

Con Edison, Inc.

May 6-7, 2012

AGA Financial Forum





Forward-Looking Statements

This presentation includes certain forward-looking statements intended to qualify for safe-harbor provisions of the Federal securities laws. Forward-looking statements are statements of future expectation and not facts. Words such as "expects," "estimates," "anticipates," "intends," "believes," "plans," "will" and similar expressions identify forward-looking statements. Forward-looking statements are based on information available at the time the statements are made, and accordingly speak only as of that time. Actual results might differ materially from those included in the forward-looking statements because of various factors including, but not limited to, those discussed in reports the company has filed with the Securities and Exchange Commission.

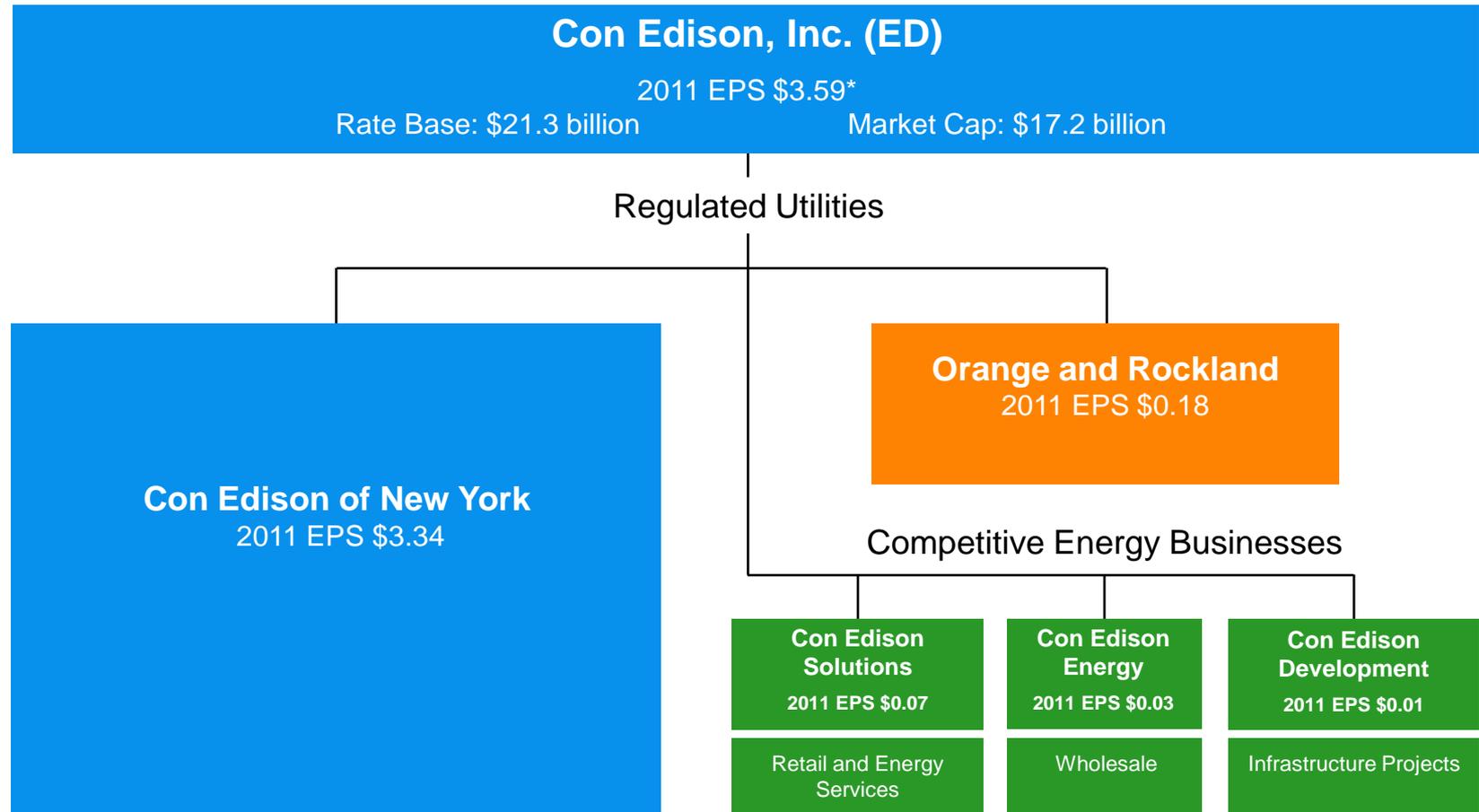
Non-GAAP Financial Measure

This presentation contains a financial measure, earnings from ongoing operations, not determined in accordance with Generally Accepted Accounting Principles (GAAP). Earnings from ongoing operations should not be considered as an alternative to net income. Management uses this non-GAAP measure to facilitate the analysis of the company's ongoing performance and believes that this non-GAAP measure also is useful and meaningful to investors. A reconciliation of this non-GAAP measure to earnings determined in accordance with GAAP is included in the presentation and the appendix.

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www.conEdison.com

Regulated Transmission and Distribution Focused

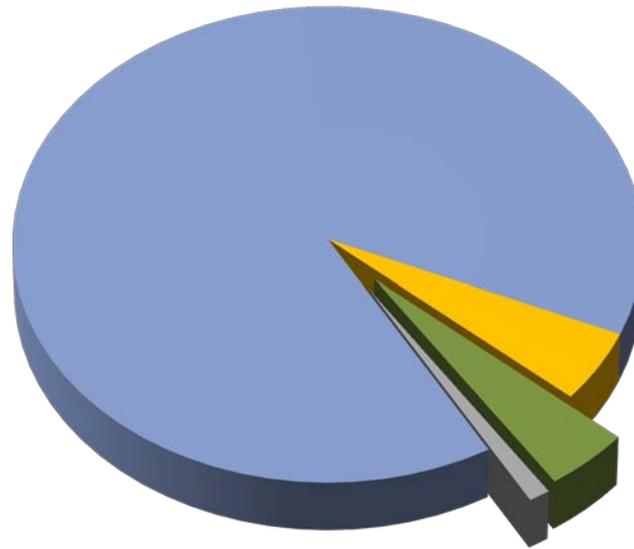


*Total reflects parent company expenses and consolidation adjustments amounting to (0.04) per share.

Con Edison's Focus is Energy Delivery

(for the twelve months ended December 31, 2011)

Consolidated Edison, Inc. Ongoing Earnings



- CECONY 92%
- O&R 5%
- Competitive Businesses 4%
- Parent (1)%

Reconciliation of 1st Quarter 2012 and 1st Quarter 2011 Earnings Per Share

| 3 months ending March 31, 2012 | CECONY | O&R | Con Edison Development | Con Edison Energy | Con Edison Solutions | Parent | Total |
|---|---------------|----------------|-----------------------------------|----------------------------------|-------------------------------------|---------------|--------------|
| Reported EPS – GAAP basis | \$0.93 | \$0.07 | \$- | \$- | \$(0.04) | \$(0.01) | \$0.95 |
| Mark-to-Market losses/(gains) | - | - | - | - | 0.06 | - | 0.06 |
| Ongoing operations | \$0.93 | \$0.07 | \$- | \$- | \$0.02 | \$(0.01) | \$1.01 |

| 3 months ending March 31, 2011 | CECONY | O&R | Con Edison Development | Con Edison Energy | Con Edison Solutions | Parent | Total |
|---|---------------|----------------|-----------------------------------|----------------------------------|-------------------------------------|---------------|--------------|
| Reported EPS – GAAP basis | \$0.92 | \$0.07 | \$- | \$- | \$0.09 | \$(0.01) | \$1.07 |
| Mark-to-Market losses/(gains) | - | - | - | (0.01) | (0.07) | - | (0.08) |
| Ongoing operations | \$0.92 | \$0.07 | \$- | \$(0.01) | \$0.02 | \$(0.01) | \$0.99 |

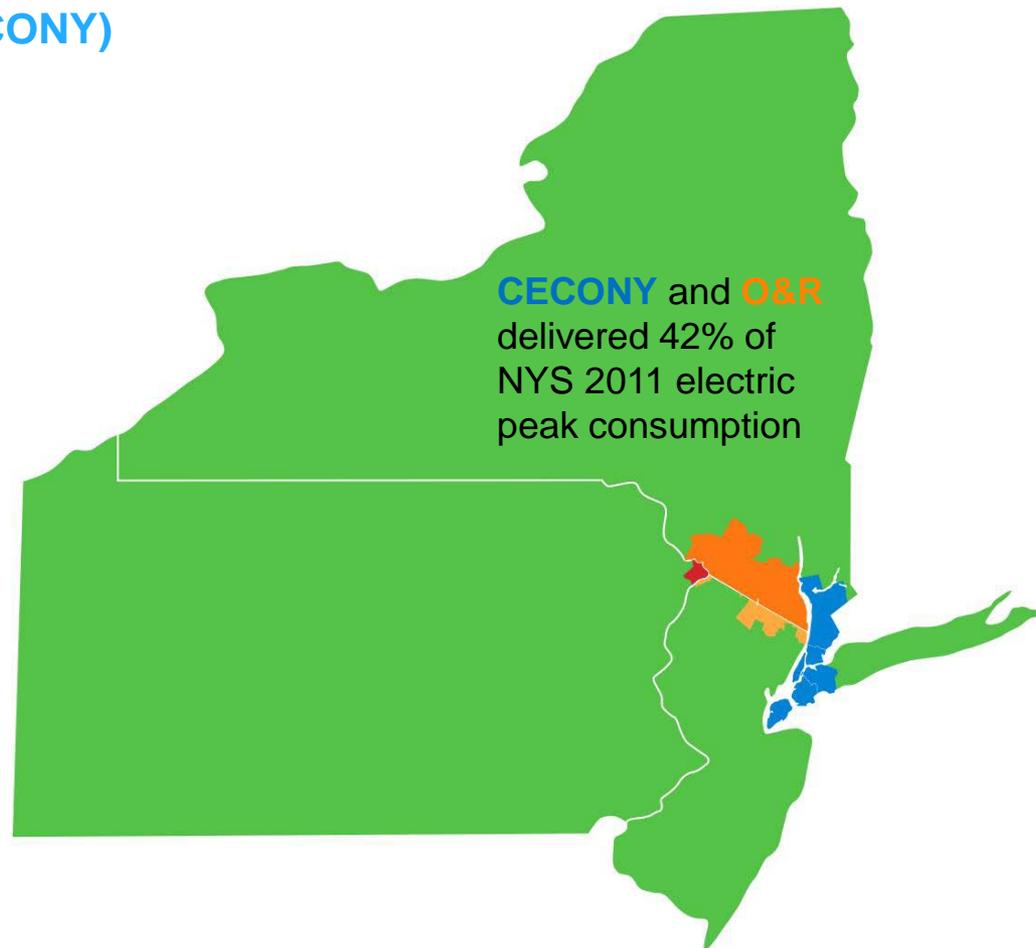
Regulated Utilities are the Core of Con Edison, Inc.

Con Edison of New York (CECONY)

- 3.3 million electric customers
- 1.1 million gas customers
- 1,735 steam customers
- 709 MW of regulated generation
- Delivered 39% of NYS 2011 electric peak consumption

Orange and Rockland (O&R)

- 300,000 electric customers
- 129,000 gas customers
- Delivered 3.4% of NYS 2011 electric peak consumption



Con Edison of New York

One World Trade Center is Symbolic of the Vitality of the Local Economy



Composition of Rate Base (as of March 31, 2012)

Rate Base (\$ millions)

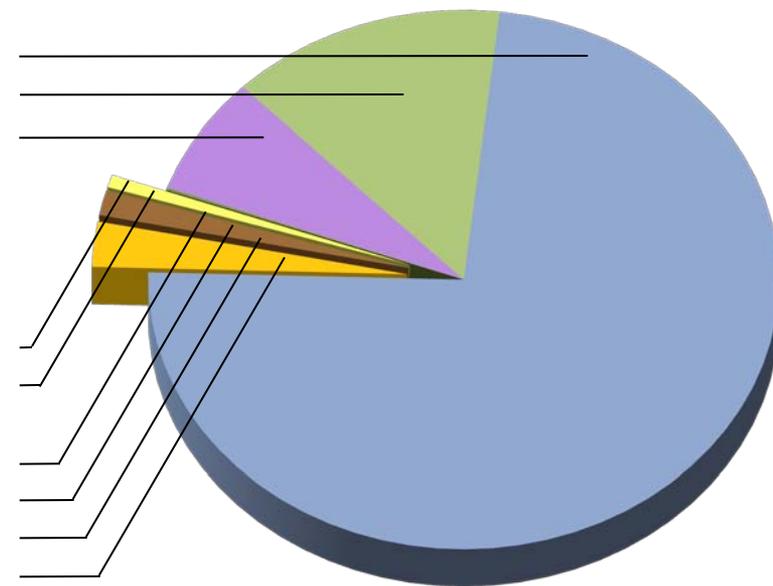
Con Edison of New York

| | | |
|----------|------|-----------|
| Electric | (NY) | \$ 15,877 |
| Gas | (NY) | \$ 3,055 |
| Steam | (NY) | \$ 1,533 |

Orange and Rockland

| | | |
|-------------------|------|--------|
| Pike Gas | (PA) | \$ 1 |
| Pike Electric | (PA) | \$ 11 |
| Rockland Electric | (NJ) | |
| (distribution) | | \$ 163 |
| (transmission) | | \$ 20 |
| O&R Gas | (NY) | \$ 325 |
| O&R Electric | (NY) | \$ 585 |

Total Rate Base \$ 21,570



Summary of Rate Plans

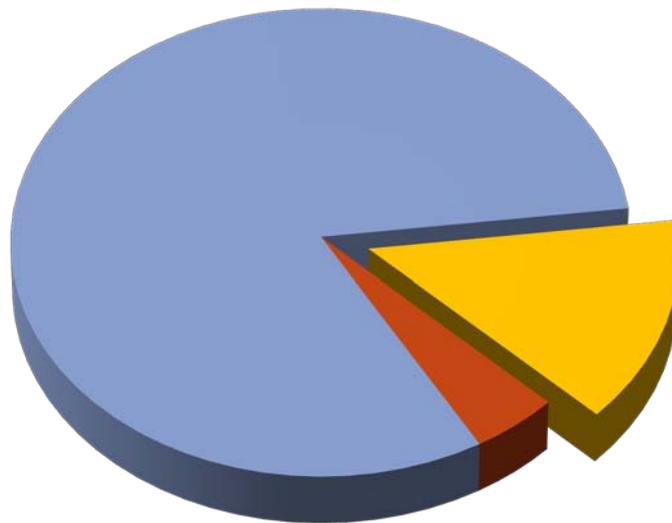
| Company | Service | Term | Authorized ROE* |
|---------|----------|---|------------------------------------|
| CECONY | Electric | 3-year plan effective Apr. 1, 2010 | 10.15% ROE |
| CECONY | Gas | 3-year plan effective Oct. 1, 2010 | 9.6% ROE |
| CECONY | Steam | 3-year plan effective Oct. 1, 2010 | 9.6% ROE |
| O&R | Electric | 1-year order effective July 1, 2011 | 9.2% ROE |
| O&R | Electric | Joint Proposal filed for new rates effective July 1, 2012 | 9.4%, 9.5%, 9.6% ROEs over 3 years |
| O&R | Gas | 3-year plan effective Nov. 1, 2009 | 10.4% ROE |
| RECO | Electric | 1-year plan effective May 2010 | 10.3% ROE |

* See Appendix for trailing 12-month earned returns on equity.

Gas Distribution is a Significant Segment of Utility Operating Income

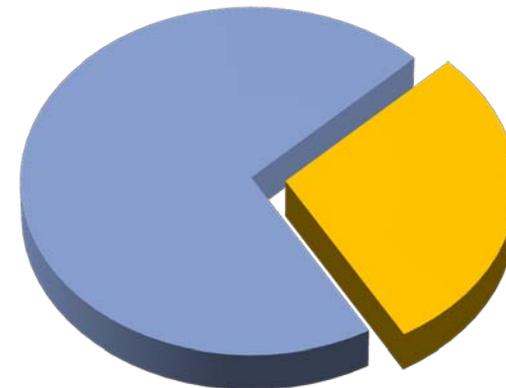
(for the twelve months ended December 31, 2011)

Con Edison of New York



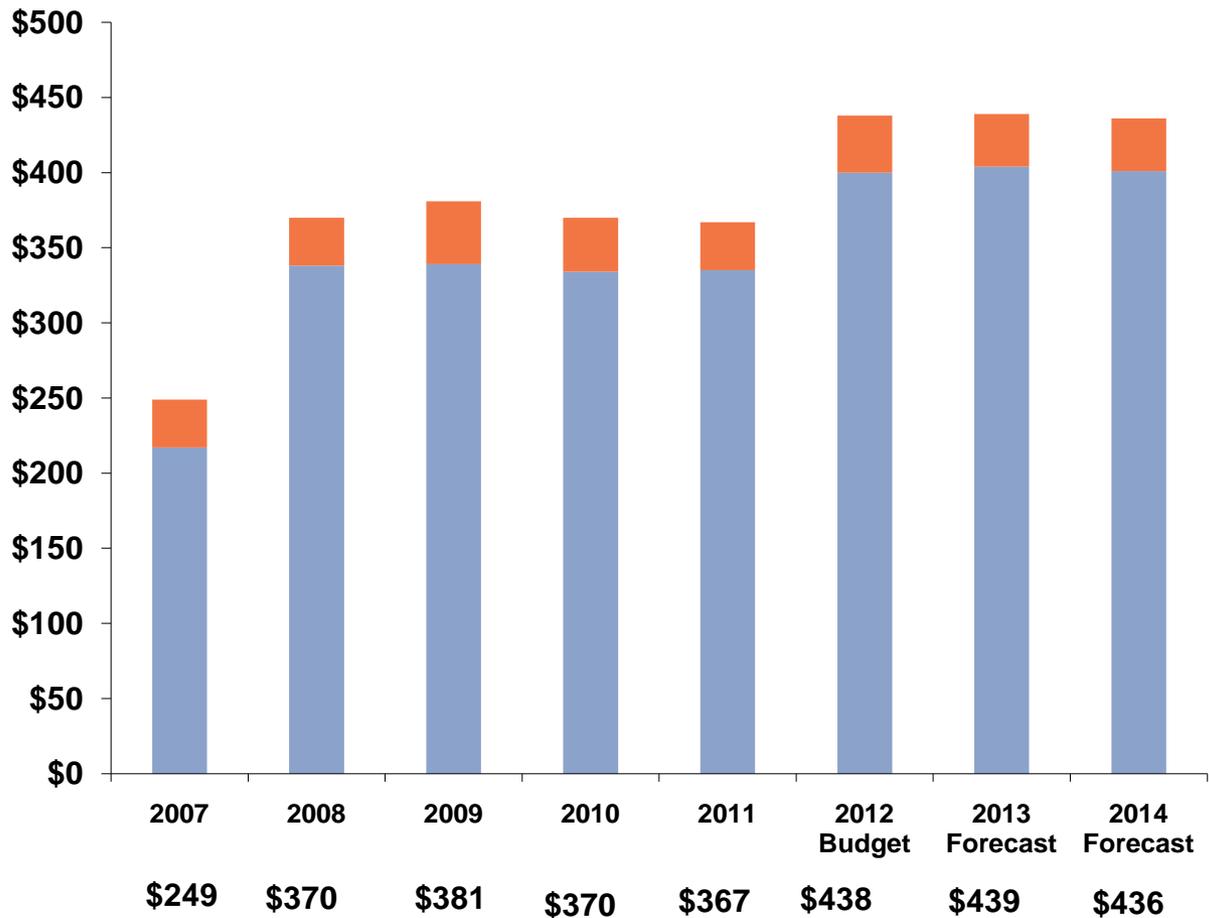
- Electric 81%
- Gas 14%
- Steam 5%

Orange and Rockland

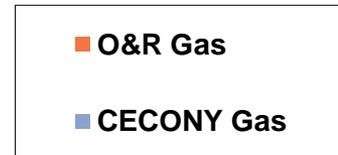


- Electric 71%
- Gas 29%

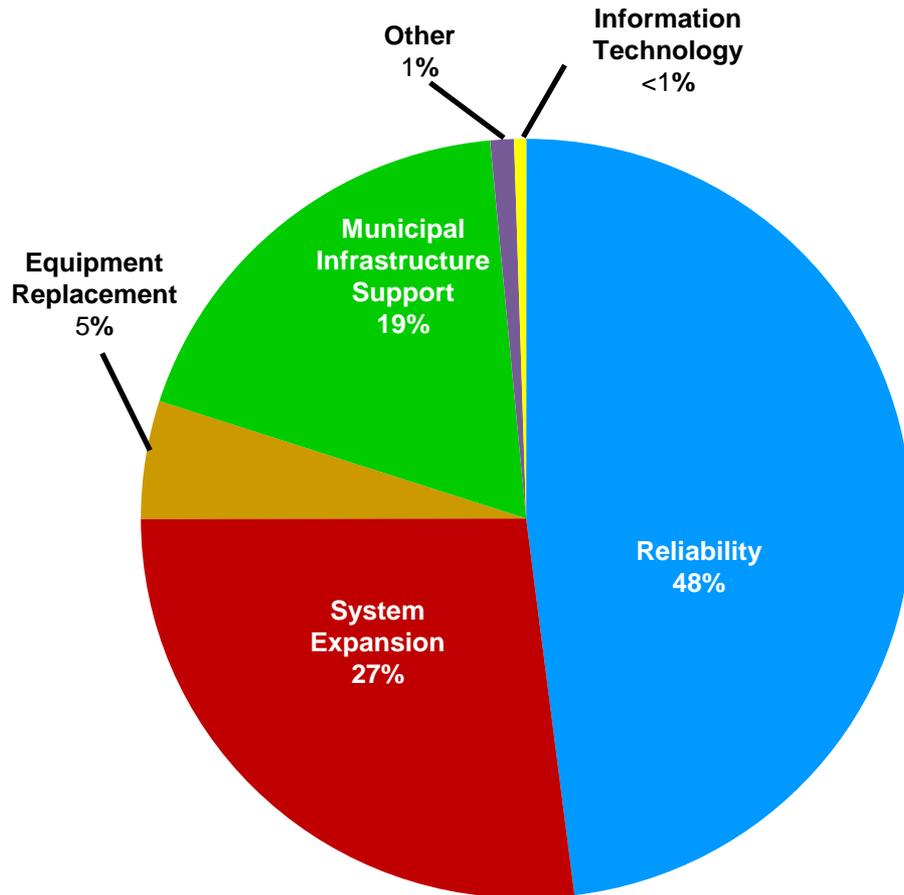
Gas Distribution Infrastructure Investment (\$ millions)



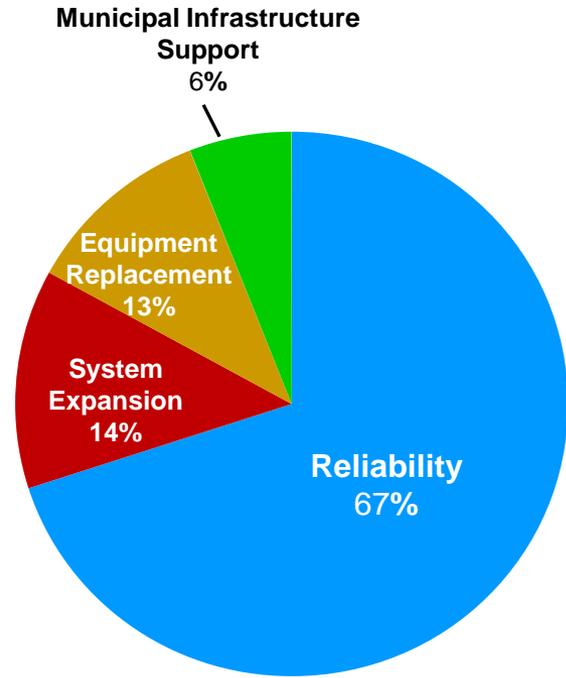
| | CECONY | O&R |
|----------|--------|-----|
| Actual | | |
| 2007 | 217 | 32 |
| 2008 | 338 | 32 |
| 2009 | 339 | 42 |
| 2010 | 334 | 36 |
| 2011 | 335 | 32 |
| Forecast | | |
| 2012 | 400 | 38 |
| 2013 | 404 | 35 |
| 2014 | 401 | 35 |



Breakdown of 2012 Gas Distribution Capital Investment



Con Edison of New York



Orange and Rockland

5-Year Annualized Growth Rates in Peak Usage

**5-Year Historical
2003-2007
(Pre-Recession)** **Current
5-Year
Forecast**

CECONY

| | | |
|----------|--------|-------|
| Electric | 1.8% | 1.2% |
| Gas | 1.0% | 3.5% |
| Steam | (0.6)% | 0.03% |

O&R

| | | |
|----------|--------|------|
| Electric | 2.3% | 1.1% |
| Gas | (0.8)% | 1.0% |



Con Edison of New York

Clean Air Goals and Low Gas Prices Influence Oil-to-Gas Conversions

New York City Clean Air Imperatives

- Reduce greenhouse gas emissions by 30% below 2005 levels by 2030
- Focused on building codes
- Phase out of #6 heating oil by 2015 and #4 heating oil by 2030

Price Advantage of Delivered Natural Gas Versus Oil*

- 40-50% discount to #2 oil
- 35-45% discount to #4 oil
- 20-30% discount to #6 oil

*Forecasted range of 2013 burner-tip fuel cost differential for residential and commercial customers.

Con Edison of New York

Statistics & Breakdown of Potential Conversions

- There are 9,147 boilers burning #4 or #6 heating oil in NYC
- 7,039, or 77%, are located in the CECONY service area

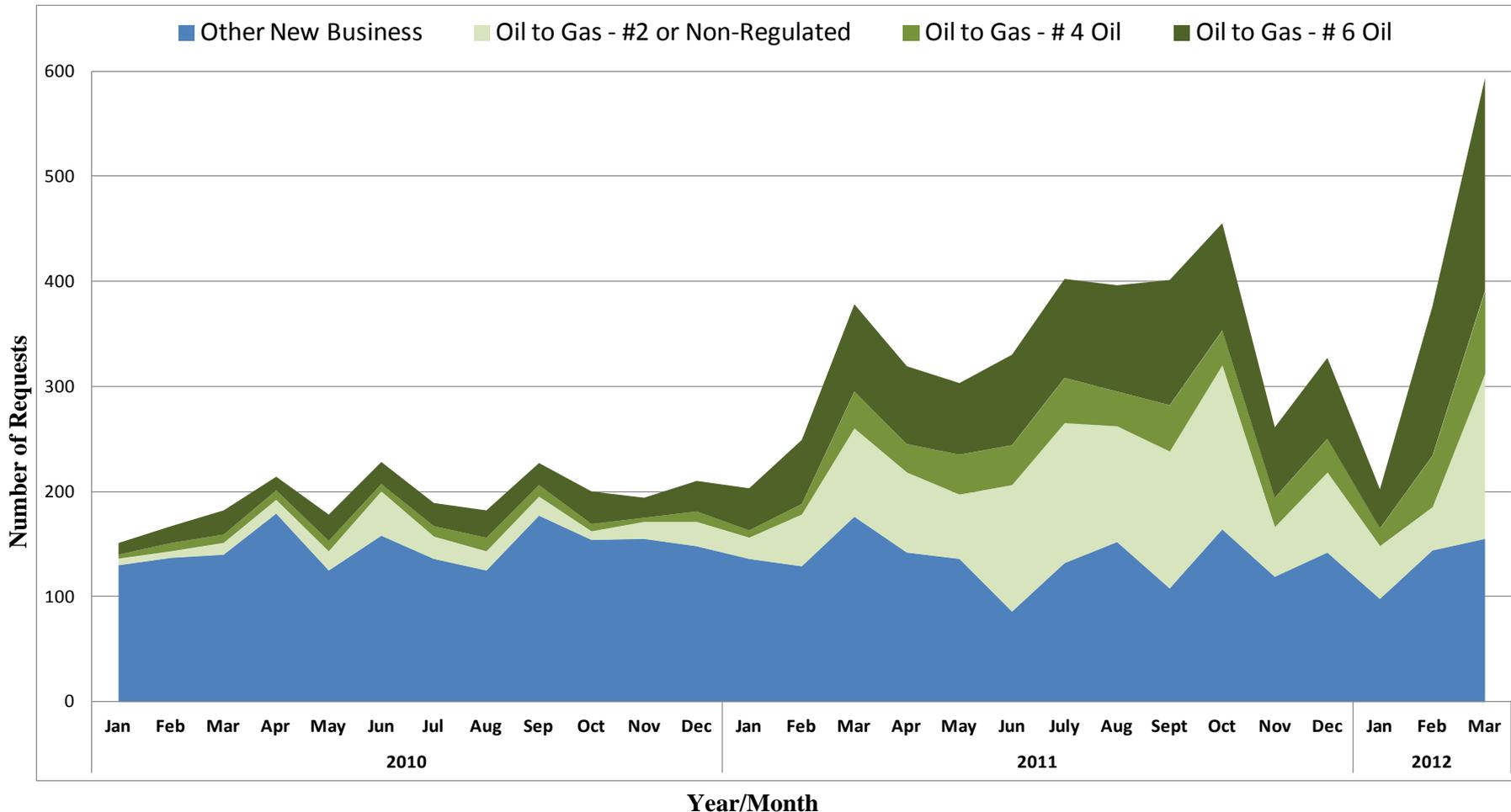
| Borough | Buildings |
|--------------------|--------------|
| Manhattan | 3,945 |
| Bronx | 2,373 |
| Queens | 721 |
| Grand Total | 7,039 |

- 14,300 multi-family and commercial buildings* in the CECONY's New York City service area burn #2 heating oil

* Includes buildings with #2 oil burners rated 350,000 BTUs or higher. Multi-family buildings include 5 or more families.

Rising Monthly New Gas Business Service Requests*

January 2010 to March 2012

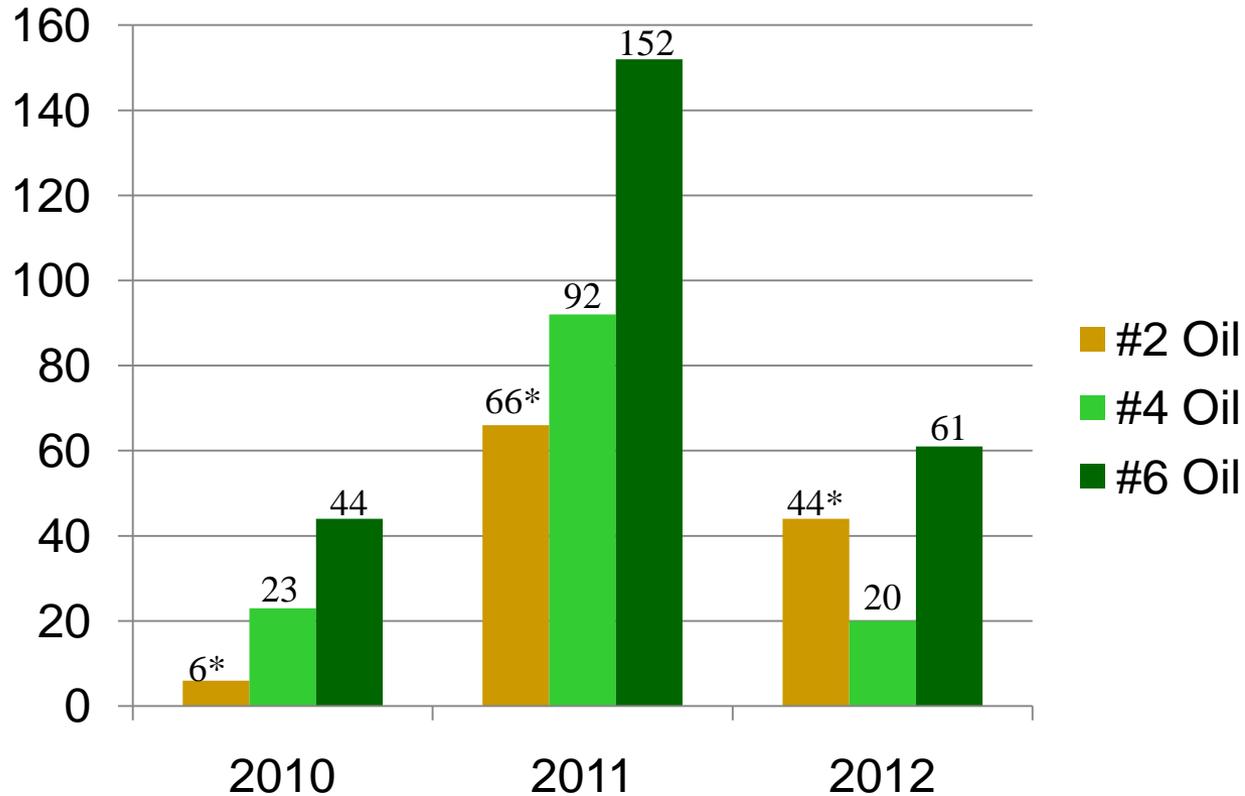


* For #2 oil, includes requests from buildings with #2 oil burners rated 350,000 BTUs or higher.

Annual Multi-Family and Commercial Oil-to-Gas Conversions by Oil Type

2012 figures through March 31

Number of gas service installations



* Includes conversions of #2 oil burners rated 350,000 BTUs or higher

Con Edison of New York

Manhattan Lower Eastside Oil-to-Gas Conversion

- 1,680-unit apartment complex
- #6 oil-to-gas conversion
- Previously used 2.1 million gallons of oil annually
- Expected to use 266,000 dekatherms of natural gas annually



Con Edison of New York

The Bronx Eastchester Heights Oil-to-Gas Conversion

- 1, 416-unit apartment complex
- #6 oil-to-gas conversion
- Previously used 900,000 gallons of oil annually
- Expected to use 154,000 dekatherms of natural gas annually



Con Edison of New York

Manhattan Upper Westside Oil-to-Gas Conversion

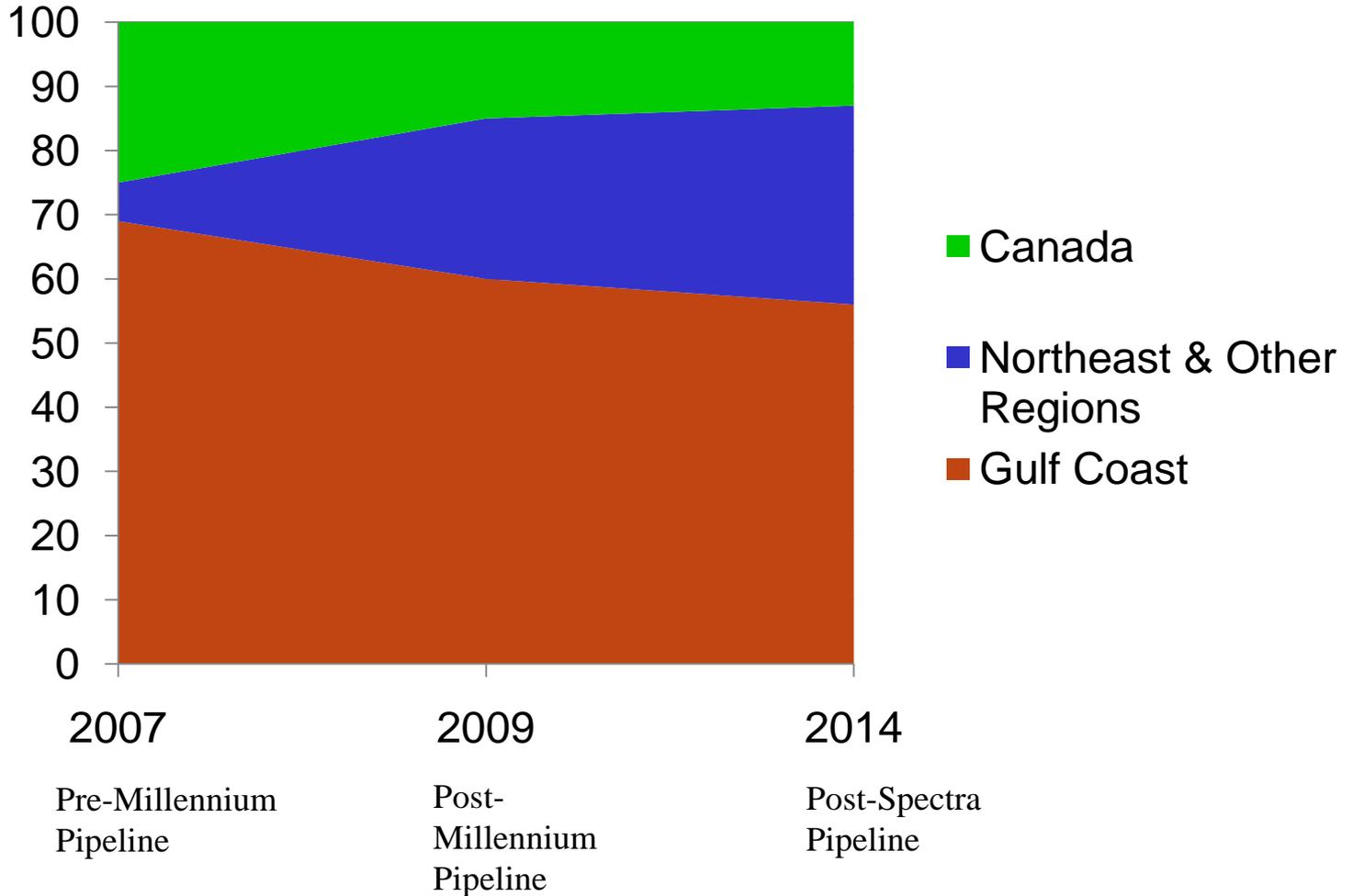
- 480-unit apartment complex
- #6 oil-to-gas conversion
- Previously used 800,000 gallons of oil annually
- Expected to use 129,000 dekatherms of natural gas annually



Con Edison of New York

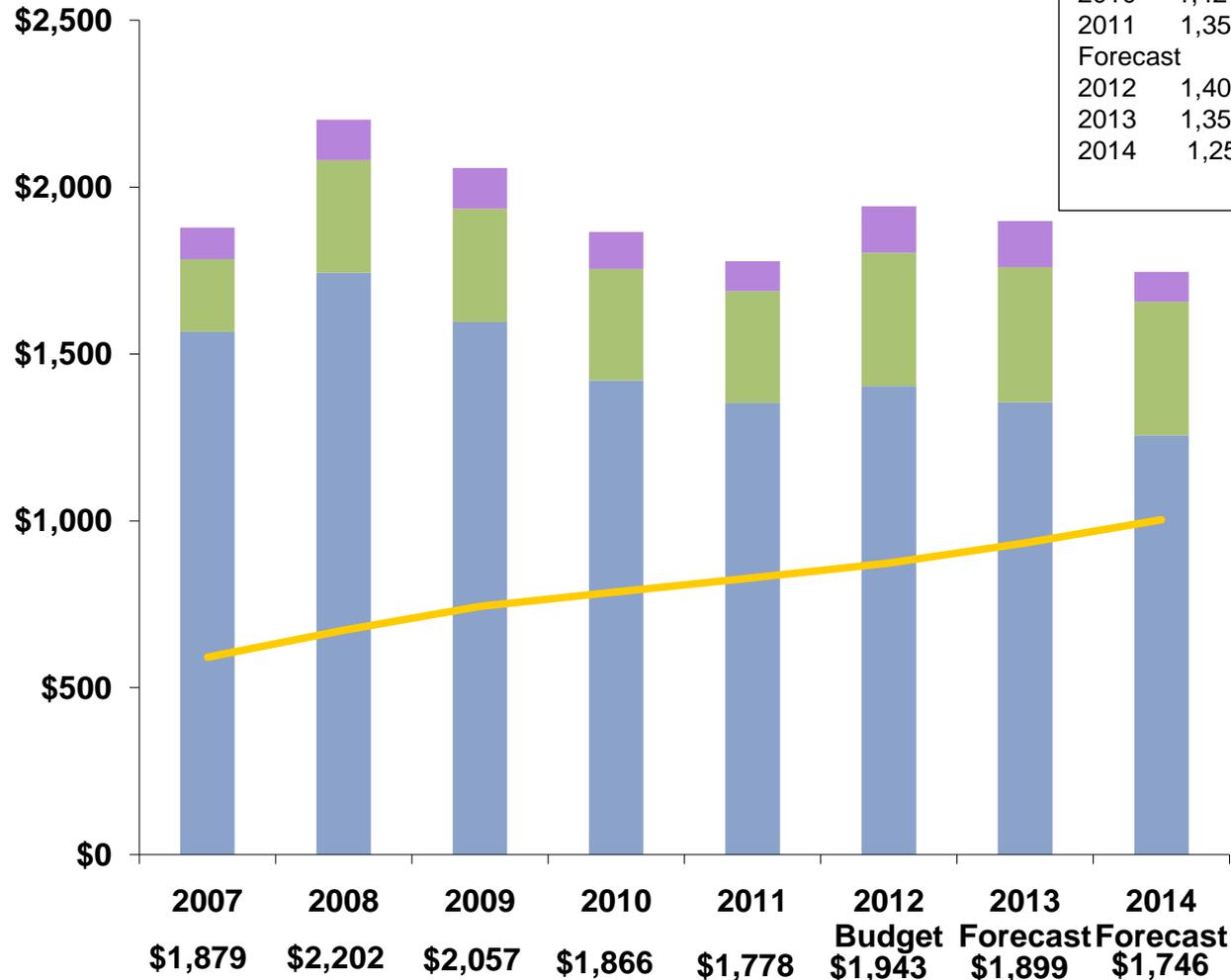
Changing Composition of Con Edison's Gas Supply

% of Total Supply
Portfolio

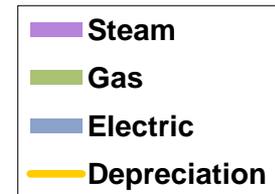


Con Edison of New York

Infrastructure Investment (\$ millions)

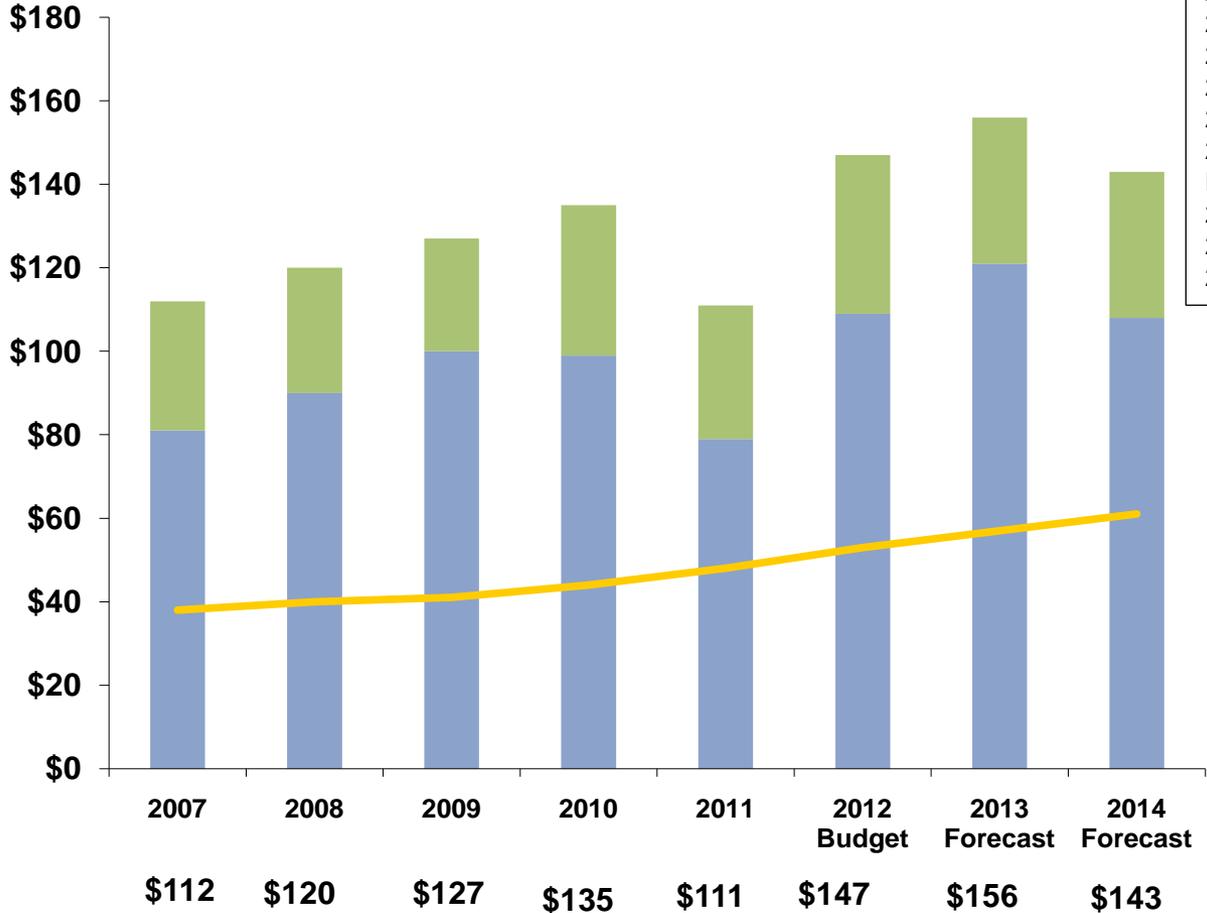


| | Electric | Gas | Steam | Depreciation |
|-----------------|----------|-----|-------|--------------|
| Actual | | | | |
| 2007 | 1,567 | 217 | 95 | 593 |
| 2008 | 1,743 | 338 | 121 | 672 |
| 2009 | 1,596 | 339 | 122 | 744 |
| 2010 | 1,421 | 334 | 111 | 787 |
| 2011 | 1,354 | 335 | 89 | 829 |
| Forecast | | | | |
| 2012 | 1,404 | 400 | 139 | 874 |
| 2013 | 1,356 | 404 | 139 | 934 |
| 2014 | 1,256 | 401 | 89 | 1,003 |

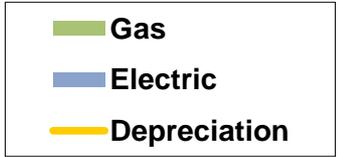


Orange and Rockland

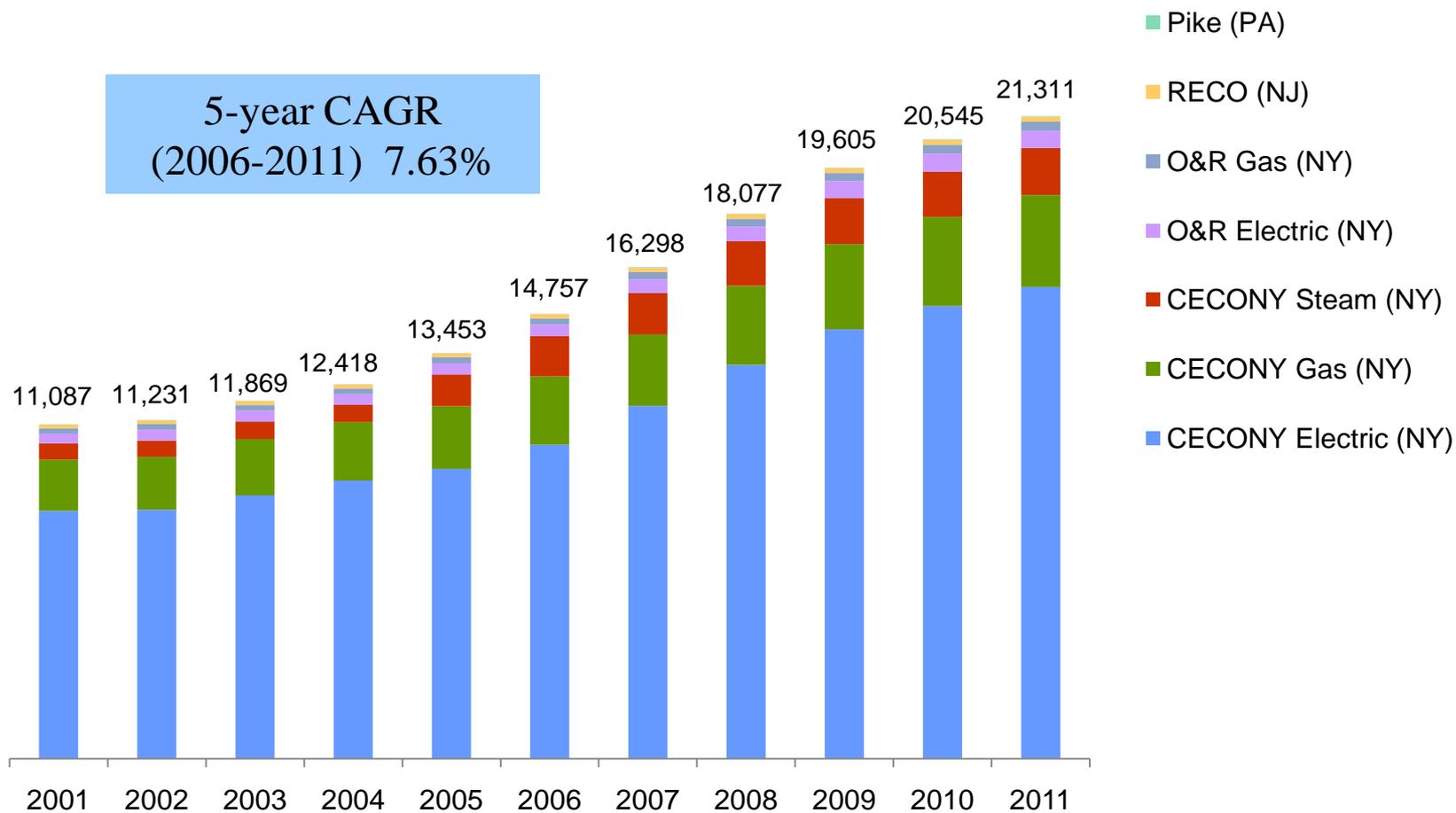
Infrastructure Investment (\$ millions)



| | Electric | Gas | Depreciation |
|-----------------|----------|-----|--------------|
| Actual | | | |
| 2007 | 80 | 32 | 38 |
| 2008 | 88 | 32 | 40 |
| 2009 | 85 | 42 | 42 |
| 2010 | 99 | 36 | 44 |
| 2011 | 79 | 32 | 48 |
| Forecast | | | |
| 2012 | 109 | 38 | 53 |
| 2013 | 121 | 35 | 57 |
| 2014 | 108 | 35 | 61 |

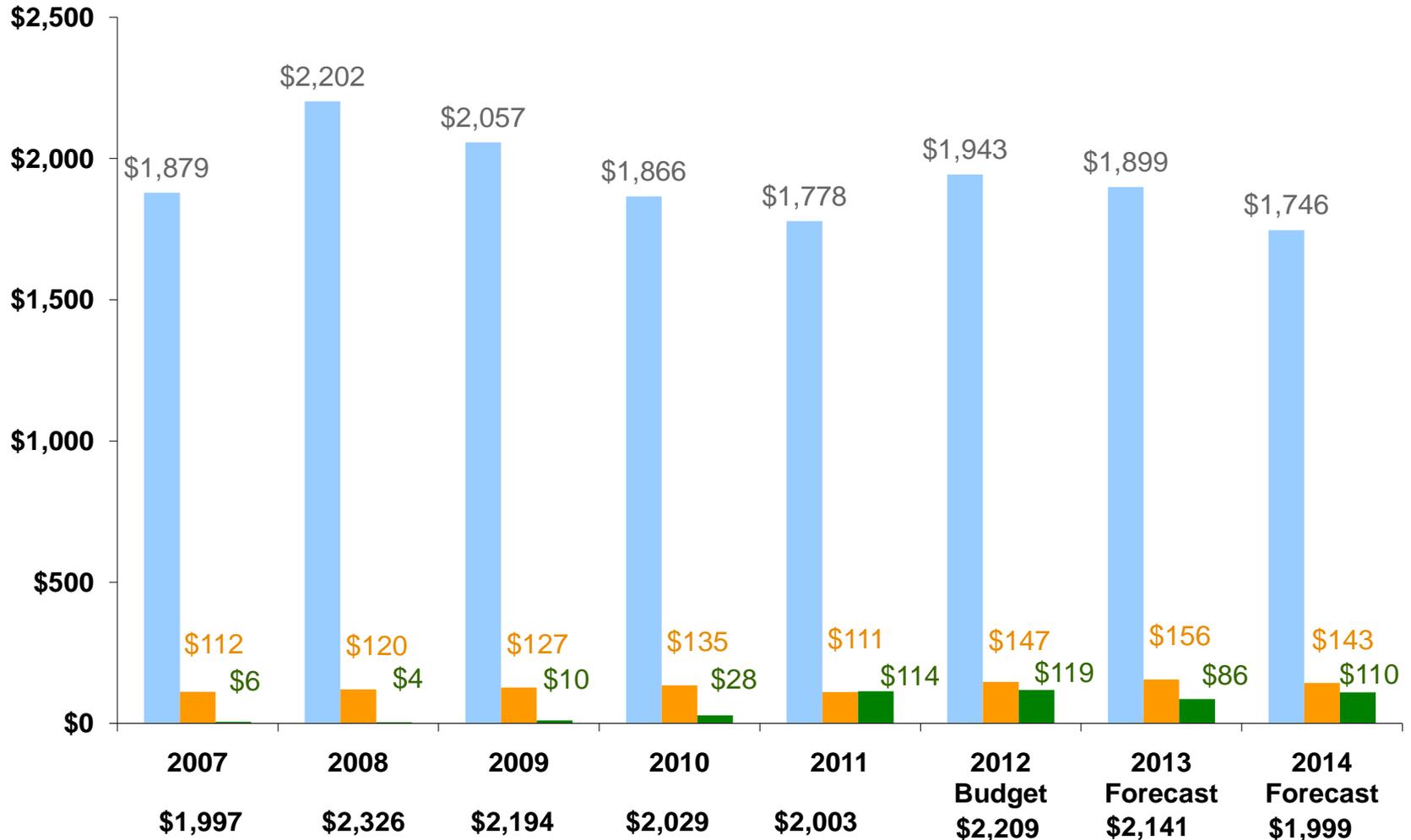


Consolidated Edison, Inc. Rate Base Growth (\$ millions)



Capital Expenditures (\$ millions)

■ Con Edison Of New York
 ■ Orange and Rockland
 ■ Competitive Energy Businesses



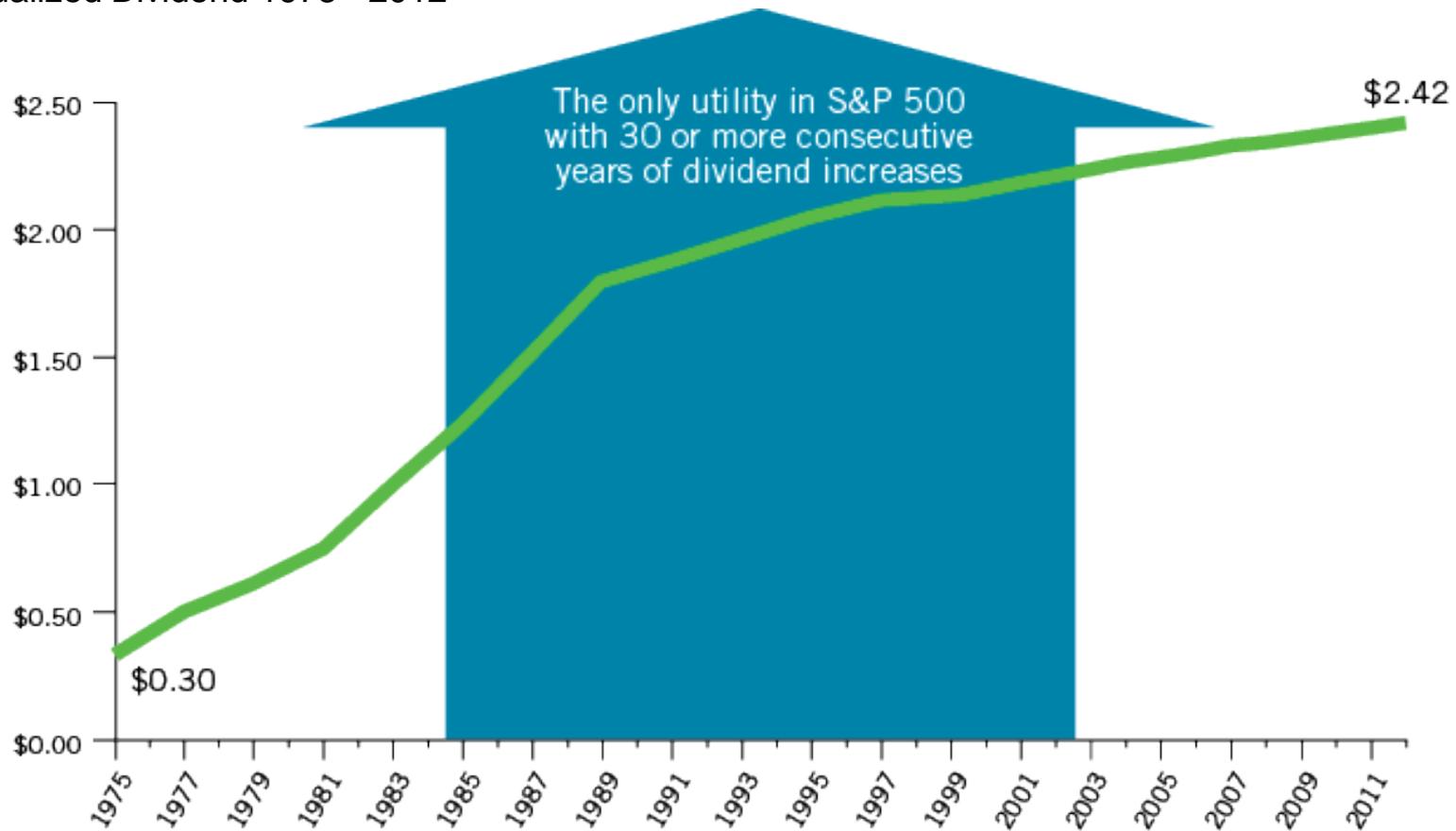
Leader in Sustainability

- 1st among S&P 500 utilities in the 2011 worldwide Carbon Disclosure Project
- 1st among utilities in the 2011 *Newsweek* 500 Green Rankings for environmental and social performance
- Member of *Corporate Responsibility Magazine's* “Best 100 Corporate Citizens” for 2012
- Member of the Dow Jones Sustainability North America Index



Dividend Aristocrat: 38 Consecutive Years of Dividend Increases

Annualized Dividend 1975 - 2012





Consolidated Edison, Inc. Investment Thesis

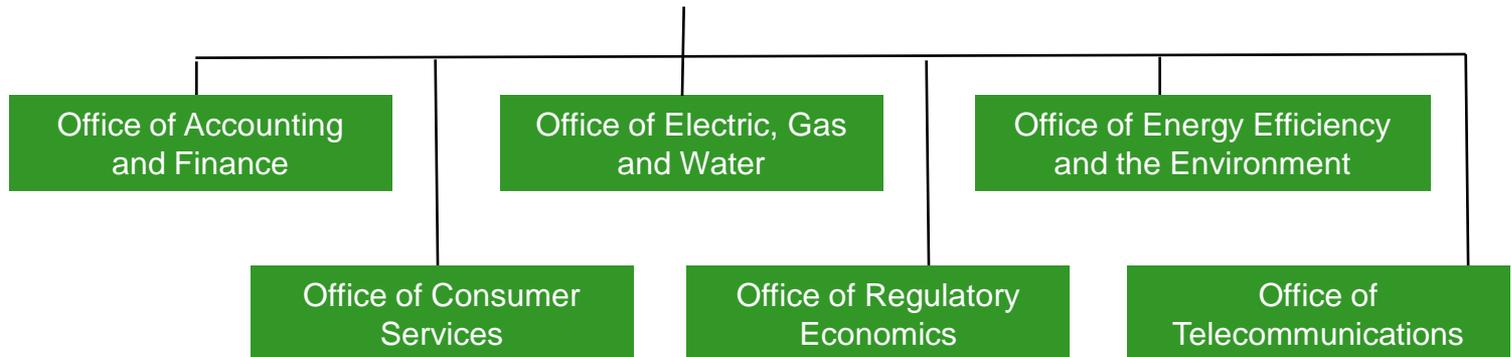
- The largest of the few publicly-traded, T&D-focused utility companies
 - Limited commodity exposure
- Reduced regulatory lag
 - Forward-looking test years
 - Timely commodity recovery
 - Revenue decoupling mechanism in NY
 - Adjustment mechanisms for several major uncontrollable expenses
- Significant dividend record
 - 38 consecutive years of dividend increases; 3rd longest in industry
 - 6th highest yield among S&P 500 Dividend Aristocrats
- Ability to invest for customer benefit
 - Provided a strong and stable balance sheet
 - Liquidity has been managed conservatively
- Growth opportunity through increased natural gas conversions

New York Public Service Commission (NY PSC)

Commissioners



PSC Staff



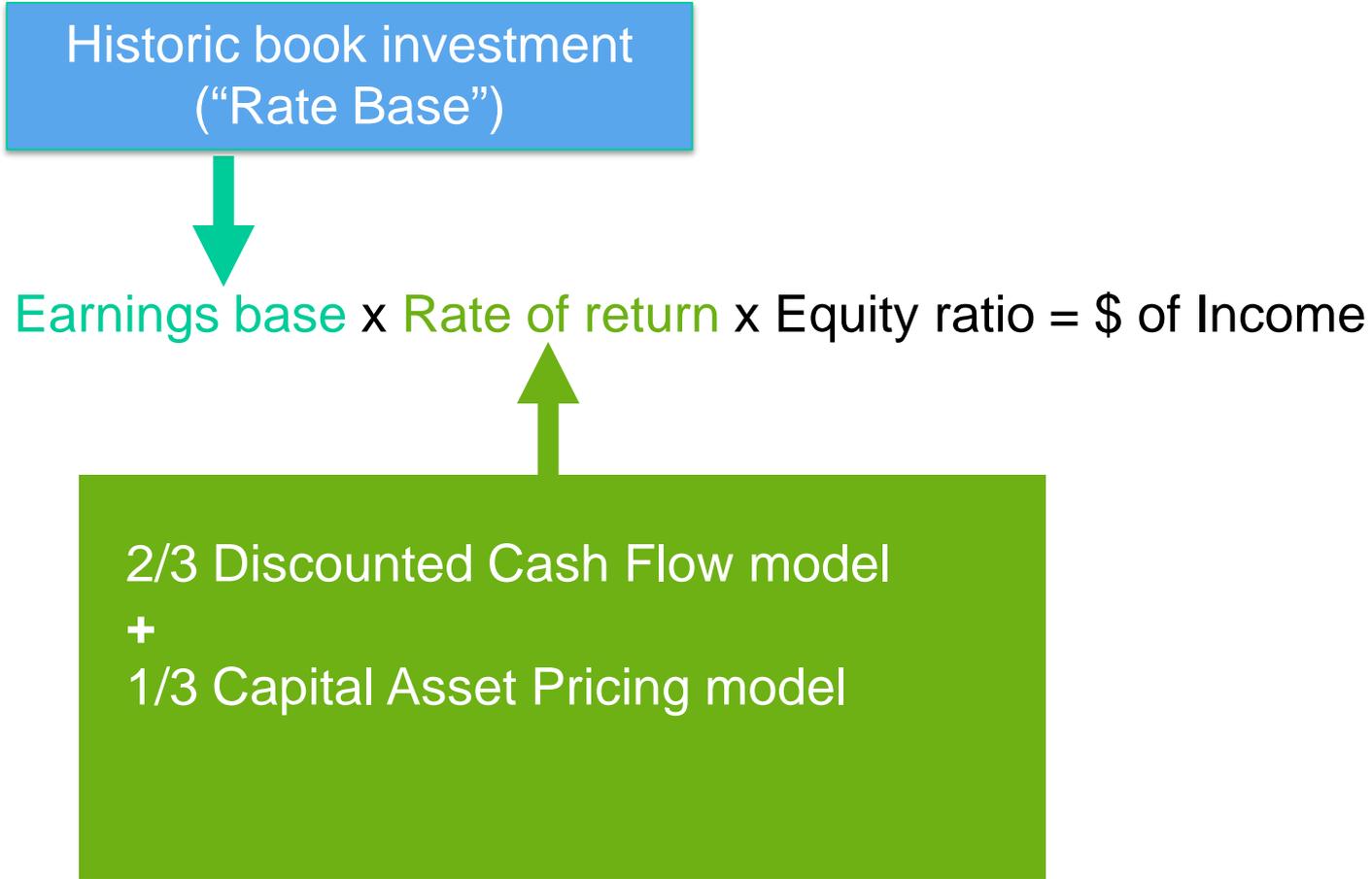
- Annual budget: \$80 million
- Staffing: 460 employees
- Regulates: Electric (7 companies), Gas (10), Water (300), Telecom (5), Cable (30)



Features of New York Regulation

- Forward-looking test year for expenses and rate base
- True-ups for major expenses:
 - Fuel and power cost recovery
 - Pensions and Other Post-employment Benefits
 - Property taxes (partial)
 - Environmental clean-up costs
- Revenue decoupling
- Performance penalties
- Formulaic approach to setting ROE's

New York PSC Methodology for Setting Equity Returns



NY PSC Staff's Discounted Cash Flow Model

- The Staff employs a dividend discount model.

$$\text{Value} = \frac{D_1}{(1+R)} + \frac{D_2}{(1+R)^2} + \frac{D_3}{(1+R)^3} + \dots$$

- Solving for an equity return, R, where:
 - D_1 through D_4 = Value Line estimates
 - D_5 through D_∞ = Value Line estimates based on future earnings retention and share growth
 - Value = average of prior three monthly high and low proxy group stock prices



NY PSC Staff's Capital Asset Pricing Model

- Staff solves for an equity return, R

$$R = R_{UST} + (R_{MKT} - R_{UST}) * \beta$$

- Where:
 - R_{UST} is the risk-free return: average of prior three monthly yields for 10-year and 30-year Treasuries
 - R_{MKT} is the market rate of return: BOfA Merrill Lynch's monthly *Quantitative Profiles* report (three month average)
 - β is the risk of the individual share relative to that of the market: Value Line estimate for peer group



NY PSC Staff's Proxy Group for 2011-2012 O&R Electric Proceeding

ALLETE
Alliant Energy
Ameren
American Electric Power
Avista
Black Hills
Center Point
CH Energy
Cleco
Consolidated Edison
DTE Energy
Edison International
Empire District Electric
Energy
FirstEnergy
Great Plains Energy

Hawaiian Electric Industries
IDACORP
MGE Energy
Pepco
PG&E
Pinnacle West Capital
Portland General Electric
SCANA
Sempra Energy
Southern Co.
TECO Energy
UIL Holdings
Vectren
Westar Energy
Wisconsin Energy
Xcel Energy

Recent Rate Decisions in New York

| Date | Company | ROE | Term | Date | Company | ROE | Term |
|-------|-------------------|--------|---------|-------|----------------------------|--------|--------------|
| 07/06 | Central Hudson | 9.60% | 3 years | 03/10 | CECONY Electric | 10.15% | 3 years |
| 08/06 | NYSEG | 9.55% | 1 year | 06/10 | Central Hudson | 10.00% | 3 years |
| 09/06 | CECONY Steam | 9.80% | 2 years | 09/10 | CECONY Gas | 9.60% | 3 years |
| 10/06 | O&R Gas | 9.80% | 3 years | 09/10 | CECONY Steam | 9.60% | 3 years |
| 09/07 | CECONY Gas | 9.70% | 3 years | 09/10 | Energy East (RGE/NYSEG) | 10.00% | 40 months |
| 10/07 | O&R Electric | 9.10% | 1 year | 06/11 | Niagara Mohawk | 9.30% | 2 years |
| 12/07 | National Fuel Gas | 9.10% | 1 year | 06/11 | O&R Electric | 9.20% | 1 year |
| 03/08 | CECONY Electric | 9.10% | 1 year | 04/12 | Corning Gas | 9.50% | 3 years |
| 06/08 | O&R Electric | 9.40% | 3 years | | | | |
| 09/08 | CECONY Steam | 9.30% | 2 years | | | | |
| 04/09 | CECONY Electric | 10.00% | 1 year | | | | |
| 05/09 | Niagara Mohawk | 10.20% | 2 years | | | | |
| 06/09 | Central Hudson | 10.00% | 1 year | | | | |
| 09/09 | Corning Gas | 10.70% | 2 years | | | | |
| 10/09 | O&R Gas | 10.40% | 3 years | | | | |

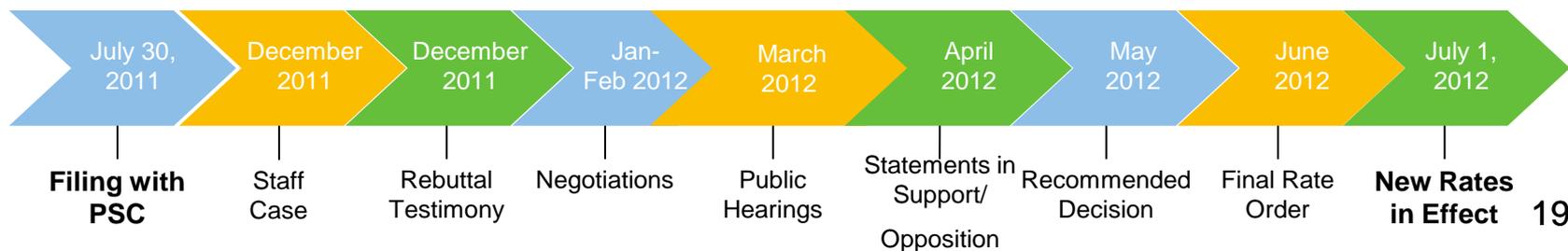
Orange and Rockland

Summary of Electric Joint Proposal

- 3-year rate with annual rate increases of \$19.4 million in rate year (RY) one effective July 2012, \$8.8 in RY2 effective July 2013, and \$15.2 in RY3 effective July 2014

or

- 3-year proposal with annual levelized rate increases of \$15.2 million in RY1, RY 2 and RY3
- ROE of 9.4%, 9.5% 9.6% in RY1, RY 2 and RY3, respectively
- Equity ratio of 48%
- Average rate base of \$671 million, \$708 million, and \$759 million at end of June 2013, June 2014 and June 2015, respectively
- True-ups – Continuation of existing mechanisms



Rates of Return

(for twelve months ended March 31, 2012)

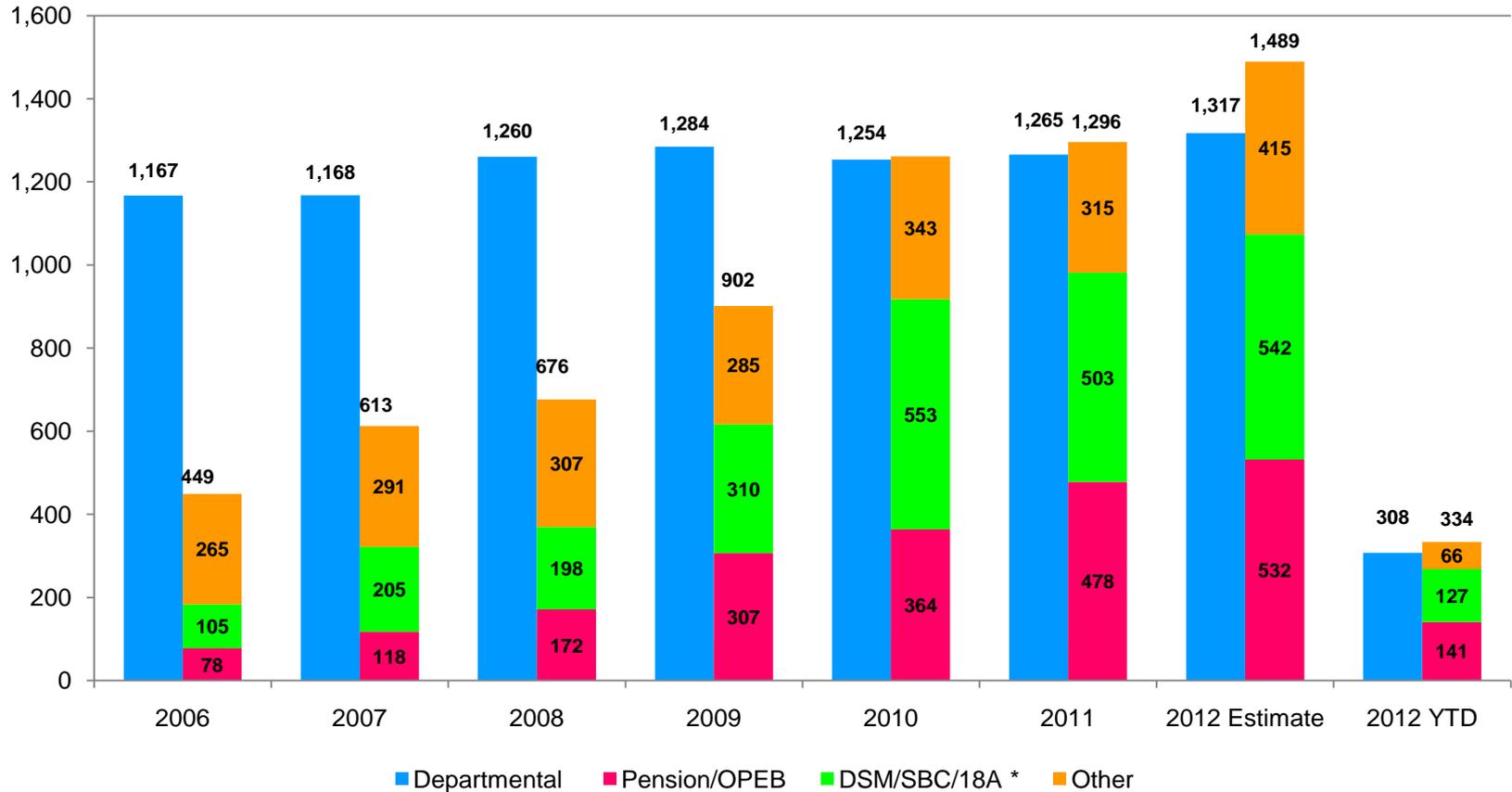
| | Regulated Basis | | SEC Basis (excludes MTM impact) |
|--|-----------------|--------------|---------------------------------------|
| | Allowed | Earned | |
| CECONY | | | |
| Electric | 10.15% | 9.9% | |
| Gas | 9.6% | 9.2% | |
| Steam | 9.6% | 7.7% | |
| Overall - CECONY | 10.0%* | 9.7% | 9.7% |
| O&R - NY | | | |
| Electric | 9.3% | 9.2% | |
| Gas | 10.4% | 10.2% | |
| RECO | 10.3% | 12.0% | |
| Overall – O&R | 9.8%* | 10.0% | 10.0% |
| Competitive Energy Businesses | | | 12.0% |
| CEI | | | 9.4% |

* Weighted by rate base

Con Edison of New York

Departmental and Other Expenses

(\$ millions)



* Includes Demand Side Management, System Benefit Charges and 18A assessment

Reconciliation of 2011 and 2010 Earnings Per Share

| 2011 | CECONY | O&R | Con Edison Development | Con Edison Energy | Con Edison Solutions | Parent | Total |
|-------------------------------|--------|--------|---------------------------|-------------------------|----------------------------|----------|--------|
| Reported EPS – GAAP basis | \$3.34 | \$0.18 | \$0.01 | \$0.03 | \$0.07 | \$(0.04) | \$3.59 |
| Mark-to-Market losses/(gains) | - | - | - | (0.03) | 0.08 | - | 0.05 |
| Ongoing operations | \$3.34 | \$0.18 | \$0.01 | \$- | \$0.15 | \$(0.04) | \$3.64 |

| 2010 | CECONY | O&R | Con Edison Development | Con Edison Energy | Con Edison Solutions | Parent | Total |
|-------------------------------|--------|--------|---------------------------|-------------------------|----------------------------|----------|--------|
| Reported EPS – GAAP basis | \$3.14 | \$0.17 | \$- | \$0.02 | \$0.22 | \$(0.06) | \$3.49 |
| Mark-to-Market losses/(gains) | - | - | - | (0.04) | - | - | (0.04) |
| Ongoing operations | \$3.14 | \$0.17 | \$- | \$(0.02) | \$0.22 | \$(0.06) | \$3.45 |

Unparalleled Reliability

2011 electric network
system availability

99.999%

Competitive Businesses: Overview

Con Edison Solutions (CES)

- Retail commodity supply
- Energy services: traditional ESCO activity
- Renewable energy: solar (< 2 MW) focus

Con Edison Energy (CEE)

- Retail supply management for CES
- Energy management for owners of generating plants
- Renewable energy support for CED/CES and others
- Phasing out fixed-price wholesale commodity supply

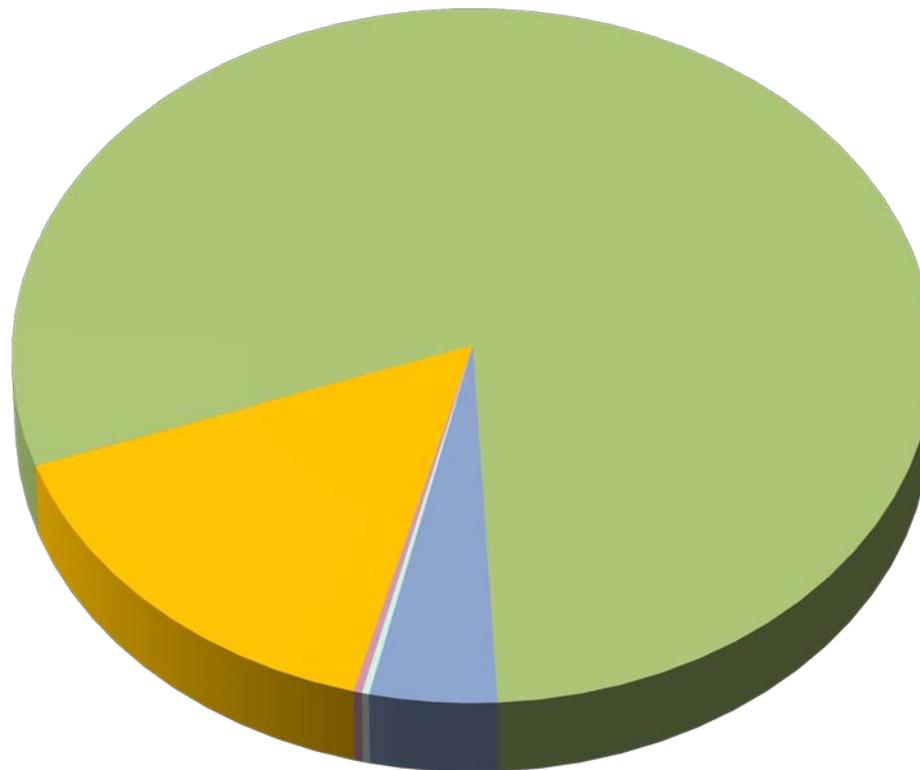
Con Edison Development (CED)

- Renewable energy: solar (>2 MW) focus
- Gas storage
- Passive investments
 - LILOs
 - Low-income housing

Competitive Business Mix

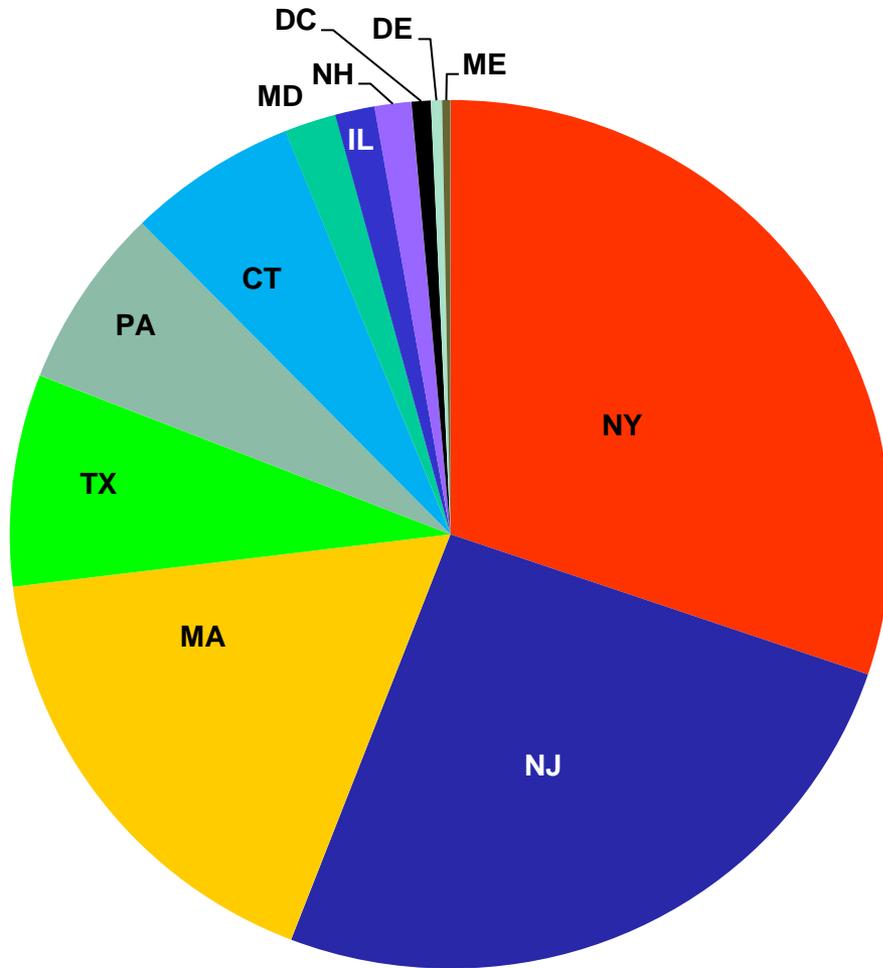
(for the twelve months ended December 31, 2011)

Revenues



- Retail electric commodity
- Wholesale commodity
- Energy services
- Gas storage
- Leases
- Solar

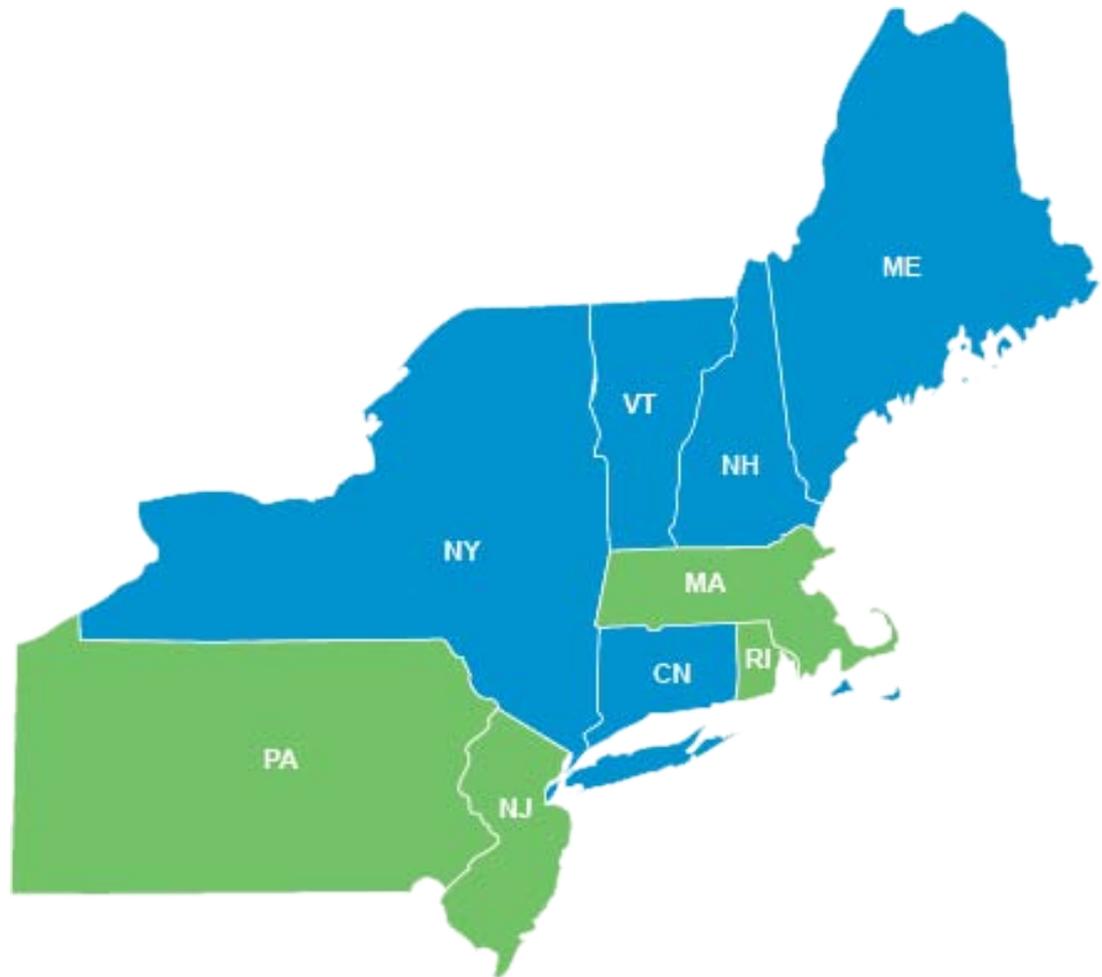
Con Edison Solutions: Retail Electric Commodity Sales Volumes by State



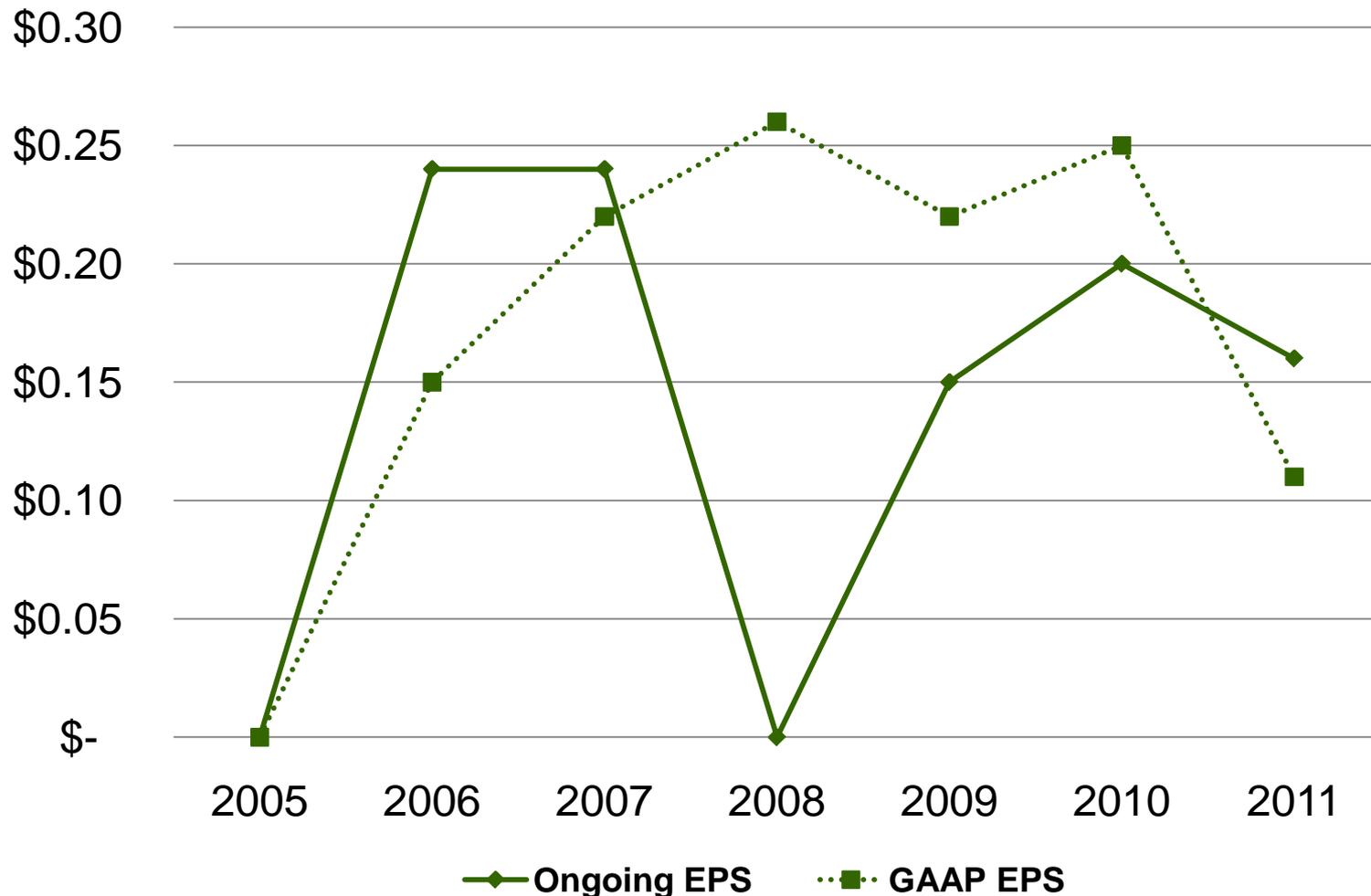
2011 Sales Volume
15,725 million kwhrs

Competitive Businesses: Solar Initiatives

- New Jersey
 - Massachusetts
 - Pennsylvania
 - Rhode Island
-
- 30 MW owned and in-service at end of 1Q 2012
 - 14 MW in construction



Competitive Business Historical Financial Performance



Ongoing EPS excludes \$1.48 gain on the sale of CED's generating assets in 2008 and the MTM effects of \$0, \$(0.09), \$(0.02), \$(0.22), \$0.07, \$0.04, \$(0.05) in 2005, 2006, 2007, 2008, 2009, 2010 and 2011, respectively.

Long-term Debt Maturities

(\$ millions)

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|
| Con Edison, Inc. – parent company | \$ 1 | \$ 1 | \$ 2 | \$ 2 | \$ 2 |
| Con Edison of New York | 525 | 700 | 475 | 350 | 650 |
| Orange and Rockland | 3 | 3 | 4 | 142 | 79 |
| Competitive energy businesses | 1 | 1 | - | 1 | - |
| Total | \$ 530 | \$ 705 | \$ 481 | \$ 495 | \$ 731 |

2012

- CECONY \$300 million debenture maturing in July, 5.625%
- CECONY \$225 million tax-exempt debt, mandatory tender by bondholders in November

2013

- CECONY \$500 million debenture maturing in February, 4.875%
- CECONY \$200 million debenture maturing in June, 3.85%

2014

- CECONY \$200 million debenture maturing in February, 4.7%
- CECONY \$275 million debenture maturing in April, 5.55%

2015

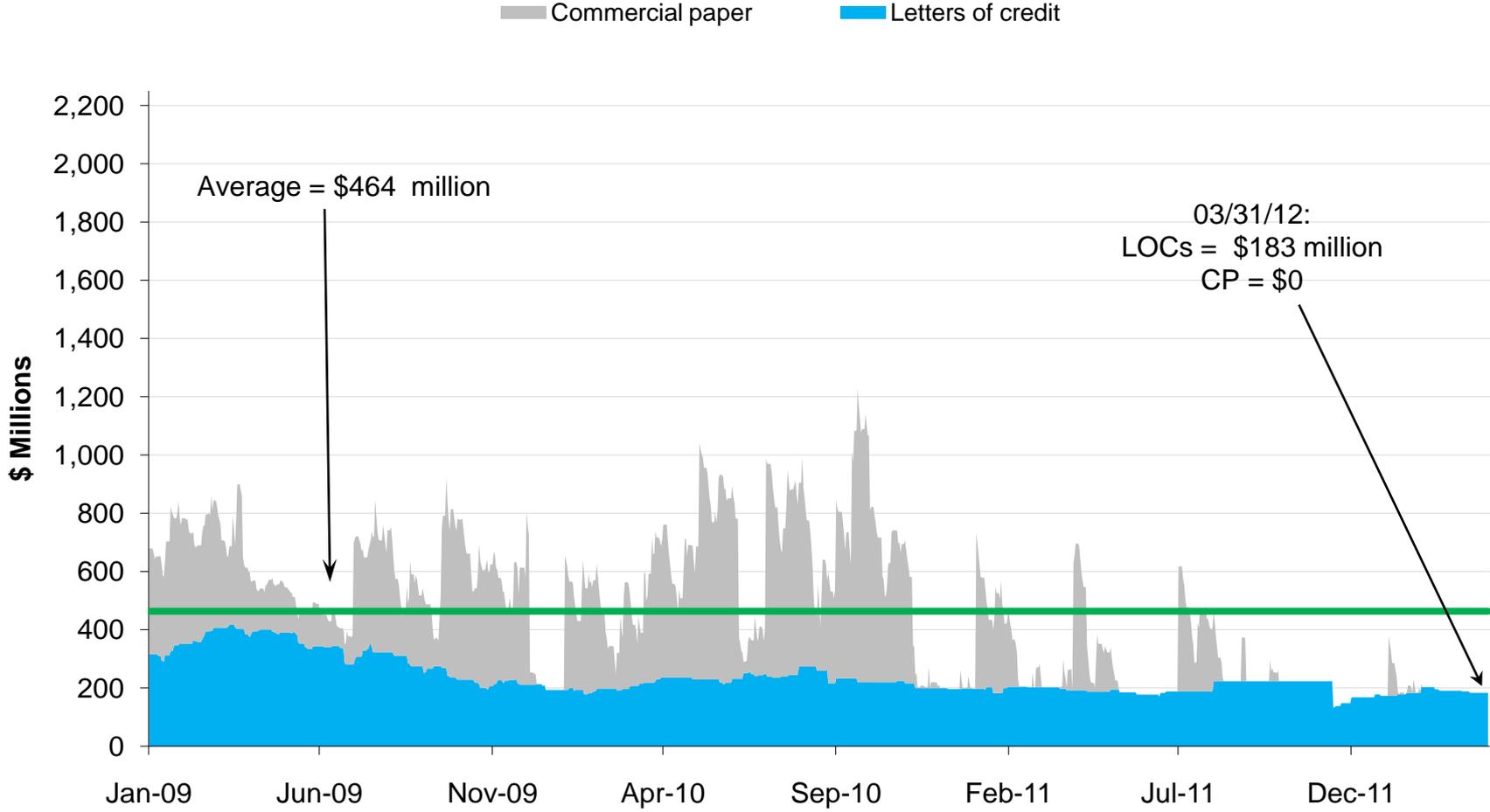
- CECONY \$350 million debenture maturing in December, 5.375%
- O&R \$40 million debenture maturing in April, 5.3%
- O&R \$55 million debenture maturing in August, 2.5%
- O&R \$44 million tax-exempt debt maturing in August, variable rate

2016

- CECONY \$400 million debenture maturing in September, 5.5%
- CECONY \$250 million debenture maturing in December, 5.3%
- O&R \$75 million debenture maturing in October, 5.45%

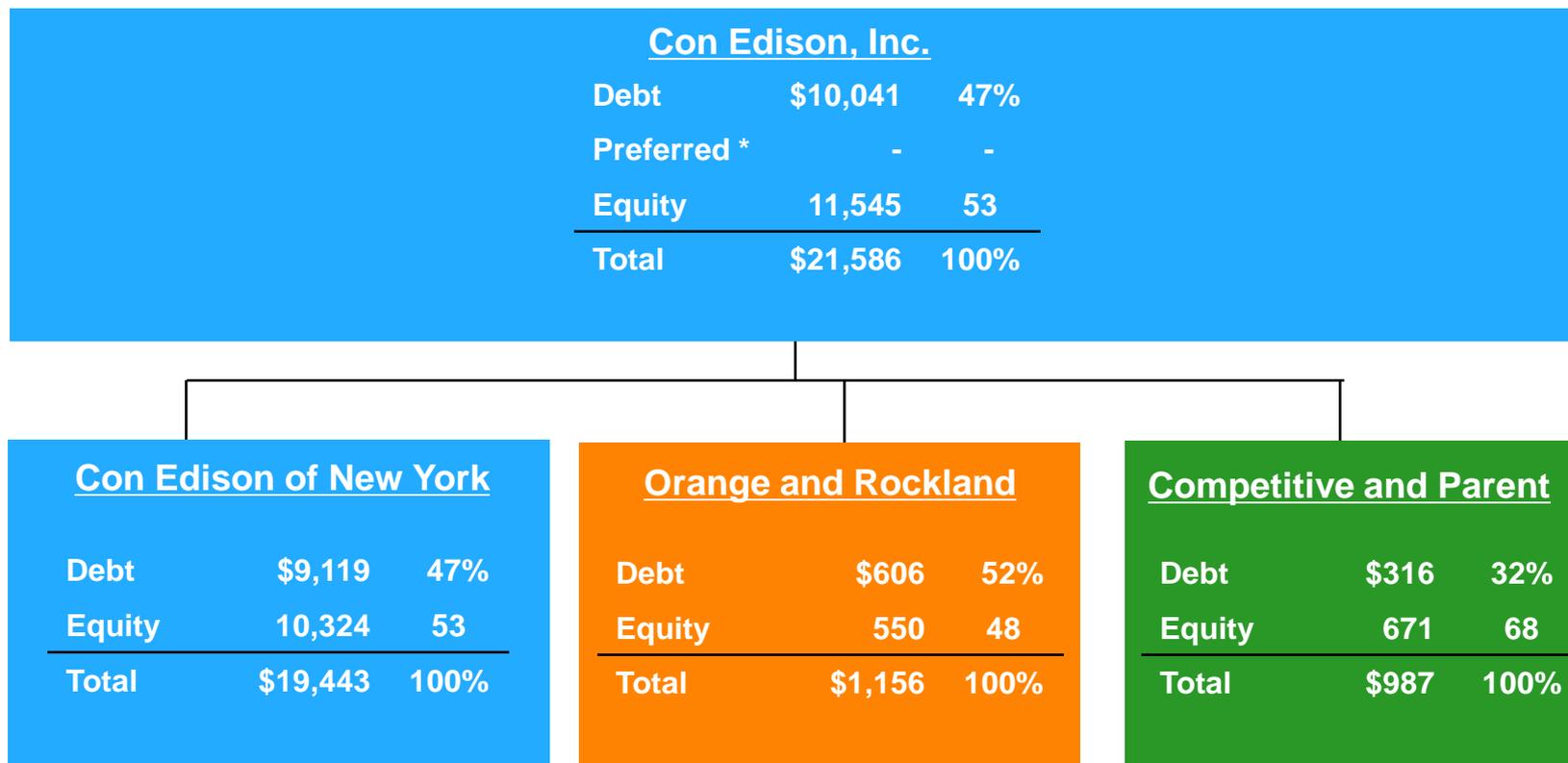
Liquidity Adequacy

\$2,250 million CEI Consolidated revolving credit facility



Capital Structure

March 31, 2012
(\$ millions)



* In March 2012, CECONY issued \$400 million of 4.20 percent 30-year debentures, \$239 million of the net proceeds from the sale of which were used to redeem on May 1, 2012 all outstanding shares of its \$5 Cumulative Preferred Stock and Cumulative Preferred Stock (\$100 par value).