount, based on current estimates of future market prices for power. Termination costs for approximately 440 MW are being recovered in rates over a three-year period beginning April 1, 1994; recovery of the rest has been proposed in the Company's current electric rate case. The Company continues to explore economic opportunities to terminate additional IPP contracts.

Nuclear Decommissioning

Reference is made to Note A to the financial statements in this report for information concerning new estimates of decommissioning costs and proposed rate treatment of such costs.

Nuclear Fuel Disposal

Reference is made to the heading, "Fuel Supply - Nuclear Fuel" in Item 1 of the Company's Annual Report on Form 10-K for the year ended December 31, 1993. The Company has a contract with the United States Department of Energy (DOE), under the Federal Nuclear Waste Policy Act of 1982, which provides that, in return for payments being made by the Company to the DOE pursuant to the contract, the DOE starting in 1998 will take title to the Company's spent nuclear fuel (SNF), transport it to a Federal repository and store it permanently. Although the contract has not been changed, the DOE has announced that it will probably not take possession of SNF before 2010. Recently, the DOE has also taken the position that it is not obligated to begin accepting SNF until it has an appropriate facility for such purpose. In June 1994 the Company and a number of other utilities petitioned the United States Court of Appeals for the District of Columbia for a declaratory judgment that the DOE is unconditionally obligated to begin accepting SNF by 1998, an order directing the DOE to implement a program enabling it to begin acceptance of SNF by 1998, and, if warranted, appropriate relief for the financial burden to the utilities resulting from the DOE's delay. The Company estimates that it will incur substantial additional costs for interim storage of SNF after 2005 if the DOE facility is not available by then. These additional costs are included in the estimated decommissioning costs for which the Company is seeking an allowance in its pending electric rate increase filing.

Uranium Enrichment Decontamination and Decommissioning Fund

Under the Energy Policy Act of 1992, the DOE is to collect a special annual assessment, for a period of 15 years, from utilities that have purchased enriched uranium from the DOE. The Company has paid $5.0 million for the 1993 and 1994 assessments attributable to Indian Point Units 1 and 2. The 1995 assessment, which is payable in October 1994, is approximately $2.5 million, with similar amounts due annually thereafter. Future amounts are subject to review and adjustment for inflation. The Company's liability at September 30, 1994 for future installments of this assessment is $32.7 million, of which $30.2 million is classified as non-current. The Company is recovering these costs through its electric fuel adjustment clause.

Clean Air Act Amendments

Reference is made to the heading "Clean Air Act Amendments" in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 1993. New York and nine other member states of the Ozone Transport Commission have entered into a Memorandum of Understanding (MOU) concerning the establishment of Phase II nitrogen oxide emissions limits set by the New York State Department of Environmental Conservation under the Reasonably Available Control Technology provisions of the Clean Air Act. Based on the MOU, the Company's current estimate of the cost of post-Phase I compliance is $180 million, substantially less than previously estimated.

Superfund and Asbestos Claims and Other Contingencies

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

RESULTS OF OPERATIONS

Net income for common stock for the third quarter of 1994 was $15.0 million ($.06 a share) higher than the third quarter of 1993. Net income for common stock for the nine and twelve months ended September 30, 1994 exceeded the corresponding 1993 periods by $75.2 million ($.31 a share) and $91.8 million ($.39 a share), respectively.

	Increases (Decreases)					
	Three Months Ended Sept. 30, 1994 Compared With Three Months Ended Sept. 30, 1993		Nine Months Ended Sept. 30, 1994 Compared With Nine Months Ended Sept. 30, 1993		Twelve Months Ended Sept. 30, 1994 Compared with Twelve Months Ended Sept. 30, 1993	
	Amount	Percent	Amount	Percent	Amount	Percent
	(Amounts in Millions)					
Operating revenues	$ 22.3	1.2 %	$ 130.1	2.7 %	$ 134.9	2.2 %
Fuel and purchased power	(14.2)	(3.6)	(62.8)	(5.7)	(96.5)	(6.7)
Gas purchased for resale	2.1	7.5	73.7	35.2	80.9	28.6
Operating revenues less fuel and purchased power and gas purchased for resale (Net revenues)	34.4	2.5	119.2	3.4	150.5	3.3
Other operations and maintenance	(7.5)	(1.9)	(5.4)	(0.4)	2.2	0.1
Depreciation and amortization	4.3	4.2	13.7	4.6	19.6	4.9
Taxes, other than federal income tax	(1.3)	(0.4)	(30.7)	(3.5)	(50.0)	(4.2)
Federal income tax	20.6	11.7	57.0	19.0	71.2	20.2
Operating income	18.3	4.6	84.6	11.2	107.5	11.6
Other income less deductions, less related federal income tax	(2.3)	Large	(6.2)	(77.1)	(10.2)	Large
Interest charges and preferred stock dividend requirements	1.0	1.1	3.2	1.3	5.5	1.7
Net income for common stock	$ 15.0	4.8 %	$ 75.2	14.6 %	$ 91.8	15.1 %

In reviewing the following period-to-period comparisons, it should be noted that not all changes in sales volume affect operating revenues. Under the ERAM, increases (or decreases) in electric sales revenues compared with revenues forecast pursuant to the electric rate agreement are deferred for subsequent credit (or billing) to customers. Under the weather stabilization clause in the Company's gas tariff, most weather-related variations in gas sales do not affect gas revenues.

Third Quarter of 1994 Compared with
the Third Quarter of 1993

Net revenues (operating revenues less fuel and purchased power and gas purchased for resale) increased $34.4 million in the third quarter of 1994 compared with the 1993 period, primarily as a result of electric and gas rate increases, higher electric and gas sales volume due to weather and economic conditions and increased incentives accrued under the electric rate agreement. Electric, gas and steam net revenues increased $25.9 million, $5.7 million and $2.8 million, respectively.

Under the ERAM, net electric revenues for the third quarter of 1994 have been reduced for a credit due customers of $42.1 million, compared with a reduction in the 1993 period for a credit due customers of $32.7 million.

Net electric revenues for the third quarter of 1994 include $26.3 million compared with $20.8 million for the 1993 period for incentives earned by achieving goals for the Company's Enlightened Energy program, customer service and fuel costs.

Electric sales, excluding sales to other utilities, in the third quarter of 1994 compared with the 1993 period were:

	Millions of Kwhrs.			
Description	3rd Quarter 1994	3rd Quarter 1993	Variation	Percent Variation
Residential/Religious	3,368	3,352	16	0.5 %
Commercial/Industrial	7,328	7,252	76	1.0 %
Other	171	175	(4)	(2.3)%
Total Con Edison Customers	10,867	10,779	88	0.8 %
NYPA & Municipal Agency Sales	2,399	2,313	86	3.7 %
Total Service Area	13,266	13,092	174	1.3 %

For the third quarter of 1994 firm gas sales volume increased 4.1 percent and steam sales volume decreased 1.3 percent compared with the 1993 period.

After adjustment for comparability in both periods, primarily for variations in weather, electric sales volume in the Company's service territory in the third quarter of 1994 increased 1.8 percent. Similarly adjusted, firm gas sales volume increased 4.1 percent and steam sales volume increased 2.2 percent.

Electric fuel and purchased power costs for the third quarter of 1994 decreased $12.6 million, primarily due to lower unit purchased power cost. Gas purchased for resale increased $2.1 million due to higher sendout for the period offset in part by lower unit gas cost, and steam fuel cost decreased $1.6 million reflecting principally lower unit fuel costs.

Other operations and maintenance expenses decreased $7.5 million in the third quarter of 1994 compared with the 1993 period due principally to lower production and distribution expenses offset in part by higher administrative and general expenses.

Depreciation and amortization increased $4.3 million due principally to higher plant balances.

Federal income taxes increased $20.6 million for the third quarter reflecting higher pre-tax income.

First Nine Months of 1994 Compared
with the First Nine Months of 1993

Net revenues (operating revenues less fuel and purchased power and gas purchased for resale) increased $119.2 million in the first nine months of 1994 compared with the first nine months of 1993 principally as a result of electric and gas rate increases, higher electric, gas and steam sales volume, lower electric fuel and purchased power costs and increased incentives accrued under the electric rate agreement. Electric, gas and steam net revenues increased $70.0 million, $31.4 million and $17.8 million, respectively.

Under the ERAM, net electric revenues for the first nine months of 1994 have been reduced for a credit due customers of $71.3 million, compared with a reduction in the 1993 period for a credit due customers of $9.1 million.

Net electric revenues for the first nine months of 1994 also include $91.5 million compared with $43.2 million for the 1993 period for incentives earned under the provisions of the electric rate agreement.

Electric sales, excluding sales to other utilities, in the first nine months of 1994 compared with the 1993 period were:

Description	Millions of Kwhrs. Nine Months Ended Sept. 30, 1994	Nine Months Ended Sept. 30, 1993	Variation	Percent Variation
Residential/Religious	8,271	8,102	169	2.1 %
Commercial/Industrial	19,425	19,102	323	1.7 %
Other	455	469	(14)	(3.0)%
Total Con Edison Customers	28,151	27,673	478	1.7 %
NYPA & Municipal Agency Sales	6,895	6,588	307	4.7 %
Total Service Area	35,046	34,261	785	2.3 %

For the first nine months of 1994 firm gas sales volume increased 8.3 percent and steam sales volume increased 7.8 percent over the 1993 period.

After adjustment for comparability in both periods, primarily for variations in weather, electric sales volume in the Company's service territory in the first nine months of 1994 increased 1.7 percent. Similarly adjusted, firm gas sales volume increased 2.3 percent and steam sales volume increased 2.7 percent.

Electric fuel and purchased power costs decreased $67.8 million primarily due to lower unit fuel and purchased power cost, offset in part by increased sendout. Electric fuel costs were also impacted by a lower level of nuclear generation in the 1993 period due to the scheduled refueling and maintenance outage in 1993 at the Indian Point 2 nuclear unit. Steam fuel cost increased $5.0 million due to increased sendout. Gas purchased for resale increased $73.7 million reflecting a higher unit cost and higher sendout.

Other operations and maintenance expenses decreased $5.4 million in the first nine months of 1994 compared with the 1993 period principally due to expenses related to the Indian Point 2 refueling and maintenance outage in the 1993 period (there was no such outage in the 1994 period) and cost containment measures, offset in part by increases in labor and labor related expenses, administrative and general expenses and distribution expenses.

Depreciation and amortization increased $13.7 million due principally to higher plant balances.

Taxes, other than federal income tax, decreased $30.7 million in the first nine months of 1994 compared with the 1993 period due primarily to reduced property taxes.

Federal income tax increased $57.0 million in the first nine months of 1994 compared with the 1993 period, principally due to higher pre-tax income.

Twelve Months Ended September 30, 1994 Compared with the Twelve Months Ended September 30, 1993

Net revenues (operating revenues less fuel and purchased power and gas purchased for resale) increased $150.5 million principally as a result of electric and gas rate increases, higher steam sales and increased incentives accrued under the electric rate agreement. Electric, gas and steam net revenues increased $97.6 million, $41.5 million and $11.4 million, respectively.

Under the ERAM, net electric revenues for the twelve months ended September 30, 1994 have been reduced for a credit due customers of $51.3 million, compared with an increase in the 1993 period for a charge to be billed to customers of $8.1 million.

Net electric revenues for the twelve months ended September 30, 1994 also include $117.9 million for incentives earned under the provisions of the electric rate agreement, compared with $66.6 million for the 1993 period.

Electric sales, excluding sales to other utilities, for the twelve months ended September 30, 1994 compared with the twelve months ended September 30, 1993 were:

	Millions of Kwhrs.			
Description	Twelve Months Ended Sept. 30, 1994	Twelve Months Ended Sept. 30, 1993	Variation	Percent Variation
Residential/Religious	10,681	10,519	162	1.5 %
Commercial/Industrial	25,442	25,123	319	1.3 %
Other	597	612	(15)	(2.5)%
Total Con Edison Customers	36,720	36,254	466	1.3 %
NYPA and Municipal Agency Sales	9,110	8,763	347	4.0 %
Total Service Area	45,830	45,017	813	1.8 %

For the twelve months ended September 30, 1994 firm gas sales volume increased 5.2 percent and steam sales volume increased 3.5 percent over the 1993 period.

After adjustment for comparability in both periods, primarily for variations in weather, electric sales volume in the Company's service territory in the twelve months ended September 30, 1994 increased 1.7 percent. Similarly adjusted, firm gas sales volume increased 3.0 percent and steam sales volume increased 2.2 percent.

Electric fuel and purchased power costs decreased by $98.4 million, gas purchased for resale increased by $80.9 million and steam fuel costs increased by $1.9 million. Electric fuel and purchased power costs decreased as a result of lower unit fuel and purchased power costs, offset in part by increased sendout. Electric fuel cost was also impacted significantly by a lower level of nuclear generation in the 1993 period due to the scheduled refueling and maintenance outage at the Indian Point 2 nuclear unit. Gas purchased for resale reflects the higher unit cost of purchased gas and higher sendout in the 1994 period. Steam fuel cost increased as a result of increased steam sendout, offset in part by lower unit fuel cost.

Other operations and maintenance expenses increased $2.2 million in the twelve months ended September 30, 1994 compared with the 1993 period due to increased distribution expenses, increased labor and labor related expenses, offset in part by lower production cost principally due to the Indian Point 2 refueling and maintenance outage in the 1993 period and cost containment measures.

Depreciation and amortization increased $19.6 million due principally to higher plant balances.

Taxes, other than federal income tax, decreased $50.0 million in the twelve months ended September 30, 1994 compared with the 1993 period due primarily to reduced property taxes ($55.0 million), offset in part by increased revenue taxes ($4.7 million).

Federal income taxes increased $71.2 million for the twelve months ended September 30, 1994 compared with the 1993 period, principally due to higher pre-tax income.

PART II. - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

GRAMERCY PARK

The following information supersedes the information contained under the caption "Gramercy Park" in Part I, Item 3, Legal Proceedings, in the Company's Annual Report on Form 10-K for the year ended December 31, 1993, and in Part II, Item 1, Legal Proceedings, in the Company's Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 1994 and June 30, 1994.

On August 19, 1989, a Company steam main exploded in the Gramercy Park area of Manhattan, releasing debris containing asbestos into that area. The Company took responsibility for the asbestos cleanup and most of the cost of that cleanup was covered by the Company's insurance.

A federal Grand Jury in the Southern District of New York issued an indictment in December 1993, which was superseded by an indictment issued in April 1994, charging the Company and two of its retired employees with criminal acts relating to the reporting of the release of asbestos from the steam main explosion. The April 1994 indictment contained eight counts.

On October 31, 1994, the Company pled guilty to four counts of the eight count indictment. Sentencing is expected in January, 1995, at which time a fine of up to $500,000 on each of the four counts, and up to five years probation, could be imposed.

SUPERFUND- HUNTS POINT SITE

Reference is made to the information under the caption "Superfund Claims" in Note B - Contingencies in the Notes to Financial Statements in Part I, Item 1 of this report and under the caption "Superfund", in Part I, Item 3, Legal Proceedings, in the Company's Annual Report on Form 10-K, for the year ended December 31, 1993.

In September 1994, the City of New York notified the Company that it had discovered coal tar on the site of a former Company manufactured gas plant in the Hunts Point section of the Bronx. The Company had manufactured gas at that location prior to its sale of the site to the City in the 1960s. The Company has agreed to conduct a site study and to develop and implement a remediation program. However, the Company has not agreed to pay costs not associated with the Company's use of the site or to a remediation program that includes soil removal. The Company is unable at this time to estimate its exposure to liability with respect to this site.

DEC PROCEEDING

Reference is made to the information under the caption "DEC Proceedings" in Part I, Item 3, Legal Proceedings, in the Company's Annual Report on Form 10-K for the year ended December 31, 1993 and under the caption "DEC Proceeding" in Note B to the financial statements included herein in Part I, Item 1, Financial Statements.

NUCLEAR FUEL DISPOSAL

Reference is made to the information under the caption, "Liquidity and Capital Resources -- Nuclear Fuel Disposal" in Item 2 of Part I of this report, for information concerning a suit brought by the Company and a number of other utilities against the United States Department of Energy. The suit is entitled Northern States Power Co., et al. v. Department of Energy, et al.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) EXHIBITS

Exhibit 3.1	Resolution adopted July 26, 1994 by the Board of Trustees of the Company amending the Company's By-Laws. (Incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1994 in Commission File No. 1-1217.)
Exhibit 3.2	By-laws of the Company, effective as of July 26, 1994. (Incorporated by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1994 in Commission File No. 1-1217.)
Exhibit 4	The form of the Company's Floating Rate Debentures, Series 1994 B. (Incorporated by reference to Exhibit 4 to the Company's Current Report on Form 8-K, dated June 29, 1994, in Commission File No. 1-1217.)
Exhibit 10.1	Amendment, dated August 24, 1994, to Employment Contract, dated May 22, 1990, between the Company and Eugene R. McGrath.
Exhibit 10.2	Amendment No. 18, dated October 31, 1994, to the Consolidated Edison Retirement Plan for Management Employees.
Exhibit 10.3	Amendment No. 1, dated October 31, 1994, to the Consolidated Edison Retiree Health Program for Management Employees.
Exhibit 12	Statement of computation of ratio of earnings to fixed charges for the twelve-month periods ended September 30, 1994 and 1993.
Exhibit 27	Financial Data Schedule.

(b) REPORTS ON FORM 8-K

During the quarter ended September 30, 1994, the Company filed no Current Reports on Form 8-K.

SIGNATURES

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

CONSOLIDATED EDISON COMPANY
OF NEW YORK, INC.

DATE: November 10, 1994

Raymond J. McCann
Raymond J. McCann
Executive Vice President,
Chief Financial Officer and
Duly Authorized Officer

DATE: November 10, 1994

Joan S. Freilich
Joan S. Freilich
Vice President, Controller and
Chief Accounting Officer

INDEX TO EXHIBITS

EXHIBIT NO.	DESCRIPTION	SEQUENTIAL PAGE NUMBER AT WHICH EXHIBIT BEGINS
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12	Statement of computation of ratio of earnings to fixed charges for the twelve-month periods ended September 30, 1994 and 1993.	
27	Financial Data Schedule	

Amendment No. 5 to
Eugene R. McGrath Employment Agreement

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

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

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

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

1. The Agreement is amended, effective September 1, l994, to increase the Employee's basic salary set forth in clause (i) of paragraph 3(a) of the Agreement from $560,000 per annum to $615,000 per annum, subject to all the terms and conditions set forth in the Agreement relating to the basic salary.

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

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

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

By: Thomas J. Galvin
Senior Vice President

Eugene R. McGrath
Eugene R. McGrath

Dated: August 24, 1994

Attest:
Approved by the Board of Trustees
the 23rd day of August, 1994.

Archie M. Bankston
Secretary

AMENDMENT NO. 18

TO

THE CONSOLIDATED EDISON RETIREMENT PLAN FOR

MANAGEMENT EMPLOYEES

Dated: October 31, 1994

Pursuant to resolutions adopted on August 23, 1994 by the Board of Trustees of Consolidated Edison Company of New York, Inc., the undersigned hereby approves the amendments to the Retiree Health Program (included in the Consolidated Edison Retirement Plan for Management Employees), set forth below, effective as of October 1, 1994:

Section	Amendment
Appendix I, Part B	All the material under the heading "Retiree Monthly Contribution for Medical/Hospital Benefits" is deleted and replaced with the following:

"Effective October 1, 1994 the following amounts for each participating eligible individual shall be deducted from the monthly Pension or Annuity payments to the retiree or surviving spouse:

A. Where Employee Retired Before June 1, 1988:

	Not Eligible for Medicare	Eligible for Medicare
Retiree	$ 48	$ 19
One or more Dependents	$ 72	$ 29
Surviving Spouse	$ 48	$ 19

B. Where Employee Retired After May 31, 1988:

	Not Eligible for Medicare	Eligible for Medicare
Retiree	$ 72	$ 19
One or more Dependents	$ 108	$ 29
Surviving Spouse	$ 72	$ 19."

IN WITNESS WHEREOF, the undersigned has executed this instrument this 31st day of October, 1994.

Thomas J. Galvin
Senior Vice President-Central Services
Consolidated Edison Company
of New York, Inc.

AMENDMENT NO. 1

TO

THE CONSOLIDATED EDISON RETIREE HEALTH PROGRAM

FOR MANAGEMENT EMPLOYEES

Dated: October 31, 1994

Effective as of October 1, 1994

Pursuant to resolutions adopted on August 23, 1994 by the Board of Trustees of Consolidated Edison Company of New York, Inc., the undersigned hereby approves the amendments to The Consolidated Edison Retiree Health Program for Management Employees set forth below, effective as of October 1, 1994:

A. Subdivisions 1 and 2 of Section 5.01 are hereby amended to read as follows:

"1. Where Employee Retired Before June 1, 1988:

	Eligible for Medicare	Not Eligible for Medicare
Retiree	$ 48	$ 19
One or more Dependents	$ 72	$ 29
Surviving Spouse	$ 48	$ 19

2. Where Employee Retired After May 31, 1988:

	Eligible for Medicare	Not Eligible for Medicare
Retiree	$ 72	$ 19
One or more Dependents	$ 108	$ 29
Surviving Spouse	$ 72	$ 19."

IN WITNESS WHEREOF, the undersigned has executed this instrument this 31st day of October, 1994.

Thomas J. Galvin
Senior Vice President-Central Services
Consolidated Edison Company of
New York, Inc.

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

(Thousands of Dollars)

	SEPTEMBER 1994	SEPTEMBER 1993
Earnings		
Net Income	$ 733,685	$ 641,861
Federal Income Tax	378,120	287,930
Federal Income Tax Deferred	54,560	77,580
Investment Tax Credits Deferred	(10,180)	(12,730)
Total Earnings Before Federal Income Tax	1,156,185	994,641
Fixed Charges*	323,414	318,695
Total Earnings Before Federal Income Tax and Fixed Charges	$1,479,599	$1,313,336

*Fixed Charges

	SEPTEMBER 1994	SEPTEMBER 1993
Interest on Long-Term Debt	$ 274,462	$ 271,773
Amortization of Debt Discount, Premium and Expenses	11,408	7,318
Interest Component of Rentals	18,540	18,681
Other Interest	19,004	20,923
Total Fixed Charges	$ 323,414	$ 318,695
Ratio of Earnings to Fixed Charges	4.57	4.12

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

1,000

DEC-31-1994

SEP-30-1994

9-MOS

PER-BOOK

10,393,588

110,390

1,459,118

749,930

1,335,932

14,048,958

587,238

837,592

3,896,475

5,321,305

100,000

540,387

3,932,799

0

0

0

135,743

0

48,443

2,549

3,967,732

14,048,958

4,911,838

357,100

3,713,197

4,070,297

841,541

1,833

843,374

226,983

616,391

26,692

589,699

352,111

288,854

941,598

2.51

2.51