



CONSOLIDATED EDISON, INC.

1st Quarter 2017 Earnings
Release Presentation

May 4, 2017



Available Information

On May 4, 2017, Consolidated Edison, Inc. issued a press release reporting its first quarter 2017 earnings and filed with the Securities and Exchange Commission the company's First Quarter 2017 Form 10-Q. This presentation should be read together with, and is qualified in its entirety by reference to, the earnings press release and the Form 10-Q. Copies of the earnings press release and the Form 10-Q are available at: www.conedison.com (select "For Investors" and then select "Press Releases" and "SEC Filings", respectively).

Forward-Looking Statements

This presentation contains forward-looking statements that are intended to qualify for the safe-harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements of future expectations and not facts. Words such as "forecasts," "expects," "estimates," "anticipates," "intends," "believes," "plans," "will" and similar expressions identify forward-looking statements. The forward-looking statements reflect information available and assumptions at the time the statements are made, and speak only as of that time. Actual results or developments may differ materially from those included in the forward-looking statements because of various factors such as those identified in reports the company has filed with the Securities and Exchange Commission, including that the company's subsidiaries are extensively regulated and are subject to penalties; its utility subsidiaries' rate plans may not provide a reasonable return; it may be adversely affected by changes to the utility subsidiaries' rate plans; the intentional misconduct of employees or contractors could adversely affect it; the failure of, or damage to, its subsidiaries' facilities could adversely affect it; a cyber-attack could adversely affect it; it is exposed to risks from the environmental consequences of its subsidiaries' operations; a disruption in the wholesale energy markets or failure by an energy supplier could adversely affect it; it has substantial unfunded pension and other postretirement benefit liabilities; its ability to pay dividends or interest depends on dividends from its subsidiaries; it requires access to capital markets to satisfy funding requirements; changes to tax laws could adversely affect it; its strategies may not be effective to address changes in the external business environment; and it also faces other risks that are beyond its control.

Non-GAAP Financial Measure

This presentation also contains a financial measure, adjusted earnings, that is not determined in accordance with generally accepted accounting principles in the United States of America (GAAP). This non-GAAP financial measure should not be considered as an alternative to net income, which is an indicator of financial performance determined in accordance with GAAP. Adjusted earnings excludes from net income the net mark-to-market changes in the fair value of the derivative instruments the subsidiaries of Con Edison Clean Energy Businesses, Inc. use to economically hedge market price fluctuations in related underlying physical transactions for the purchase or sale of electricity and gas. Adjusted earnings may also exclude from net income certain other items that the company does not consider indicative of its ongoing financial performance. Management uses this non-GAAP financial measure to facilitate the analysis of the company's financial performance as compared to its internal budgets and previous financial results. Management also uses this non-GAAP financial measure to communicate to investors and others the company's expectations regarding its future earnings and dividends on its common stock. Management believes that this non-GAAP financial measure also is useful and meaningful to investors to facilitate their analysis of the company's financial performance.

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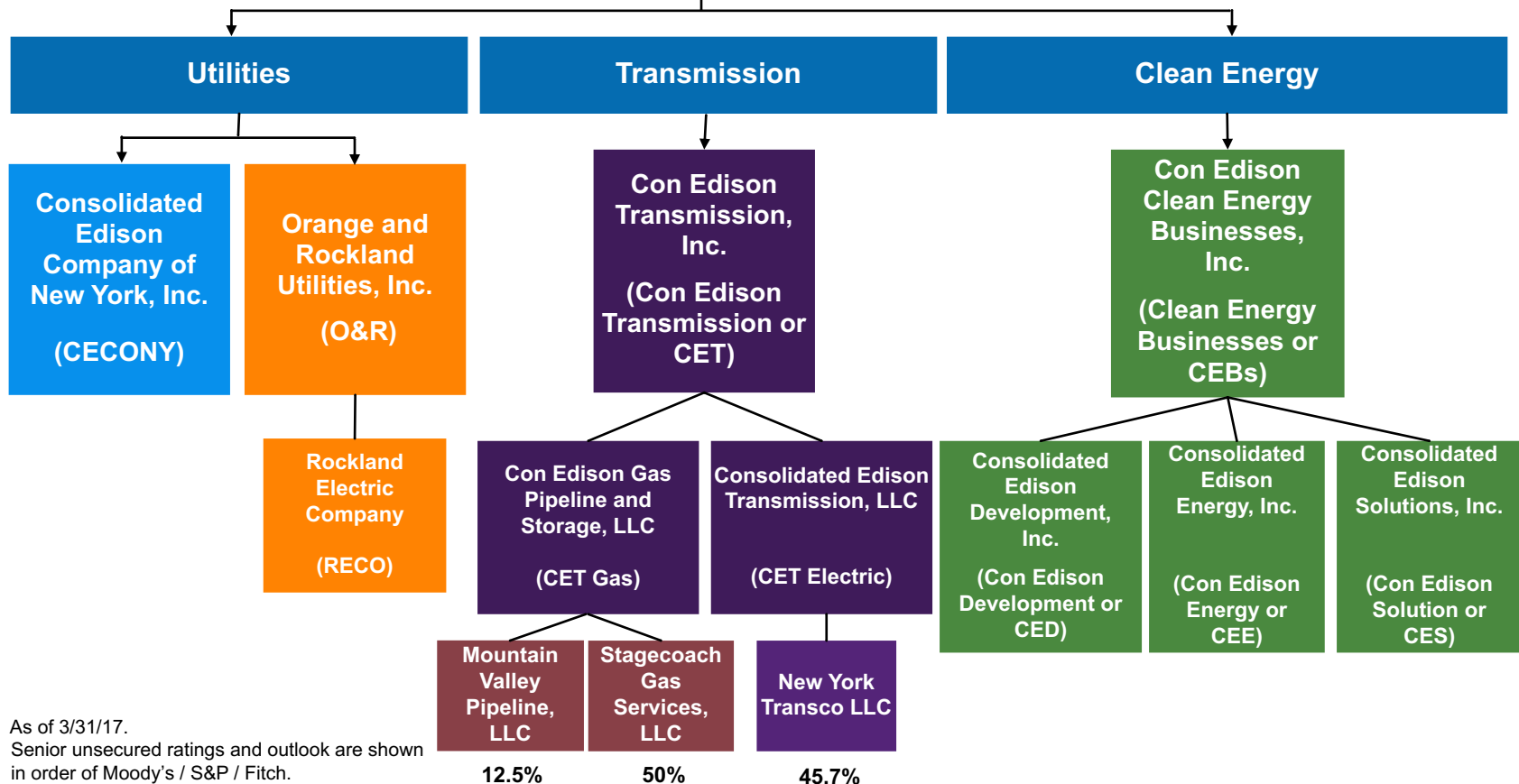
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Organizational Structure



Market Cap ⁽¹⁾ :	\$23.7 billion
Ratings ⁽²⁾ :	A3 / BBB+ / BBB+
Outlook ⁽²⁾ :	Stable / Stable / Stable



1. As of 3/31/17.
 2. Senior unsecured ratings and outlook are shown in order of Moody's / S&P / Fitch.

The Con Edison Plan

Customer Focused

Ensure safety and reliability

Enhance the customer experience

Achieve operational excellence

Strategic

Strengthen core utility delivery business

Pursue additional regulated growth opportunities to add value in the evolving industry

Grow existing clean energy businesses and pursue additional clean energy growth opportunities consistent with our risk appetite

Value Oriented

Provide steady, predictable earnings

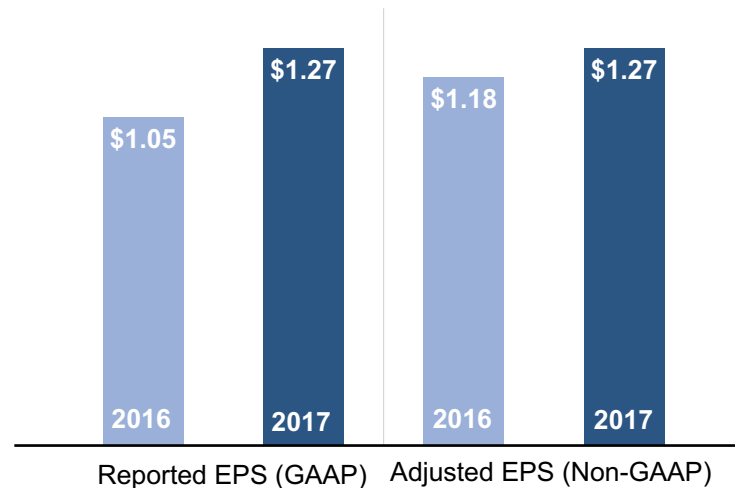
Maintain balance sheet stability

Pay attractive, growing dividends

Dividend and Earnings Announcements

- On April 20, 2017, the Company issued a press release reporting that the company had declared a quarterly dividend of 69 cents a share on its common stock.
- On May 4, 2017, the Company issued a press release confirming its previous forecast of 2017 adjusted earnings to be in the range of \$3.95 to \$4.15 per share.

1Q 2016 vs. 1Q 2017

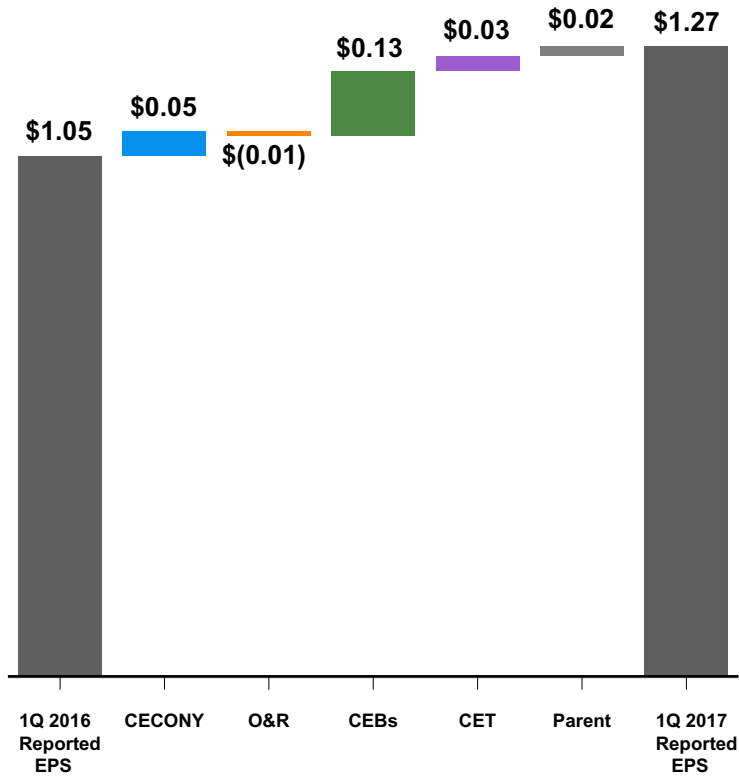


1Q 2017 Earnings

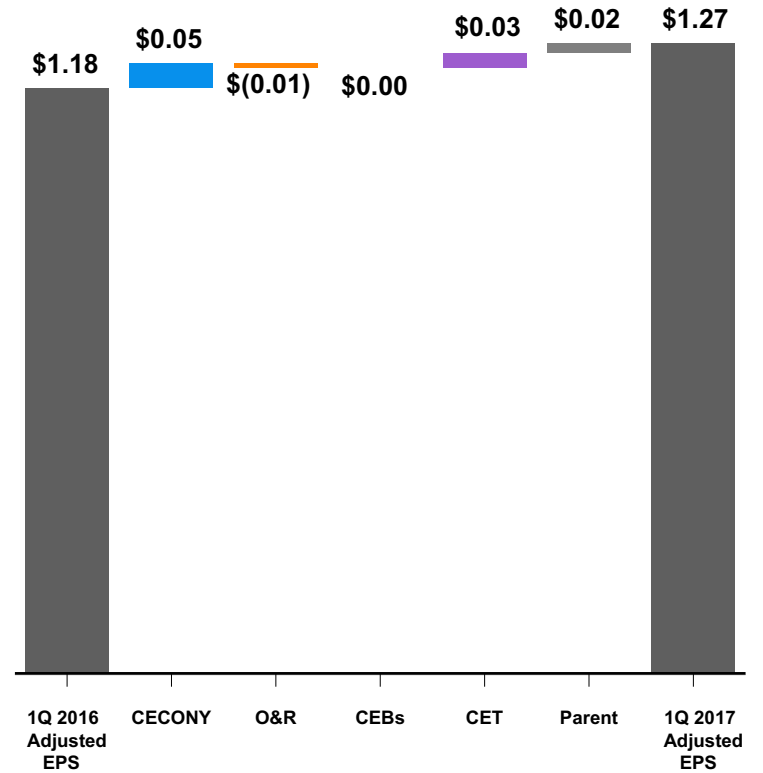
	Net Income (\$ in Millions)		Earnings per Share	
	2017	2016	2017	2016
Reported Net Income and EPS – GAAP basis	\$ 388	\$ 310	\$ 1.27	\$ 1.05
Net mark-to-market effects of the CEBs	(2)	38	—	0.13
Adjusted Earnings and Adjusted EPS – non-GAAP basis	\$ 386	\$ 348	\$ 1.27	\$ 1.18

Walk from 1Q 2016 EPS to 1Q 2017 EPS

Variance in Reported EPS (GAAP)



Variance in Adjusted EPS (Non-GAAP)



1Q 2017 vs. 1Q 2016 EPS Variances

	Three Months Ended Variation 2017 vs. 2016		Notes
CECONY⁽¹⁾			
Changes in rate plans and regulatory charges	\$	0.20	Reflects higher gas net base revenues under the new rate plan of \$0.11, higher electric net base revenues under the new rate plan of \$0.05, and growth in the number of gas customers of \$0.02.
Weather impact on steam revenues		0.02	
Operations and maintenance expenses		0.04	Reflects lower pension and other postretirement benefits costs of \$0.07, offset, in part, by higher municipal infrastructure costs of \$(0.02).
Depreciation, property taxes and other tax matters		(0.14)	Reflects higher depreciation and amortization expense of \$(0.05), property taxes of \$(0.05) and income taxes of \$(0.04).
Other		(0.07)	Includes the impact of the dilutive effect of Con Edison's stock issuances.
Total CECONY	\$	0.05	
O&R⁽¹⁾			
Changes in rate plans and regulatory charges		0.01	
Operations and maintenance expenses		(0.01)	
Depreciation and property taxes		(0.01)	
Other		—	
Total O&R	\$	(0.01)	
Clean Energy Businesses			
Operating revenues less energy costs		0.15	Includes the impact of the mark-to-market effect shown below.
Other operations and maintenance expenses		—	
Net interest expense		(0.01)	
Other		(0.01)	
Total CEBs	\$	0.13	
Con Edison Transmission			
Total CET	\$	0.03	Reflects income from equity investments.
Parent			
Total Parent Co.	\$	0.02	Reflects higher income tax benefits.
Reported EPS (GAAP)	\$	0.22	
Net mark-to-market effects of the CEBs		(0.13)	
Adjusted EPS (non-GAAP)	\$	0.09	

1. Under the revenue decoupling mechanisms in the utilities' New York electric and gas rate plans and the weather-normalization clause applicable to their gas businesses, revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved.

1Q 2017 vs. 1Q 2016 EPS Reconciliation by Company

3 months ending March 31, 2017

	CECONY	O&R	CEBs	CET ⁽¹⁾	Parent	Total
Reported EPS – GAAP basis	\$1.11	\$0.08	\$0.02	\$0.03	\$0.03	\$1.27
Adjusted EPS – Non-GAAP basis	\$1.11	\$0.08	\$0.02	\$0.03	\$0.03	\$1.27

3 months ending March 31, 2016

	CECONY	O&R	CEBs	Parent	Total
Reported EPS – GAAP basis	\$1.06	\$0.09	\$(0.11)	\$0.01	\$1.05
Net mark-to-market losses	—	—	0.13	—	0.13
Adjusted EPS – Non-GAAP basis	\$1.06	\$0.09	\$0.02	\$0.01	\$1.18

1. In 2016, Con Edison Transmission began investing, through CET Electric and CET Gas, in electric transmission and gas pipeline and storage assets.

1Q 2017 Developments*

CECONY & O&R

- In March 2017, the New York State Public Service Commission issued an order on net energy metering transition, introducing a program that compensates participating electric customers based on the value of the distributed energy resources. (pages 50 and 51)

O&R

- In February 2017, the New Jersey Board of Public Utilities approved a stipulation of settlement for a RECO electric rate plan for the period commencing March 2017. The rate plan provides for an electric rate increase of \$1.7 million, reflecting a return on common equity of 9.6% and a common equity ratio of 49.7%. (page 20)

Clean Energy Businesses

- 1,531 MW (AC) of renewable energy production projects in service (1,133 MW) or in construction (398 MW) at March 31, 2017. (page 51)
- 399 millions of kWh generated from solar projects and 238 millions of kWh generated from wind projects during the three months ended March 31, 2017. (page 51)

Con Edison Transmission

- In March 2017, the Federal Energy Regulatory Commission staff issued a revised schedule for the completion of the environmental impact statement (EIS) for the Mountain Valley Pipeline as follows:
 - June 23, 2017: Issuance of Notice of Availability of the final EIS
 - September 21, 2017: 90-day federal authorization decision deadline

*Page references to 1Q 2017 Form 10-Q.

Five-Year Reconciliation of Reported EPS (GAAP) to Adjusted EPS (Non-GAAP)

12 Months Ending December 31,

	2013	2014	2015	2016	2017 ⁽¹⁾
Reported EPS – GAAP basis	\$3.62	\$3.73	\$4.07	\$4.15	\$4.37
Gain on sale of the CEBs' retail electric supply business	-	-	-	(0.19)	(0.19)
Goodwill impairment related to the CEBs' energy service business				0.04	0.04
Impairment of assets held for sale	-	-	0.01	-	-
Gain on sale of solar electric production projects	-	(0.09)	-	-	-
Loss from LILCO transactions	0.32	-	-	-	-
Net mark-to-market effects of the CEBs	(0.14)	0.25	-	(0.01)	(0.15)
Adjusted EPS – Non-GAAP basis	\$3.80	\$3.89	\$4.08	\$3.99	\$4.07

1. Represents 12-month trailing EPS ending March 31, 2017

Sustainability Highlights

- **Corporate Governance:**

- The Company's engagement with institutional investors resulted in the Board's adoption of proxy access, which enables the stockholders of the Company to include their own director nominees in the Company's Proxy Statement and form of proxy along with candidates nominated by the Board, so long as they meet certain requirements, as set forth in the Company's By-laws.

- **Safety and Environment:**

- Reduced employee injuries by over 60 percent since 2009.
- Reduced our carbon footprint (carbon dioxide, methane and sulfur hexafluoride) by 48 percent since 2005. This is equal to taking 500,000 cars off the road.
- Converted more than 6,500 large New York City buildings from oil to cleaner natural gas since 2011 – the reduced particulate emissions of which are the equivalent of removing 1.6 million cars off NYC streets.

- **Operational Excellence:**

- Completed a four-year, \$1 billion investment to strengthen the resilience of our energy systems during major storms.
- Investing \$1.4 billion in smart-meter technology, the largest capital investment in Con Edison's 193-year history, allowing us to make faster repairs during power outages.

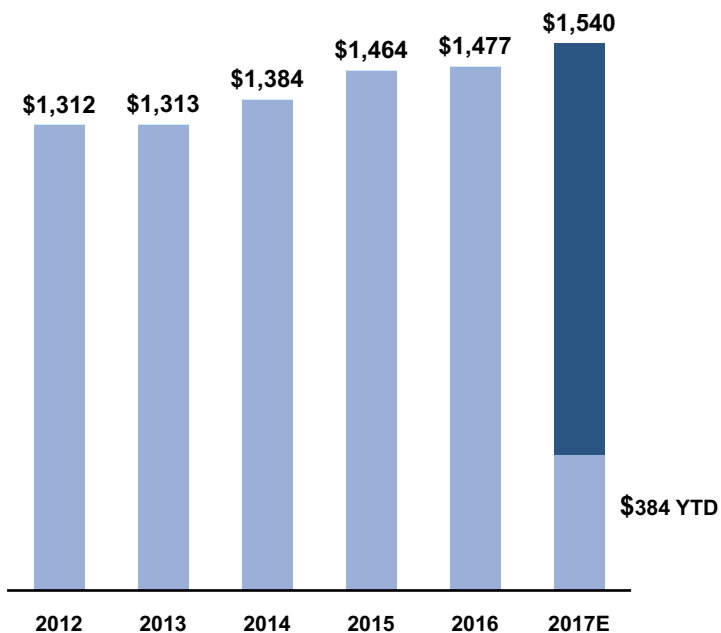
- **Customer and Community:**

- CECONY was the top performer in JD Power's 2016 Electric Business Customer Satisfaction Study in the East Large Segment.
- We are the fifth largest owner of operating PV solar capacity in the United States.
- Invested \$11 million in nonprofits and promoted educational programs in science, technology, engineering, and math. Our employees donated 9,200 hours to company-sponsored volunteer initiatives.

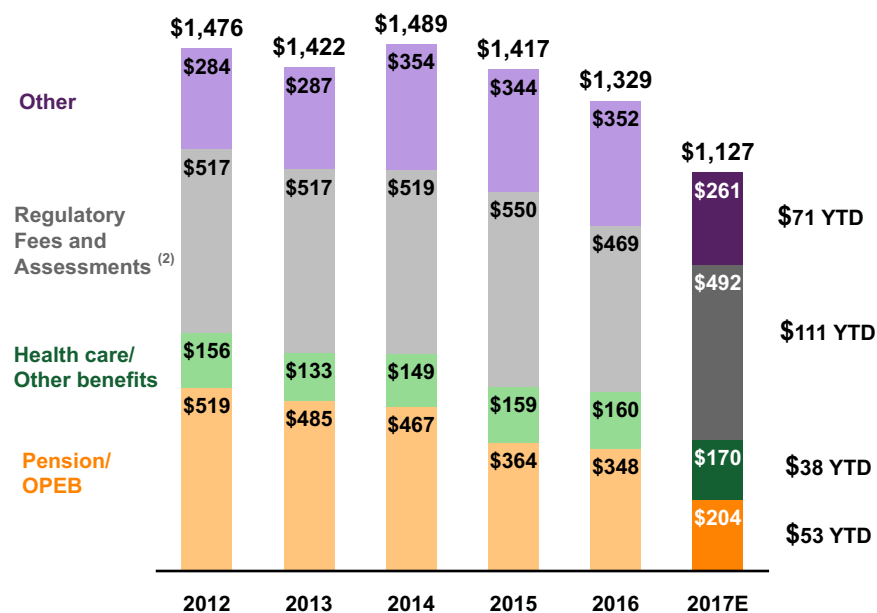
CECONY Operations and Maintenance Expenses

(\$ in millions)

Departmental



Other Expenses⁽¹⁾



1. Other Expenses are either reconciled through amounts reflected in rates, or represent surcharges that are recovered in revenues from customers.
2. Includes Demand Side Management, System Benefit Charges and Public Service Law 18A assessments which are collected in revenues.

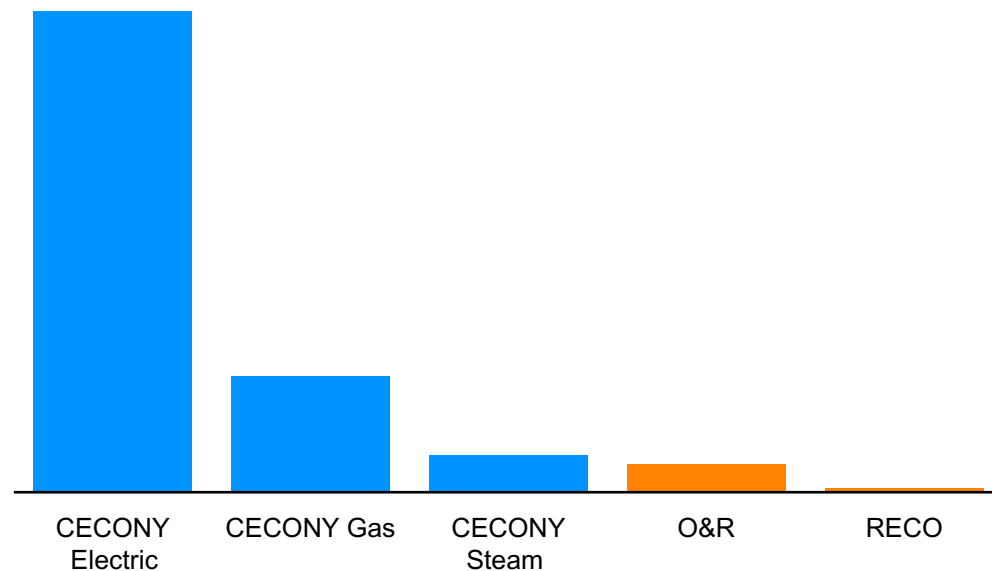
Composition of Regulatory Rate Base⁽¹⁾

(as of March 31, 2017)

CECONY		(\$ in millions)	
Electric	NY	\$	18,083
Gas	NY		4,390
Steam	NY		1,450
Total CECONY		\$	23,923

O&R		(\$ in millions)	
O&R Electric	NY	\$	741
O&R Gas	NY		368
RECO	NJ		216
Total O&R		\$	1,325

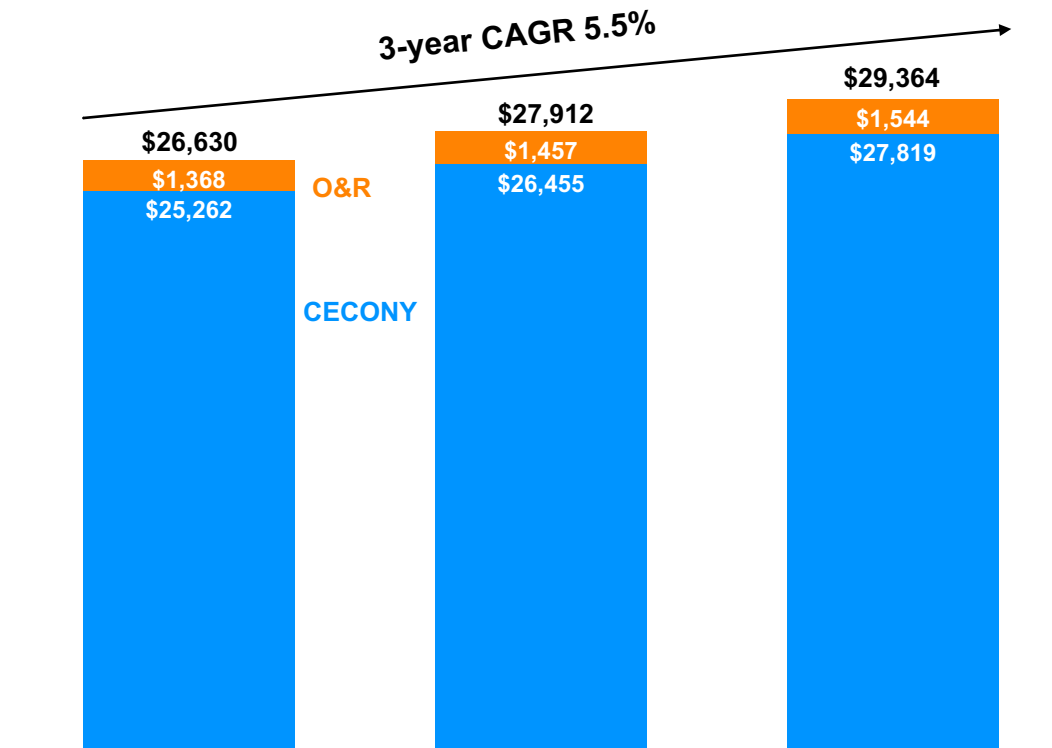
Total Rate Base \$ 25,248



1. Average rate base for 12 months ended 3/31/2017.

Forecasted Average Rate Base Balances

(\$ in millions)



		2017	2018	2019
CECONY	Electric	\$ 18,902	\$ 19,530	\$ 20,277
	Gas	4,841	5,395	6,005
	Steam	1,519	1,531	1,538
O&R	Electric	746	784	832
	Gas	392	423	448
RECO	Electric	230	250	264

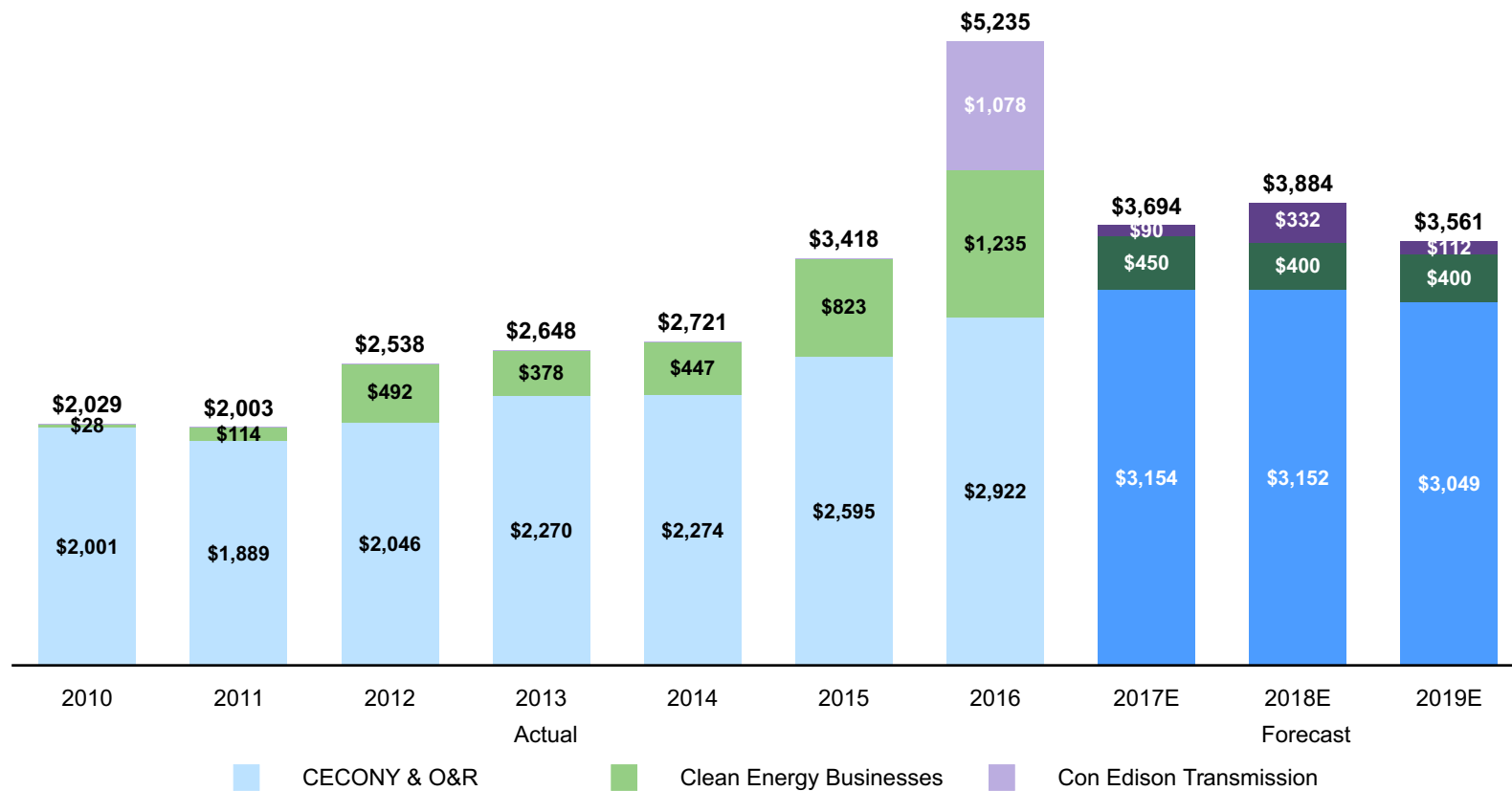
Regulated Utility Rates of Return and Equity Ratio (12 Months ended March 31, 2017)

	Regulated Basis	
	Allowed	Actual
CECONY		
Electric	9.0%	9.6%
Gas	9.0	8.4
Steam	9.3	8.0
Overall – CECONY	9.0 ⁽¹⁾	9.3
CECONY Equity Ratio	48.0%	48.8%
O&R		
Electric	9.0%	8.2%
Gas	9.0	9.9
RECO	9.6	6.9
Overall – O&R	9.1 ⁽¹⁾	8.5
O&R Equity Ratio	48.0%	48.9%

1. Weighted by rate base

Capital Expenditures

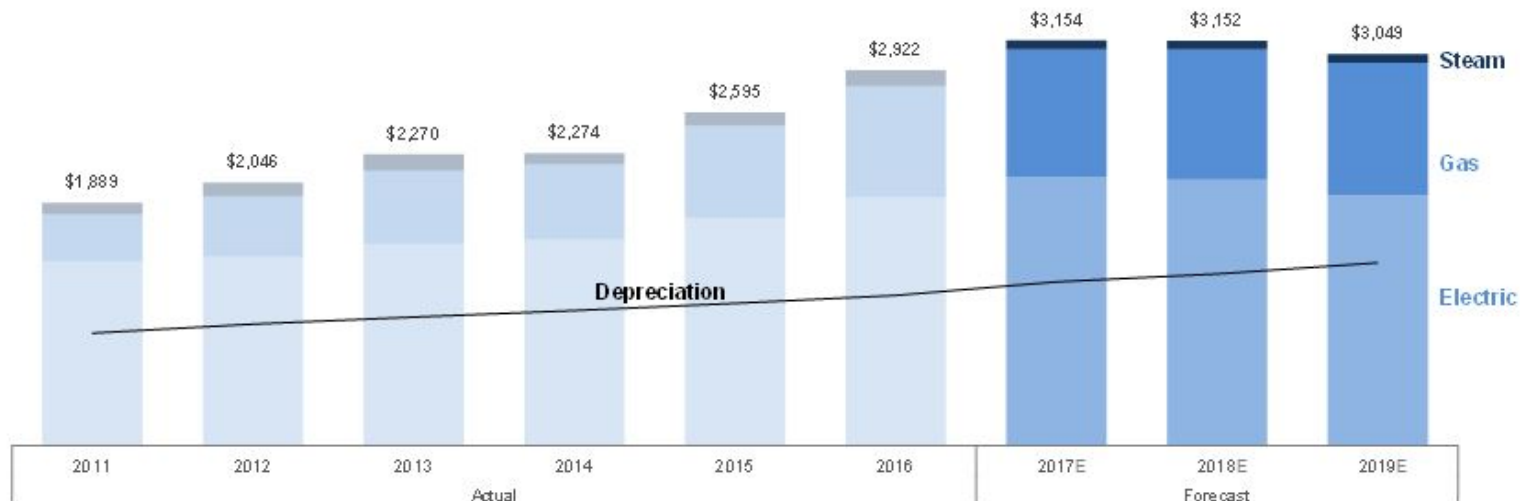
(\$ in millions)



1. 2016 includes Stagecoach JV initial investment of \$974 million.

Utility Capital Expenditures

(\$ in millions)



	Annual CECONY Capital Expenditures				Annual O&R Capital Expenditures		
	Electric	Gas	Steam	Depreciation	Electric	Gas	Depreciation
2011	\$1,354	\$335	\$89	\$829	\$79	\$32	\$48
2012	1,375	426	108	894	98	39	53
2013	1,471	536	128	946	98	37	56
2014	1,500	549	83	991	105	37	61
2015	1,658	671	106	1,040	114	46	68
2016	1,819	811	126	1,103	114	52	68
2017E	1,957	935	70	1,203	136	56	72
2018E	1,919	953	71	1,259	151	58	78
2019E	1,798	983	68	1,341	148	52	83

2017 Financing Plan and Activity

Debt and Equity Financing Plan

- Capital expenditures of \$3,694 million (CECONY: \$2,962 million, the CEBs: \$450 million, O&R: \$192 million, CET: \$90 million)
- Issue between \$1.0 billion and \$1.8 billion of long-term debt, most of which would be at the Utilities
- Issue additional debt secured by the CEBs' renewable electric production projects
- Issue up to \$350 million of common equity in 2017 in addition to equity issued through dividend reinvestment, employee stock purchase and long-term incentive plans

Activity to Date

- In March, CEI issued \$400 million 2.00% debentures due 2020 and prepaid the \$400 million variable rate term loan that was set to mature in June 2018
- In March, CED Upton County Solar, a subsidiary of CED, issued \$97 million 4.45% senior secured notes due 2042

Debt Maturities

(\$ in millions)	2017	2018	2019	2020	2021
Con Edison, Inc. [Parent Co.]	\$ 2	\$ 2	\$ 3	\$ 403	\$ 503
CECONY	-	1,200	475	350	-
O&R	4	55	62	-	-
CEBs	33	31	34	35	37
Total	\$ 39	\$ 1,288	\$ 574	\$ 788	\$ 540

Capital Structure – March 31, 2017

(\$ in millions)

Consolidated Edison, Inc. A3 / BBB+ / BBB+

Debt	\$ 14,862	51%
Equity	14,506	49
Total	\$ 29,368	100%

CECONY A2 / A- / A-

Debt	\$ 12,075	50%
Equity	11,991	50
Total	\$ 24,066	100%

O&R A3 / A- / A-

Debt	\$ 664	50%
Equity	659	50
Total	\$ 1,323	100%

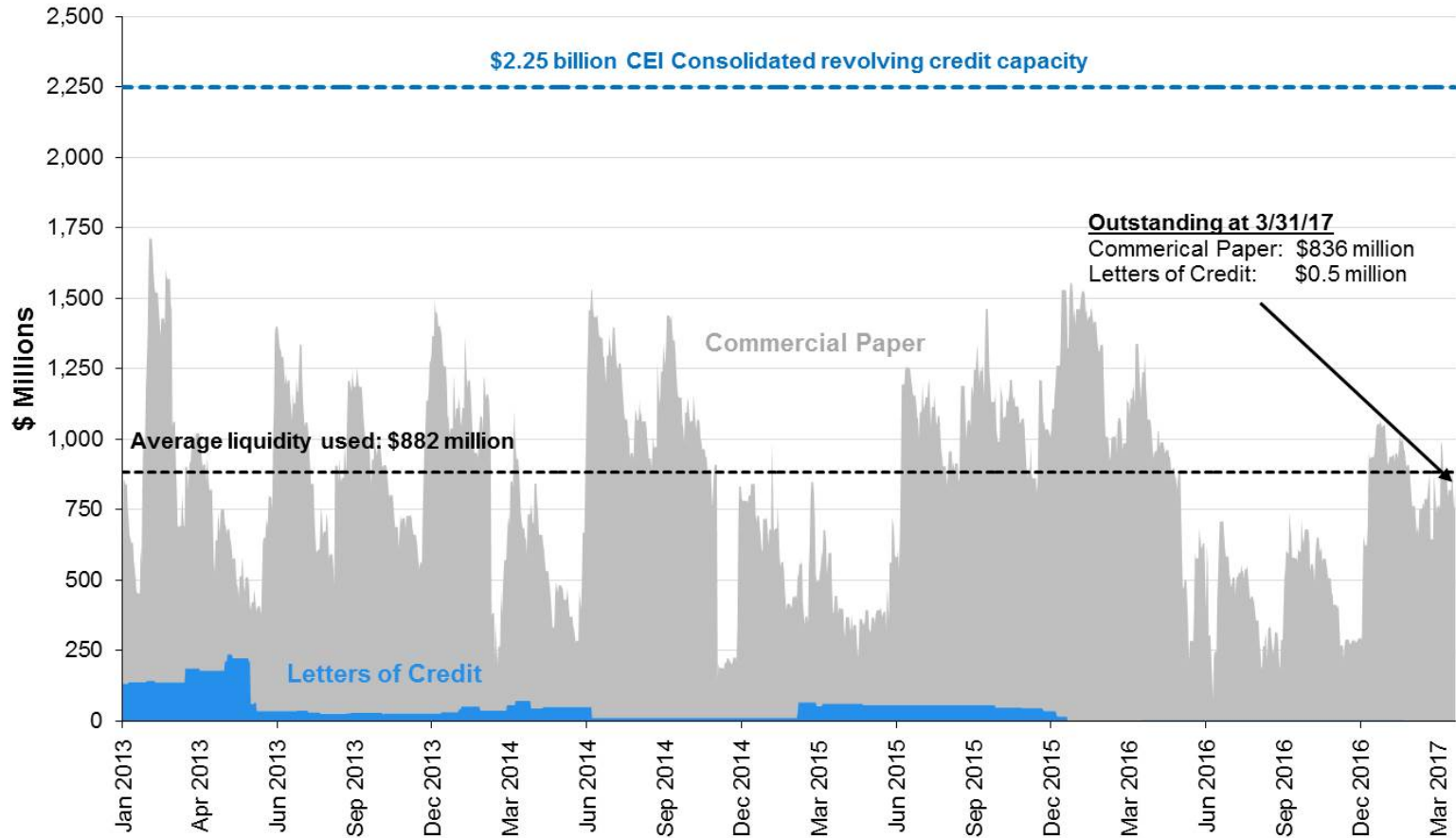
Parent and Other

Debt	\$ 2,123	53%
Equity	1,856	47
Total	\$ 3,979	100%

Amounts shown exclude notes payable and include the current portion of long-term debt; senior unsecured credit ratings shown in order of Moody's / S&P / Fitch; All ratings have stable outlooks.

Liquidity Profile

(\$ in millions)



Utility Sales and Revenues – First Quarter Variation

The changes in the energy delivered by the company's utility subsidiaries, both for actual amounts and as adjusted for variations in weather and billing days, for the three months ended March 31, 2017 (expressed as a percentage of 2016 amounts):

	First Quarter Variation 2017 vs. 2016	
	Actual	Adjusted
<hr/>		
CECONY		
Electric	0.4	(0.3)
Firm – Gas	10.9	8.4
Steam	3.0	(1.9)
O&R		
Electric	(3.2)	(0.6)
Firm – Gas	1.6	0.1
<hr/>		

Utility Sales and Revenues – Electric First Quarter

(\$ in millions)

Electric – 1st Quarter

	Millions of Kilowatt-hours		Revenues in Millions	
	2017	2016	2017	2016
Con Edison of New York				
Residential and Religious	2,278	2,336	\$ 574	\$ 584
Commercial and Industrial	2,305	2,291	430	415
Retail choice customers	6,304	6,213	632	595
Public Authorities	16	15	3	3
NYPA, Municipal Agency and other sales	2,496	2,484	127	129
Total Sales	13,399	13,339	\$ 1,766	\$ 1,726
Orange and Rockland				
Residential and Religious	349	356	\$ 68	\$ 65
Commercial and Industrial	191	194	27	26
Retail choice customers	707	741	43	46
Public Authorities	24	22	2	2
Total Sales	1,271	1,313	\$ 140	\$ 139
<u>Regulated Utility Sales & Revenues</u>				
Residential and Religious	2,627	2,692	\$ 642	\$ 649
Commercial and Industrial	2,496	2,485	457	441
Retail choice customers	7,011	6,954	675	641
Public Authorities	40	37	5	5
NYPA, Municipal Agency and other sales	2,496	2,484	127	129
Total Sales	14,670	14,652	\$ 1,906	\$ 1,865

Utility Sales and Revenues – Gas First Quarter

(\$ in millions)

Gas – 1st Quarter

	Thousands of Dekatherms		Revenues in Millions	
	2017	2016	2017	2016
Con Edison of New York				
Residential	24,607	21,538	\$ 337	\$ 279
General	12,803	10,984	133	103
Firm Transportation	30,415	28,619	222	190
Total Firm Sales and Transportation	67,825	61,141	692	572
Interruptible Sales	2,308	4,109	13	19
Transportation of Customer Owned Gas	28,233	27,163	17	18
Total Sales	98,366	92,413	\$ 722	\$ 609
Off-system Sales	1	—	—	—
Orange and Rockland				
Residential	3,885	3,556	\$ 49	\$ 34
General	958	764	10	7
Firm Transportation	4,188	4,566	29	29
Total Firm Sales and Transportation	9,031	8,886	88	70
Interruptible Sales	1,188	1,177	3	1
Transportation of Customer Owned Gas	397	380	—	—
Total Sales	10,616	10,443	\$ 91	\$ 71
Off-system Sales	—	—	—	—
Regulated Utility Sales & Revenues				
Residential	28,492	25,094	\$ 386	\$ 313
General	13,761	11,748	143	110
Firm Transportation	34,603	33,185	251	219
Total Firm Sales and Transportation	76,856	70,027	780	642
Interruptible Sales	3,496	5,286	16	20
Transportation of Customer Owned Gas	28,630	27,543	17	18
Total Sales	108,982	102,856	\$ 813	\$ 680
Off-system Sales	1	—	—	—

Utility Sales and Revenues – Steam First Quarter

(\$ in millions)

Steam – 1st Quarter

	Millions of Pounds		Revenues in Millions	
	2017	2016	2017	2016
Con Edison of New				
General	293	266	\$ 14	\$ 12
Apartment House	2,469	2,381	77	66
Annual Power	5,298	5,179	197	173
Total Sales	8,060	7,826	\$ 288	\$ 251

List of Notes to 2017 Form 10-Q Financial Statements

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