



**conEdison**  
a conEdison, Inc. company

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Law Department

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February 1, 2002  
By Overnight Mail

Hon. Janet Deixler, Secretary  
New York State Department of Public Service  
Three Empire State Plaza  
Albany, New York 12223

Re: Case 99-E0930 – Proceeding on Motion of the  
Commission to Investigate the July 6, 1999 Power  
Outage of Con Edison's Washington Heights Network

Dear Secretary Deixler:

The Public Service Commission's Order Concerning Staff Report and Directing Company to Show Cause, issued March 15, 2000 in the referenced proceeding, directed Consolidated Edison Company of New York, Inc., ("Con Edison" or "the Company") to implement the recommendations made in the Staff's "Report on Consolidated Edison's July 1999 System Outages," issued in March 2000. Recommendation IV-2 requires that the Company "report annually to the Commission on its capital and operations and maintenance expenditures for electric distribution and substation operations and the progress of the associated programs." Pursuant to this recommendation, Con Edison is filing with the Commission the enclosed "Electric Operations and Substation Operations Expenditure Reports for the Year 2001."

Very truly yours,

Martin F. Heslin  
Senior Attorney

Enclosures

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STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

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Proceeding on Motion of the Commission :  
to Investigate the July 6, 1999 Power Outage : Case 99-E-0930  
of Con Edison's Washington Heights Network :  
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CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
ELECTRIC OPERATIONS AND SUBSTATION OPERATIONS  
EXPENDITURE REPORTS FOR YEAR 2000

The Public Service Commission's Order Concerning Staff Report and Directing Company to Show Cause, issued March 15, 2000 in the referenced proceeding, directed Consolidated Edison Company of New York, Inc., ("Con Edison" or "the Company") to implement the recommendations made in the Staff's "Report on Consolidated Edison's July 1999 System Outages," issued in March 2000. Recommendation IV-2 requires that the Company "report annually to the Commission on its capital and operations and maintenance expenditures for electric distribution and substation operations and the progress of the associated programs." Pursuant to this recommendation, Con Edison is filing with the Commission the following, attached expenditure reports for the year 2001:

- Electric Operations O&M Budget
- Electric Operations O&M Variations
- Electric Operations Capital Budget Financial Report
- Electric Operations Capital Variations
- Substation Operations O&M Budget and Variations
- Substation Operations Capital Budget and Variations.

Dated: February 1, 2002

Respectfully submitted,

CONSOLIDATED EDISON COMPANY  
OF NEW YORK, INC.

By 

Martin F. Heslin  
Senior Attorney

4 Irving Place  
New York, NY 10003  
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O&M BUDGET - ELECTRIC OPERATIONS  
(\$000)

December-01

	Year to Date				2002 Budget
	Actual	Budget	Variation	%	
<b>Bronx/Westchester</b>					
Operations	\$7,471	\$9,361	(\$1,890)		\$8,787
Burnouts	21,836	16,697	5,139		15,869
Transformer Installations	7,889	6,637	1,252		5,801
Maintenance Associated with Capital	3,463	3,952	(489)		3,747
Meter and Customer Work	1,855	2,594	(739)		2,096
PCB Program	52	150	(98)		131
Tree Trimming	3,133	3,822	(689)		3,665
Maintenance Programs	7,006	10,008	(3,002)		8,567
<b>Subtotal - Distribution Field Operations</b>	<b>\$52,705</b>	<b>\$53,221</b>	<b>(\$516)</b>	<b>-1.0%</b>	<b>\$48,663</b>
Engineering	3,604	3,431	173		3,328
Financial Planning & Operations Analysis	0	0	0		551
Environmental, Health & Safety	1,253	925	328		893
V.P. & Staff	1,087	976	111		344
Public Affairs	1,059	1,059	0		965
<b>Total Bronx Westchester</b>	<b>\$59,708</b>	<b>\$59,612</b>	<b>\$96</b>	<b>0.2%</b>	<b>\$54,744</b>
<b>Brooklyn/Queens</b>					
Operations	\$6,664	\$5,759	\$905		\$4,834
Burnouts	30,813	29,087	1,726		30,227
Transformer Installations	10,852	10,218	634		9,900
Maintenance Associated with Capital	1,927	3,038	(1,111)		2,400
Meter and Customer Work	4,123	4,621	(498)		5,309
PCB Program	351	395	(44)		224
Tree Trimming	1,548	1,662	(114)		1,600
Maintenance Programs	8,421	11,585	(3,164)		10,590
<b>Subtotal - Distribution Field Operations</b>	<b>\$64,699</b>	<b>\$66,365</b>	<b>(\$1,666)</b>	<b>-2.5%</b>	<b>\$65,084</b>
Engineering	3,744	4,154	(410)		4,051
Financial Planning & Operations Analysis	1,156	1,246	(90)		1,107
Environmental Health & Safety	1,205	1,243	(38)		1,199
V.P. & Staff	331	372	(41)		359
Public Affairs	1,196	1,088	108		989
<b>Total Brooklyn/Queens</b>	<b>\$72,331</b>	<b>\$74,468</b>	<b>(\$2,137)</b>	<b>-2.9%</b>	<b>\$72,789</b>
<b>Manhattan</b>					
Operations	\$1,808	\$891	\$917		\$1,761
Burnouts	13,527	13,688	(161)		14,130
Transformer Installations	8,715	8,128	587		9,213
Maintenance Associated with Capital	3,513	3,810	(297)		4,246
Meter and Customer Work	4,043	4,162	(119)		4,103
PCB Program	492	603	(111)		102
Maintenance Programs	8,966	12,355	(3,389)		10,868
<b>Subtotal - Distribution Field Operations</b>	<b>\$41,064</b>	<b>\$43,637</b>	<b>(\$2,573)</b>	<b>-5.9%</b>	<b>\$44,423</b>
Engineering	2,691	2,703	(12)		2,632
Financial Planning & Operations Analysis	355	360	(5)		301
Environmental Health & Safety	556	548	8		529
V.P. & Staff	516	560	(44)		540
Public Affairs	644	667	(23)		618
<b>Total Manhattan</b>	<b>\$45,826</b>	<b>\$48,475</b>	<b>(\$2,649)</b>	<b>-5.5%</b>	<b>\$49,043</b>
<b>Staten Island</b>					
Operations	\$1,768	\$1,360	\$408		\$2,028
Burnouts	4,401	4,977	(576)		3,864
Transformer Installations	1,777	1,493	284		1,086
Maintenance Associated with Capital	711	659	52		512
Meter and Customer Work	57	114	(57)		35
Tree Trimming	833	746	87		0
PCB Program	7	0	7		746
Maintenance Programs	1,527	2,253	(726)		1,587
<b>Subtotal - Distribution Field Operations</b>	<b>\$11,081</b>	<b>\$11,602</b>	<b>(\$521)</b>	<b>-4.5%</b>	<b>\$9,858</b>
Engineering	830	939	(109)		915
Financial Planning & Operations Analysis	585	648	(63)		548
Environmental Health & Safety	348	393	(45)		379
V.P. & Staff	259	257	2		248
Public Affairs	425	287	138		278
<b>Total Staten Island</b>	<b>\$13,528</b>	<b>\$14,126</b>	<b>(\$598)</b>	<b>-4.2%</b>	<b>\$12,226</b>
<b>Total Regions</b>	<b>\$191,393</b>	<b>\$196,681</b>	<b>(\$5,288)</b>	<b>-2.7%</b>	<b>\$188,802</b>
<b>Engineering Services</b>					
Distribution Engineering	\$2,336	\$2,161	\$175		\$2,584
Meter Shop	2,704	2,784	(80)		2,685
Transformer Shop	4,184	4,705	(521)		4,276
Financial Planning & Operations Analysis	1,952	1,917	35		1,703
Executives & Staff	727	650	77		1,165
<b>Sub-Total</b>	<b>\$11,903</b>	<b>\$12,217</b>	<b>(\$314)</b>	<b>-2.6%</b>	<b>\$12,413</b>
<b>Energy Services</b>					
Business Services	\$10,520	\$11,259	(\$739)		
Economic Development } 2002	1,256	1,544	(288)		10,969
Sales } 2002	3,987	3,340	647		
Marketing } 2002	1,465	2,982	(1,517)		6,931
<b>Sub-Total</b>	<b>17,228</b>	<b>\$19,125</b>	<b>(\$1,897)</b>	<b>-9.9%</b>	<b>\$17,900</b>
<b>Total Engineering Services</b>	<b>\$29,131</b>	<b>\$31,342</b>	<b>(\$2,211)</b>	<b>-7.1%</b>	<b>\$30,313</b>
<b>Sub-Total O&amp;M Electric Operations</b>	<b>\$220,524</b>	<b>\$228,023</b>	<b>(\$7,499)</b>	<b>-3.3%</b>	<b>\$219,115</b>
<b>Transformer Installation Credits</b>	<b>(\$25,245)</b>	<b>(\$21,286)</b>	<b>(\$3,959)</b>	<b>18.6%</b>	<b>(\$25,507)</b>
<b>Storm Contingency</b>		\$0	\$0		\$5,000
<b>TOTAL O&amp;M - Electric Operations</b>	<b>\$195,279</b>	<b>\$206,737</b>	<b>(\$11,458)</b>	<b>-5.6%</b>	<b>\$198,608</b>

**Electric Operations**

**DISTRIBUTION FIELD OPERATIONS**

Bronx/Westchester		
Environmental ( clean-ups, spills, and waste water ).		1,349.0
Storm Activity		2,968.0
MAC - underrun in O&M activity associated w/New Business		(128.0)
MAC - underrun in Ssystem Reinforcement work.		(336.0)
MAC - less activity in UG Burnouts		(175.0)
Transformer Installations - increase in activity YTD		1,346.0
Maintenance - less than anticipated activity in overhead facilities		(3,002.0)
Engineering - contractor programers, mapping.		173.0
EH&S, VP & Staff		439.0
Brooklyn/Queens		
Burnouts: resulting from customer restoration on service-related burnouts and increased secondary main repairs caused by winter storms.		1,726.0
Maintenance Associated with Capital: Shifting of resources to concentrate on Burnout activity.		(1,111.0)
Maintenance Programs: Deferred overhead inspections and repairs to address no-light calls.		(3,164.0)
Meter & Customer Work: Meter and Test activities deferred to address no-light calls		(498.0)
Tree Trimming: timing variations caused by new vendor.		(114.0)
Operations: Increased activities in inspection and transformer work		1,539.0
Engineering, EH&S, Financial Planning, Executive Staff & Pub. Aff. - Labor and Accounts Payable		(470.0)
Manhattan		
Burnouts- Increased secondary & service activity resulting from winter weather and summer heat waves early in the year being offset by curen favorable weather trends		(181.0)
PCB Program -Program completed in 2001. Less than anticipated additional units reclassified		(111.0)
Maintenance Programs- Deferral of programs to meet targets		(3,369.0)
Meter & Customer work- M&T personnel working on burnouts early in the year and accommodation billing projects		(119.0)
MAC- Reduced capital activity following the WTC incident		(297.0)
Transformer Installations- Increased activity		587.0
Operations: Increased Engineering requests for for field checks		917.0
EH&S, Financial Planning, Executive Staffs		(40.0)
Public Affairs		(23.0)
Staten Island		
URD Inspections & Repairs - deferred neutral lug program		(147.0)
Burnouts: Higher than anticipated work on secondary mains and services.		(808.0)
Transformer Installations: Timing variations		284.0
Tree Trimming: Timing variations		87.0
CIMOS program - deferred program		(61.0)
All other net		(131.0)
Engineering - Change in time study percent allocation & HR outages		(109.0)
Public Affairs		138.0
EH&S, Financial Planning, Executive Staffs		(106.0)
Transformer Installation Credits		(3,659.0)
Other		(2,785.0)
<b>Total Electric Distribution</b>		<b>(9,471.0)</b>

**ENGINEERING AND OTHER SERVICES**

Engineering		
Distribution Engineering		
Transformer Shop - underrun achieved by maximized Capital credits		(521.0)
Engineering - Principally higher than expected consultant charges relating to reliability/timing		
Meter Shop - Labor related to repairs		(80.0)
Financial Planning		35.0
EVP & Staff		77.0
Other		175.0
<b>Total Engineering and Other Services</b>		<b>(314.0)</b>

**ENERGY SERVICES**

ENERGY SERVICES		
Bronx/Westchester		
Labor, related to human resource levels.		(86.0)
NY Board of Fire Underwriters - Timing		(61.0)
Building Service, Telecommunications & Accounts Payable		(119.0)
Other		(59.0)
Brooklyn/Queens		
Labor, related to human resource levels.		78.0
Building Service, Telecommunications & Accounts Payable		(120.0)
Other		4.0
Manhattan		
Labor, related to human resource levels.		(378.0)
IT Initiatives - timing		(69.0)
Building Service, Telecommunications & Accounts Payable		92.0
DC Elimination - Timing		0.0
Other		28.0
Staten Island		
Labor, related to human resource levels.		(38.0)
Economic Development		(17.0)
MARKETING & SALES		
Labor, related to human resource levels.		(1,320.0)
Economic Development - Accounts Payable, principally Sponsorships - Deferral		(235.0)
Sales - Accounts Payable.		72.0
Gas Rebates - higher volumes/conversions		1,011.0
Oil Tank Remediation - Carry Overs not accrued by Construction Management		(121.0)
Market Research - Cost Containment		(347.0)
Marketing Programs - Cost Containment		(532.0)
Other		82.0
Other		0.0
<b>Total Energy Services</b>		<b>(1,898.0)</b>

**PUBLIC AFFAIRS**

Bronx/Westchester		
Negligible Variation		1.0
Brooklyn/Queens		
Timing of Accounts Payable.		
Manhattan		
Negligible Variation		
Staten Island		
Staffing outages / timing of Accounts Payables.		
Other		222.0
<b>Total Public Affairs</b>		<b>223.0</b>
<b>Total Electric Operations</b>		<b>(11,460.0)</b>

NOTE: ROUNDING DIFFERENCES MAY OCCUR

**ELECTRIC OPERATIONS**  
**2001 Capital Budget**  
**Financial Report - December 2001**

	Year To Date								2002 Budget
	Actual	Original Budget	Variation	% Var from Budget	2001 Second Review	Year 2001 Original Budget	Variation Second to Original	Variation YTD Actual to Second	
<b>Manhattan</b>									
New Business	\$18,641	\$17,100	\$1,541	9.0%	\$ 22,500	\$17,100	\$5,400	(\$3,859)	\$21,993
Burnouts	50,538	43,200	7,336	17.0%	52,500	43,200	9,300	(1,964)	43,964
System Reinforcement	31,398	32,600	(1,202)	-3.7%	31,000	32,600	(1,600)	398	28,147
Meter Installation	1,649	1,300	349	26.8%	1,500	1,300	200	149	1,400
Transformer Installations	9,697	9,100	597	6.6%	11,400	9,100	2,300	(1,703)	9,376
<b>Total</b>	<b>\$111,921</b>	<b>\$103,300</b>	<b>\$8,621</b>	<b>8.3%</b>	<b>\$118,900</b>	<b>\$103,300</b>	<b>\$15,600</b>	<b>(\$6,979)</b>	<b>\$104,880</b>
<b>Bronx / Westchester</b>									
New Business	\$14,394	\$12,100	\$2,294	19.0%	\$ 14,750	\$12,100	\$2,650	(\$356)	\$11,995
Burnouts	25,001	19,300	5,701	29.5%	25,000	19,300	5,700	\$1	20,206
System Reinforcement	28,311	35,000	(6,689)	-19.1%	32,300	35,000	(2,700)	(\$3,989)	23,641
Meter Installation	1,560	1,800	(240)	-13.3%	1,300	1,800	(500)	\$260	1,700
Transformer Installations	7,681	7,100	581	7.9%	8,600	7,100	1,500	(\$939)	7,302
<b>Total</b>	<b>\$76,927</b>	<b>\$75,300</b>	<b>\$1,627</b>	<b>2.2%</b>	<b>\$ 81,950</b>	<b>\$75,300</b>	<b>\$6,650</b>	<b>(\$5,023)</b>	<b>\$64,844</b>
<b>Brooklyn / Queens</b>									
New Business	\$25,857	\$18,600	\$7,257	39.0%	\$ 22,400	\$18,600	\$3,800	\$3,457	\$19,563
Burnouts	39,095	37,700	1,395	3.7%	41,000	37,700	3,300	(\$1,905)	37,330
System Reinforcement	24,050	35,000	(10,950)	-31.3%	26,100	35,000	(8,900)	(\$2,050)	29,374
Meter Installation	3,336	3,200	136	4.3%	3,400	3,200	200	(\$64)	3,200
Transformer Installations	11,047	11,500	(453)	-3.9%	12,000	11,500	500	(\$953)	11,546
<b>Total</b>	<b>\$103,385</b>	<b>\$106,000</b>	<b>(\$2,615)</b>	<b>-2.5%</b>	<b>\$104,900</b>	<b>\$106,000</b>	<b>(\$1,100)</b>	<b>(\$1,515)</b>	<b>\$101,013</b>
<b>Staten Island</b>									
New Business	\$4,069	\$3,200	\$869	27.2%	\$ 3,600	\$3,200	\$400	\$469	\$3,569
Burnouts	1,974	1,800	174	9.7%	2,100	1,800	300	(\$128)	1,800
System Reinforcement	3,377	5,400	(2,023)	-37.5%	3,600	5,400	(1,800)	(\$223)	4,268
Meter Installation	206	200	6	3.0%	200	200	0	\$6	188
Transformer Installations	1,870	1,800	70	3.9%	1,800	1,800	0	\$70	1,776
<b>Total</b>	<b>\$11,496</b>	<b>\$12,400</b>	<b>(\$904)</b>	<b>-7.3%</b>	<b>\$11,300</b>	<b>\$12,400</b>	<b>(\$1,100)</b>	<b>\$198</b>	<b>\$11,601</b>
<b>Total Regional</b>									
New Business	\$62,961	\$51,000	\$11,961	23.5%	\$ 63,250	\$51,000	\$12,250	(\$289)	\$57,120
Burnouts	118,608	102,000	14,608	14.3%	120,600	102,000	18,600	(3,994)	103,300
System Reinforcement	87,138	108,000	(20,864)	-19.3%	93,000	108,000	(15,000)	(5,864)	85,430
Meter Installation	6,751	6,500	251	3.9%	6,400	6,500	(100)	351	6,488
Transformer Installations	30,275	29,500	775	2.6%	33,800	29,500	4,300	(3,525)	30,000
<b>ED1 - Regional Total</b>	<b>\$303,728</b>	<b>\$297,000</b>	<b>\$6,728</b>	<b>2.3%</b>	<b>\$317,050</b>	<b>\$297,000</b>	<b>\$20,050</b>	<b>(\$13,321)</b>	<b>\$282,338</b>
<b>Telecom</b>									
Relays	\$ -	\$ -	\$0	#DIV/0!	\$ -	\$20,000	\$0	\$0	\$ 16,967
<b>Total Electric Telecom Relays</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>#DIV/0!</b>	<b>\$ -</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,967</b>
<b>Total ED1</b>	<b>\$303,728</b>	<b>\$297,000</b>	<b>\$6,728</b>	<b>#DIV/0!</b>	<b>\$ 317,050</b>	<b>\$317,000</b>	<b>\$20,050</b>	<b>(\$13,321)</b>	<b>\$289,305</b>
<b>Construction Management</b>									
Electric Interference	\$ 21,719	\$ 20,000	\$1,719	8.6%	\$ 23,010	\$20,000	\$3,010	(\$1,291)	\$ 23,010
<b>Total Electric Interference</b>	<b>\$21,719</b>	<b>\$20,000</b>	<b>\$1,719</b>	<b>8.6%</b>	<b>\$ 23,010</b>	<b>\$20,000</b>	<b>\$3,010</b>	<b>(\$1,291)</b>	<b>\$23,010</b>
<b>Distribution Engineering</b>									
ED2 Transformers	\$54,987	\$45,000	\$9,987	22.2%	\$ 55,000	\$45,000	\$10,000	(\$13)	\$55,000
ED3 Meters	8,418	9,000	(582)	-6.5%	8,500	9,000	(500)	(82)	8,125
Distribution Substation Projects	7,091	8,845	(1,754)	-19.8%	7,000	8,845	(1,845)	91	9,650
<b>Total Distribution Engineering</b>	<b>\$70,496</b>	<b>\$62,845</b>	<b>\$7,651</b>	<b>12.2%</b>	<b>\$70,500</b>	<b>\$62,845</b>	<b>\$7,655</b>	<b>(\$4)</b>	<b>\$72,775</b>
<b>Electric - Special Projects</b>									
Flush Pits	\$234	\$2,500	(\$2,266)	-90.6%	\$ 1,100	\$2,500	(\$1,400)	(\$866)	\$2,500
Auto Loop Automation	0	1,500	(1,500)	-100.0%	250	1,500	(1,250)	(250)	4,500
D.S.I.S./Mapping	781	1,000	(219)	-21.9%	1,000	1,000	0	(219)	1,000
Frame Relay	0	500	(500)	-100.0%	250	500	(250)	(250)	60
SUNDAS	0	1,000	(1,000)	-100.0%	0	1,000	(1,000)	0	250
Rapid Restore handHeld	0	0	0		0	0	0	0	1,980
800 Mhz Radio System	8,031	5,000	3,031	60.6%	7,200	5,000	2,200	831	8,000
Control Center System Stand'ztion	1,576	600	976	162.7%	1,600	600	1,000	(24)	0
Manh Control Center Equip	2,507	2,000	507	25.4%	2,278	2,000	278	229	0
On Line Storage RMS	0	300	(300)	-100.0%	150	300	(150)	(150)	150
DEMS Replacement	0	500	(500)	-100.0%	250	500	(250)	(250)	400
RME Load Estimator	236	300	(64)	-21.3%	280	300	(20)	(44)	20
<b>Total Special Projects</b>	<b>\$13,365</b>	<b>\$15,200</b>	<b>(\$1,835)</b>	<b>-12.1%</b>	<b>\$14,358</b>	<b>\$15,200</b>	<b>(\$842)</b>	<b>(\$983)</b>	<b>\$18,860</b>
<b>Operations Services</b>									
Staten Island XB's	\$208	\$50	\$158		\$ 188	\$50	\$138	\$18	\$250
Manhattan XB's	544	510	34	6.7%	665	510	155	(121)	995
Bronx/Westchester XB's	1,728	1,680	48	2.7%	1,753	1,680	73	(27)	1,175
Brooklyn/Queens XB's	817	675	142	21.0%	802	675	127	15	1,080
Cable Diagnostic lab	0	0	0		0	0	0	0	2,250
PCB Repository	0	0	0		0	0	0	0	1,200
Third Avenue Yard Rehab.	670	5,000	(4,330)	-86.6%	250	5,000	(4,750)	420	9,000
White Street Warehouse	645	1,200	(555)	-46.3%	527	1,200	(673)	118	0
Transformer Shop Impr Projects	5	500	(495)	-99.0%	765	500	265	(760)	495
Misc. Bldgs & Yards	2,910	1,245	1,665	133.7%	1,464	1,245	219	1,446	640
<b>Total Operations Services</b>	<b>\$7,523</b>	<b>\$10,860</b>	<b>(\$3,337)</b>	<b>-30.7%</b>	<b>\$6,414</b>	<b>\$10,860</b>	<b>(\$4,446)</b>	<b>\$1,109</b>	<b>\$17,085</b>
<b>Subtotal Electric Operations</b>	<b>\$416,832</b>	<b>\$405,905</b>	<b>\$10,927</b>	<b>#DIV/0!</b>	<b>\$431,332</b>	<b>\$425,905</b>	<b>\$25,427</b>	<b>(\$14,501)</b>	<b>\$431,035</b>
East 16th Str. W/O Center	26,591	19,765	6,826	34.5%	27,000	19,765	7,235	(409)	3,100
<b>Grand Total Electric Operations</b>	<b>\$443,423</b>	<b>\$425,670</b>	<b>\$17,753</b>	<b>4.2%</b>	<b>\$458,332</b>	<b>\$445,670</b>	<b>\$32,662</b>	<b>(\$14,910)</b>	<b>\$434,135</b>

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. - OPERATIONS  
CAPITAL VARIATIONS

Millions  
Variation  
Thru December 2001

**Electric Operations**

**Manhattan**

New Business- Increased activity including projects under \$100,000	1,542.0
Burnouts-Increased activity mainly to the secondary system	7,336.0
System Reinforcement- Crews diverted to World Trade Center activity	(1,202.0)
Transformers- Increased activity associated with the burnout activity	596.0
Meters- Increased activity associated with the New Business work increase	349.0
<b><u>Total Manhattan</u></b>	<b><u>8,621.0</u></b>

**Bronx/Westchester**

New Business - Expanded scopes realized due to reliability improvements made which were not originally budgeted/estimated, coupled with the clearing of obstructions.	2,294.0
Burnouts - Increased secondary burnout work following storms (winter and heat)	5,701.0
System Reinforcement - Underrun due to reallocation of resources to other areas.	(6,689.0)
Meter Installation - Dependent upon capitalization by Property Records.	(240.0)
Transformer Installation - Dependent upon capitalization by Property Records.	561.0
<b><u>Total Bronx/Westchester</u></b>	<b><u>1,627.0</u></b>

**Brooklyn/Queens**

New Business - Increased scope of work on major projects and increased activity on <\$100K	7,257.0
Burnouts - Increased secondary burnout work following winter and heat storms	1,395.0
System Reinforcement - Underrun due to diversion of resources to winter storm recovery efforts and change in joint replacement specification	(10,950.0)
Meter Installations - Increase associated with the New Business increase	136.0
Transformer Installations - Decreased capitalization	(453.0)
<b><u>Total Brooklyn/Queens</u></b>	<b><u>(2,615.0)</u></b>

**Staten Island**

New Business - Increased activity and higher costs due to "on the job training".	869.0
Burnouts - Increase due to contractor costs for conduit and C-truss Pole Program.	174.0
System Reinforcement - Underrun due to less than anticipated capability.	(2,023.0)
Meter Installations	6.0
Transformer Installations - determined by capitalization rate set by Property Records	70.0
<b><u>Total Staten Island</u></b>	<b><u>(904.0)</u></b>

**Electric Interference**

Higher costs on various projects	1,719.0
<b><u>Total Electric Interference</u></b>	<b><u>1,719.0</u></b>

**Distribution Engineering**

Dist Substation - USA and timing of final invoices	(1,754.0)
Meter Shop - Delayed meter shipments	(582.0)
Transformer shop	9,987.0
<b><u>Total Distribution Engineering</u></b>	<b><u>7,651.0</u></b>

**Electric Special Projects**

Flush Pits - Permit delays	(2,266.0)
800 Mhz Radio Project - acceleration of milestones	3,031.0
AutoLoop Automation - slippage	(1,500.0)
Sundas, DEMS, On Line RMS & Frame Relay - deferrals/slippage	(1,300.0)
Manhattan Control Ctr/Standardization - slippage from prior year	1,483.0
All Other	(1,283.0)
<b><u>Total Electric Special Projects</u></b>	<b><u>(1,835.0)</u></b>

**Operation Services**

Third Avenue Yard - slippage due to design and bid changes	(4,330.0)
East 16th Street - acceleration of milestones	6,826.0
White Street Warehouse demolition - lower cost	(555.0)
All Other	1,548.0
<b><u>Total Operations Services</u></b>	<b><u>3,489.0</u></b>

<b><u>Total Electric Operations</u></b>	<b><u>17,753.0</u></b>
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**Substation Operations  
\$ Millions**

O&M

	<u>2001 Actual</u>	<u>2001 Budget</u>	<u>2002 Budget</u>
<u>Reliability Programs</u>			
<b>Station Operations</b>	<b>\$28.1</b>	<b>\$27.0</b>	<b>\$28.0</b>
<u>Scheduled Maintenance</u>			
Circuit Breakers	1.3	4.9	1.2
Transformers	1.6	1.6	1.2
Seasonal Prep	1.5	1.5	1.3
<u>Programs</u>			
<u>Bus Refurbishment</u>	1.3	0.9	0.7
<u>Circuit Breakers</u>			
Replace 138/345/33KV Disconnect Switches	0.1	0.1	0.0
<u>Transformers</u>			
Replace GE Transil Ball Bearing Oil Sleeve Pumps	0.6	0.6	0.4
Overhaul Old Transformers	0.0	0.3	0.0
Replace Shunt Reactor Entrance Bushings (Type "U")	1.4	1.4	0.2
<u>Vault Remediation</u>	0.0	0.3	0.0
<u>SF6 Leak Repairs</u>	0.0	0.2	0.0
<b>Other Equipment</b>	<b>2.3</b>	<b>2.5</b>	<b>1.9</b>
<u>Non-Scheduled Maintenance</u>			
Circuit Breakers	5.0	5.5	6.7
Transformers	3.7	3.3	5.9
Other Equipment	4.8	4.7	4.4
 <b>Total Substations Reliability</b>	 <b>\$51.7</b>	 <b>\$54.8</b>	 <b>\$51.9</b>
 <b>All other Substation Operations O&amp;M</b>	 <b>24.0</b>	 <b>23.9</b>	 <b>26.9</b>
 <b>Total Substation Operations</b>	 <b>\$75.7</b>	 <b>\$78.7</b>	 <b>\$78.8</b>

**Substation Operations**  
\$ Millions

<u>O&amp;M</u>	<u>2001 Actual</u>	<u>2001 Budget</u>	<u>Variation</u>	<u>Remarks</u>
<b>Reliability Programs</b>				
<b>Station Operations</b>	\$28.1	\$27.0	\$1.1	System Coverage - Feeder Processing / Weather Criteria
<b><u>Scheduled Maintenance</u></b>				
Circuit Breakers	1.3	4.9	(3.6)	ATB overhauls reclassified to capital
Transformers	1.6	1.6	0.0	
Seasonal Prep	1.5	1.5	0.0	
<b><u>Programs</u></b>				
<b>Bus Refurbishment</b>	1.3	0.9	0.4	Increased sections completed due to availability of outages
<b><u>Circuit Breakers</u></b>				
Replace 138/345/33KV Disconnect Switches	0.1	0.1	0.0	
<b><u>Transformers</u></b>				
Replace GE Transil Ball Bearing Oil Sleeve Pumps	0.6	0.6	0.0	
Overhaul Old Transformers	0.0	0.3	(0.3)	Outage Restrictions
Replace Shunt Reactor Entrance Bushings (Type "U")	1.4	1.4	0.0	
<b>Vault Remediation</b>	0.0	0.3	(0.3)	Permanent leak repairs pending -outage restrictions
<b>SF6 Leak Repairs</b>	0.0	0.2	(0.2)	Scope increased - job charged to capital
<b>Other Equipment</b>	2.3	2.5	(0.2)	
<b><u>Non-Scheduled Maintenance</u></b>				
Circuit Breakers	5.0	5.5	(0.5)	
Transformers	3.7	3.3	0.4	Higher than budgeted emergency maintenance.
Other Equipment	4.8	4.7	0.1	
<b>Total Substations Reliability</b>	<u>\$51.7</u>	<u>\$54.8</u>	<u>(\$3.1)</u>	
<b>All other Substation Operations O&amp;M</b>	<u>24.0</u>	<u>23.9</u>	<u>0.1</u>	
<b>Total Substation Operations</b>	<u><u>\$75.7</u></u>	<u><u>\$78.7</u></u>	<u><u>(\$3.0)</u></u>	



Substation Operations  
\$ Millions

December 2001 Capital Budget Performance (\$000)							
	Orig Bud	Sec Qtr	Actuals	BUDGET			
	2001	2001	2001	2002		2001	2002
Category	Dec YTD	Review	Dec YTD		Remarks		Remarks
Load Relief	14,000	17,376	17,843	34,000	Higher Cost and carryover of Sherman Creek Switchgear Acceleration of Buchanan bus reconfiguration.		includes \$15,000 for West 24th Street for building construction
System Reliability	10,950	10,907	10,167	6,200	Deferral of various system reliability work		2001 includes Goethals Spare
Obsolescence	27,415	30,530	31,290	36,100	Capitalization of 345kV Circuit Breaker Overhauls offset by late start of White Plains Continuance project		Includes \$13,000 for White Plains for major material, and building
Failures	7,175	14,578	16,865	5,800	Goethals Transf, Farragut Phase Angle Regulator, Harrison transformer, Corona fire protection failure.		
Environmental	2,000	767	684	5,000	Slippage of various environmental projects		DEC commitment to make up for slippage
Other	3,000	5,912	6,414	5,500	Transfers from O&M to Capital, DSL installation		
<b>Total</b>	<b>\$ 64,540</b>	<b>\$ 80,070</b>	<b>\$ 83,263</b>	<b>\$ 92,600</b>			