

John D. O'Toole
Vice President

Consolidated Edison Company of New York, Inc.
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July 29, 1982

Mr. Jerome Saltzman, Chief
Antitrust & Indemnity Group
Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Re: Secondary Financial Protection
Docket Nos. 50-03 and 50-247

Dear Mr. Saltzman:

Enclosed is a projection dated July 22, 1982, for the period August 1, 1982 to July 31, 1983, showing that the Company will have available throughout such period cash flow and/or cash reserves sufficient to pay the maximum \$20 million retrospective premium to which the Company might be subject.

Very truly yours,



enc.

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CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

PROJECTION OF ABILITY TO PAY
\$20,000,000 RETROSPECTIVE
PREMIUM ADJUSTMENT FOR PERIOD
AUGUST 1, 1982 - JULY 31, 1983

(Millions of Dollars)

I. Past Earnings, Internally Generated Funds and Allowance for Funds Used During Construction:

	<u>Year Ended December 31</u>									
	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>	<u>1976</u>	<u>1975</u>	<u>1974</u>	<u>1973</u>	<u>1972</u>
Net Income	\$448.0	\$334.7	\$323.9	\$309.6	\$323.6	\$301.4	\$251.4	\$194.5	\$207.7	\$148.1
Internally Generated Funds	809.0	631.9	594.2	544.3	529.9	572.1	480.9	384.5	328.1	258.1
AFDC	12.4	7.8	5.4	10.3	10.5	9.3	36.6	45.4	47.8	44.6

II. Available Cash and Temporary Cash Investments at June 30, 1982: \$284.8 million

III. Estimated Depreciation and Deferred Taxes:

	<u>Year Ended December 31</u>		
	<u>1982</u>	<u>1983</u>	<u>Average</u>
Depreciation	\$247	\$241	\$244
Deferred Taxes	51	69	60
Total	\$298	\$310	\$304

IV. Estimated Expenditures for Construction and Nuclear Fuel:

	<u>Year Ended December 31</u>		
	<u>1982</u>	<u>1983</u>	<u>Average</u>
Construction	\$455	\$554	\$504
Nuclear Fuel	16	13	15
Total	\$471	\$567	\$519

V. Analysis:

Con Edison's net income has grown from \$148.1 million to \$448.0 million in the least ten years. Con Edison expects to finance its estimated capital expenditures for construction and nuclear fuel in 1982 and 1983 principally from internally generated funds and the liquidation of short-term cash investments, possibly supplemented by external financing in 1983. During the period August 1, 1982 - July 31, 1983, Con Edison will retire \$40 million of Long-Term Debt. The Company has provided funds for the retirement of this debt that are not included in Item II. - "Available Cash and Temporary Cash Investments at June 30, 1982 \$284.8 million." The Company believes it will have sufficient cash flow and cash reserves to pay a \$20 million retrospective premium adjustment during the period August 1, 1982 - July 31, 1983.

CERTIFICATION

I, Carl W. Greene, Vice President and Controller of Consolidated Edison Company of New York, Inc. ("Con Edison"), hereby certify that the historical data presented above correctly reflect the accounting records of Con Edison and in my opinion the estimates presented above are reasonable.

July 22, 1982

Carl W. Greene