

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 3, 2018

Consolidated Edison, Inc.

(Exact name of registrant as specified in its charter)

New York
(State or Other Jurisdiction
of Incorporation)

1-14514
(Commission
File Number)

13-3965100
(IRS Employer
Identification No.)

4 Irving Place, New York, New York
(Address of principal executive offices)

10003
(Zip Code)

Registrant's telephone number, including area code: (212) 460-4600

Consolidated Edison Company of New York, Inc.

(Exact name of registrant as specified in its charter)

New York
(State or Other Jurisdiction
of Incorporation)

1-1217
(Commission
File Number)

13-5009340
(IRS Employer
Identification No.)

4 Irving Place, New York, New York
(Address of principal executive offices)

10003
(Zip Code)

Registrant's telephone number, including area code: (212) 460-4600

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 3, 2018, Consolidated Edison, Inc. is issuing a press release and an earnings release presentation regarding, among other things, its results of operations for the three months ended March 31, 2018. The press release and the presentation are "furnished" as exhibits to this report pursuant to Item 2.02 of Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

[Exhibit 99.1](#)

Press release, dated May 3, 2018, furnished pursuant to Item 2.02 of Form 8-K.

[Exhibit 99.2](#)

Earnings release presentation, dated May 3, 2018, furnished pursuant to Item 2.02 of Form 8-K.

SIGNATURES

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

CONSOLIDATED EDISON, INC.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

By

/s/ Robert Muccilo

Robert Muccilo

Vice President and Controller

Date: May 3, 2018



conEdison, inc.

Media Relations

212 460 4111 (24 hours)

Consolidated Edison, Inc.

4 Irving Place

New York, NY 10003

www.conEdison.com

FOR IMMEDIATE RELEASE

May 3, 2018

Contact: Robert McGee
212-460-4111

CON EDISON REPORTS 2018 FIRST QUARTER EARNINGS

NEW YORK - Consolidated Edison, Inc. (Con Edison) (NYSE: ED) today reported first quarter net income of \$428 million or \$1.38 a share compared with \$388 million or \$1.27 a share in 2017. Adjusted earnings, which exclude the net mark-to-market effects of Con Edison Clean Energy Businesses, Inc. (the Clean Energy Businesses), were \$428 million or \$1.38 a share in 2018 compared with \$386 million or \$1.27 a share in 2017.

"While we continue to face challenging weather events, we remain focused on our long-term strategy of providing customers with the technology and options they need to live and work today," said John McAvoy, chairman and CEO of Con Edison. "We are expanding our smart meter installations across our service areas, giving customers more information about their energy usage, and giving us more tools to serve them better than ever before. We are making strategic investments in gas and electric transmission, and pursuing non-pipe alternatives that will help the environment and encourage energy efficiency."

The following table is a reconciliation of Con Edison's reported earnings per share to adjusted earnings per share and reported net income to adjusted earnings for the three months ended March 31, 2018 and 2017.

	Earnings per Share		Net Income (Millions of Dollars)	
	2018	2017	2018	2017
Reported earnings per share (basic) and net income (GAAP basis)	\$1.38	\$1.27	\$428	\$388
Net mark-to-market effects of the Clean Energy Businesses (a)	—	—	—	(2)
Adjusted earnings per share and adjusted earnings (non-GAAP basis)	\$1.38	\$1.27	\$428	\$386

(a) After taxes of \$(1) million for the three months ended March 31, 2017.

For the year of 2018, the company confirms its previous forecast of adjusted earnings in the range of \$4.15 to \$4.35 per share. Adjusted earnings per share exclude the Clean Energy Businesses' net mark-to-market effects, the amount of which will not be determinable until year end.

The results of operations for the three months ended March 31, 2018, as compared with the 2017 period, reflect changes in the utilities' rate plans and the impact of weather on steam revenues. Con Edison's results of operations for the comparable periods also reflect lower income tax expense for the Clean Energy Businesses and Con Edison Transmission. The utilities' revenues for the 2018 period reflect the deferral for customers of estimated net benefits for the period of the federal Tax Cuts and Jobs Act of 2017 (TCJA). Operations and maintenance expenses for the utilities for the three months ended March 31, 2018 primarily reflect higher storm-related costs. In addition, the utilities' rate plans provide for revenues to cover expected changes in certain operating costs including depreciation, property taxes and other tax matters. See the Attachment to this press release for the estimated effect on earnings per share and net income for the 2018 period compared to the 2017 period resulting from these and other factors.

Refer to the company's First Quarter Form 10-Q, which is being filed with the Securities and Exchange Commission, for the consolidated balance sheets at March 31, 2018 and December 31, 2017 and the consolidated income statements for the three months ended March 31, 2018 and 2017. A first quarter 2018 earnings release presentation will be available at www.conedison.com (select "For Investors" and then select "Press Releases").

-more-

This press release 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.

This press release 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 Clean Energy Businesses 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 is also useful and meaningful to investors to facilitate their analysis of the company's financial performance.

Consolidated Edison, Inc. is one of the nation's largest investor-owned energy-delivery companies, with approximately \$12 billion in annual revenues and \$49 billion in assets. The company provides a wide range of energy-related products and services to its customers through the following subsidiaries: Consolidated Edison Company of New York, Inc., a regulated utility providing electric, gas and steam service in New York City and Westchester County, New York; Orange and Rockland Utilities, Inc., a regulated utility serving customers in a 1,300-square-mile-area in southeastern New York State and northern New Jersey; Con Edison Clean Energy Businesses, Inc., which through its subsidiaries develops, owns and operates renewable and energy infrastructure projects and provides energy-related products and services to wholesale and retail customers; and Con Edison Transmission, Inc., which through its subsidiaries invests in electric and natural gas transmission projects.

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Variation for the Three Months Ended March 31, 2018 vs. 2017

	Earnings per Share	Net Income (Millions of Dollars)	
CECONY (a)			
Changes in rate plans	\$0.22	\$67	Reflects higher electric and gas net base revenues of \$0.12 a share and \$0.08 a share, respectively, and growth in the number of gas customers of \$0.02 a share. Electric and gas base rates increased on January 1, 2018 in accordance with their respective rate plans.
Weather impact on steam revenues	0.05	14	
Operations and maintenance expenses	(0.01)	(2)	Reflects primarily storm-related costs.
Depreciation, property taxes and other tax matters	(0.09)	(29)	Reflects higher net property taxes of \$(0.07) a share and depreciation and amortization expense of \$(0.04) a share, offset by a New York State sales and use tax refund of \$0.02 a share.
Other	(0.02)	—	Includes the dilutive effect of Con Edison's stock issuances.
Total CECONY	0.15	50	
Orange and Rockland Utilities, Inc. (O&R) (a)			
Changes in rate plans	0.02	7	Reflects higher gas net base revenues. Gas base rates increased on November 1, 2017 in accordance with the rate plan.
Operations and maintenance expenses	(0.02)	(7)	Reflects storm-related costs.
Other	(0.01)	(3)	Includes the dilutive effect of Con Edison's stock issuances.
Total O&R	(0.01)	(3)	
Clean Energy Businesses			
Operating revenues less energy costs	0.19	59	Reflects revenues from engineering, procurement and construction services and higher revenues from renewable electric production projects.
Operations and maintenance expenses	(0.20)	(62)	Reflects primarily engineering, procurement and construction costs.
Other	0.01	2	Includes the dilutive effect of Con Edison's stock issuances.
Total Clean Energy Businesses	—	(1)	
Con Edison Transmission, Inc.	—	4	Reflects income from equity investments and the dilutive effect of Con Edison's stock issuances.
Other, including parent company expenses	(0.03)	(10)	Reflects lower state income tax benefits and the dilutive effect of Con Edison's stock issuances.
Total Reported (GAAP basis)	\$0.11	\$40	
Net mark-to-market effects of the Clean Energy Businesses	—	2	
Total Adjusted (non-GAAP basis)	\$0.11	\$42	

a. 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. In general, the utilities recover on a current basis the fuel, gas purchased for resale and purchased power costs they incur in supplying energy to their full-service customers. Accordingly, such costs do not generally affect Con Edison's results of operations.

Consolidated Edison, Inc.

1st Quarter 2018 Earnings Release Presentation

May 3, 2018



Available Information

On May 3, 2018, Consolidated Edison, Inc. issued a press release reporting its first quarter 2018 earnings and filed with the Securities and Exchange Commission the company's first quarter 2018 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 is also useful and meaningful to investors to facilitate their analysis of the company's financial performance.

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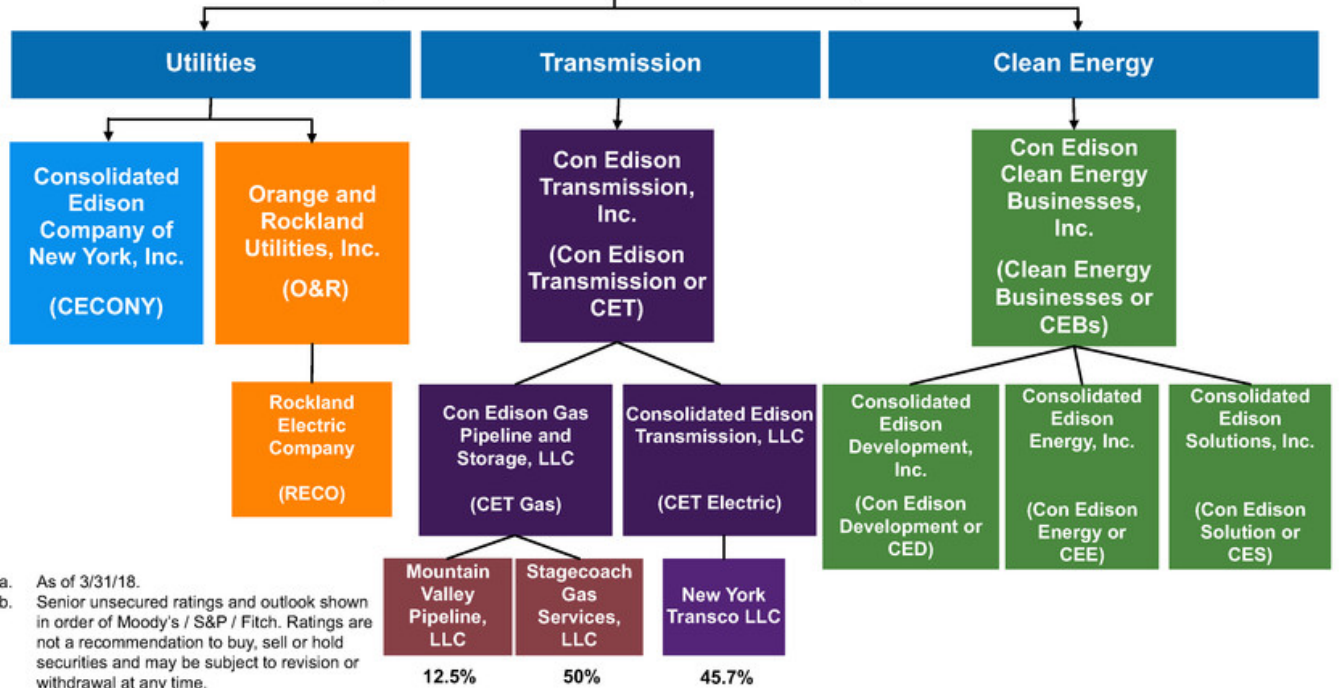
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Organizational Structure



Market Cap^(a): \$24.0 billion
 Ratings^(b): A3 / BBB+ / BBB+
 Outlook^(b): Negative / Stable / Stable



a. As of 3/31/18.
 b. Senior unsecured ratings and outlook shown in order of Moody's / S&P / Fitch. Ratings are not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

The Con Edison Plan

Customer Focused

Provide safe and reliable service

Enhance the customer experience

Achieve operational excellence and cost optimization

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

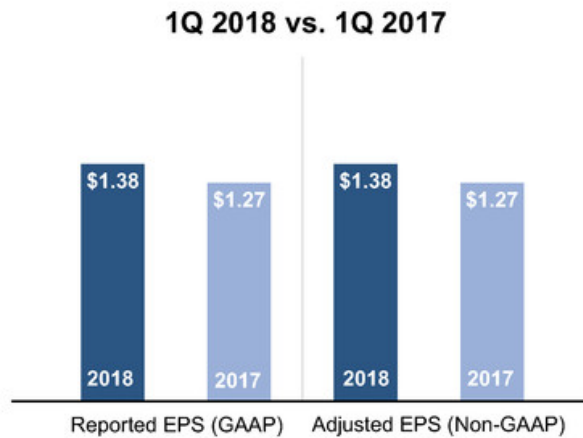
Provide steady, predictable earnings

Maintain balance sheet stability

Pay attractive, growing dividends

Dividend and Earnings Announcements

- On April 19, 2018, the company issued a press release reporting that the company had declared a quarterly dividend of 71.5 cents a share on its common stock.
- On May 3, 2018, the company issued a press release in which it confirmed its previous forecast of adjusted earnings per share for the year 2018 in the range of \$4.15 to \$4.35 per share.

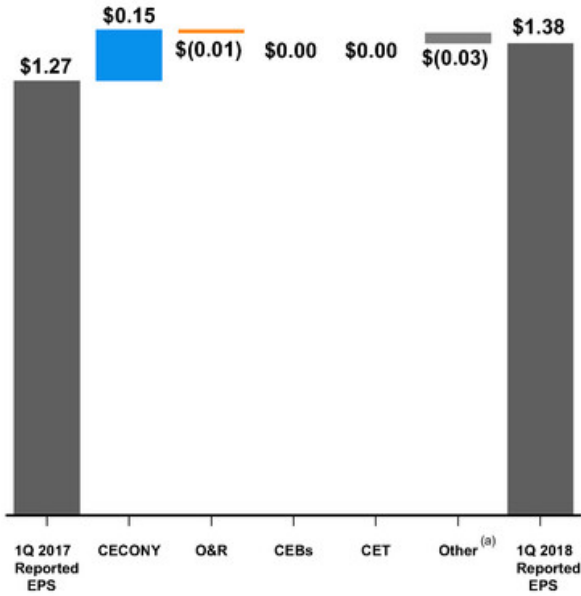


1Q 2018 Earnings

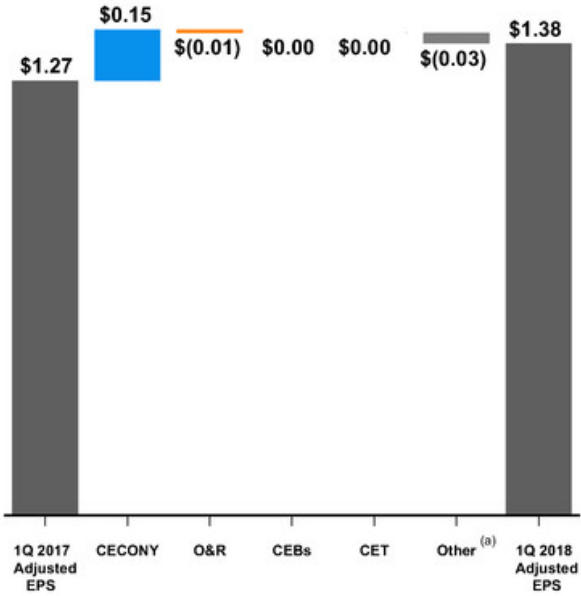
	Net Income (\$ in Millions)		Earnings per Share	
	2018	2017	2018	2017
Reported Net Income and EPS – GAAP basis	\$428	\$388	\$1.38	\$1.27
Net mark-to-market effects of the CEBs	—	(2)	—	—
Adjusted Earnings and Adjusted EPS – non-GAAP basis	\$428	\$386	\$1.38	\$1.27

Walk from 1Q 2017 EPS to 1Q 2018 EPS

Variance in Reported EPS (GAAP)



Variance in Adjusted EPS (Non-GAAP)



a. Includes parent company and consolidation adjustments.

1Q 2018 vs. 1Q 2017 EPS Variances - Three Months Ended Variation

CECONY^(a)

Changes in rate plans	\$0.22	Reflects higher electric and gas net base revenues of \$0.12 a share and \$0.08 a share, respectively, and growth in the number of gas customers of \$0.02 a share. Electric and gas base rates increased on January 1, 2018 in accordance with their respective rate plans.
Weather impact on steam revenues	0.05	
Operations and maintenance expenses	(0.01)	Reflects primarily storm-related costs.
Depreciation, property taxes and other tax matters	(0.09)	Reflects higher net property taxes of \$(0.07) a share and depreciation and amortization expense of \$(0.04) a share, offset by a New York State sales and use tax refund of \$0.02 a share.
Other	(0.02)	Includes the dilutive effect of Con Edison's stock issuances.

Total CECONY **\$ 0.15**

O&R^(a)

Changes in rate plans	0.02	Reflects higher gas net base revenues. Gas base rates increased on November 1, 2017 in accordance with the rate plan.
Operations and maintenance expenses	(0.02)	Reflects storm-related costs.
Other	(0.01)	Includes the dilutive effect of Con Edison's stock issuances.

Total O&R **\$(0.01)**

Clean Energy Businesses

Operating revenues less energy costs	0.19	Reflects revenues from engineering, procurement and construction services and higher revenues from renewable electric production projects.
Operations and maintenance expenses	(0.20)	Reflects primarily engineering, procurement and construction costs.
Other	0.01	Includes the dilutive effect of Con Edison's stock issuances.

Total CEBs **\$ —**

Other

Parent company and consolidation **\$(0.03)** Reflects lower state income tax benefits and the dilutive effect of Con Edison's stock

Reported EPS (GAAP) **\$ 0.11**

Adjusted EPS (non-GAAP) **\$ 0.11**

- a. 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. In general, the utilities recover on a current basis the fuel, gas purchased for resale and purchased power costs they incur in supplying energy to their full-service customers. Accordingly, such costs do not generally affect Con Edison's results of operations.

1Q 2018 vs. 1Q 2017 EPS Reconciliation by Company

3 months ending March 31, 2018

	CECONY	O&R	CEBs	CET	Other ^(a)	Total
Reported EPS – GAAP basis	\$1.26	\$0.07	\$0.02	\$0.03	\$—	\$1.38
Adjusted EPS – Non-GAAP basis	\$1.26	\$0.07	\$0.02	\$0.03	\$—	\$1.38

3 months ending March 31, 2017

	CECONY	O&R	CEBs	CET	Other ^(a)	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

a. Includes parent company and consolidation adjustments.

1Q 2018 Developments^(a)

CECONY & O&R

- In August and November 2017, the NYSPSC issued orders in its proceeding investigating a subway power outage. NYSPSC Case 17-E-0428 – In The Matter of an Investigation into the April 21, 2017 Metropolitan Transportation Authority Subway Power Outage and Consolidated Edison Company of New York, Inc.'s Restoration Efforts.
 - The orders require CECONY to take certain actions relating to the electrical equipment that serves the subway system. The company incurred costs related to this matter through March 31, 2018 of \$149 million. Included in this amount is \$27 million in capital and operating and maintenance costs reflected in the company's electric rate plan and \$122 million deferred as a regulatory asset pursuant to the rate plan.
 - The company, which plans to complete the required actions in 2018, expects to incur costs related to this matter during the remainder of 2018 of \$115 million. Included in this amount is \$5 million in expected capital and operating and maintenance costs reflected in the rate plan and \$110 million expected to be deferred as a regulatory asset pursuant to the rate plan. (page 22)
- In January 2018, the NYSPSC initiated an audit of the income tax accounting of certain utilities, including CECONY and O&R. NYSPSC Case 18-M-0013 - In the Matter of a Focused Operations Audit to Investigate the Income Tax Accounting of Certain New York State Utilities. (page 23)
- In March 2018, Winter Storms Riley and Quinn caused damage to the utilities' electric distribution systems and interrupted service to approximately 209,000 CECONY customers, 93,000 O&R customers and 44,000 RECO customers.
 - Through March 31, 2018, CECONY's costs related to March 2018 storms, including Riley and Quinn, amounted to \$106 million, including operation and maintenance expenses reflected in its electric rate plan (\$15 million), operation and maintenance expenses charged against a storm reserve pursuant to its electric rate plan (\$56 million), capital expenditures (\$29 million) and removal costs (\$6 million). O&R and RECO had storm-related costs of \$31 million and \$11 million, respectively, most of which were deferred as regulatory assets pursuant to their electric rate plans.
 - Recovery of CECONY, O&R and RECO storm-related costs is subject to review by the NYSPSC and NJBPU, as applicable. The NYSPSC is investigating the preparation and response to the storms by CECONY, O&R and other New York electric utilities, including all aspects of their emergency response plans, and may penalize them. The NJBPU is investigating RECO's preparation and response to the storms. The Companies are unable to estimate the amount or range of their possible loss in connection with the storms. (pages 23)
- In April 2018, O&R filed with the NYSPSC updates to the requests the company filed in January 2018 with the NYSPSC for increases in the rates it charges for electric and gas service rendered in New York, effective January 1, 2019. O&R increased its requested electric rate increase from \$20.3 million to \$22.5 million and decreased its requested gas rate increase from \$4.5 million to \$2.7 million. (page 22)

a. Page references to 1Q 2018 Form 10-Q.

1Q 2018 Developments (*cont'd*)^(a)

Clean Energy Businesses

- The 25-MW (AC) Big Timber wind energy project in Montana went into service. The Clean Energy Businesses have 1,561 MW (AC) of renewable energy production projects in service (1,383 MW) or under construction (178 MW). (page 54)
- 531 million of kWh of electricity was generated from solar projects and 234 million of kWh generated from wind projects during 1Q 2018. (page 54)

Con Edison Transmission

- Preliminary work began on the Mountain Valley Pipeline, which is targeted to be in service by the end of 2018. Con Edison Gas Pipeline and Storage, LLC (CET Gas) owns a 12.5% interest.
- Mountain Valley Pipeline LLC announced a proposed 70-mile Southgate project. CET Gas owns a 6.375% interest. (page 38)

a. Page references to 1Q 2018 Form 10-Q.

Tax Cuts and Jobs Act of 2017 (TCJA)^(a)

CECONY & O&R

- TCJA expected to result in decreased cash flows from operating activities, and require increased cash flows from financing activities, for the utilities as and when customers' rates are adjusted to reflect the reduction in tax rate
- Customer rates expected to be reduced to reflect the reduction in tax rate from 35% to 21%, elimination of bonus depreciation and the amortization of excess deferred federal income taxes the utilities collected from their customers that will not need to be paid to the Internal Revenue Service under the TCJA
- Upon enactment of the TCJA, CECONY, O&R and RECO re-measured their deferred tax assets and liabilities and accrued net regulatory liabilities for future income taxes of \$3,513 million, \$161 million and \$28 million, respectively.
 - Under the rate normalization requirements continued by the TCJA, the portion of their net regulatory liabilities related to certain accelerated tax depreciation benefits (\$2,542 million, \$126 million and \$16 million, respectively) is to be amortized over the remaining lives of the related assets.
 - The remainder (\$971 million, \$35 million and \$12 million, respectively) will be amortized as determined by the NYSPSC or NJBPU, as applicable.
- For the three months ended March 31, 2018, the Utilities deferred as regulatory liabilities estimated net benefits of \$112 million.
- NYSPSC Case 17-M-0815 - Proceeding on Motion of the Commission on Changes in Law that May Affect Rates
 - On March 29, 2018, the NYSPSC staff recommended that the NYSPSC require most utilities to begin on October 1, 2018 to credit their customers' bills with the net benefits of the TCJA as measured based on amounts reflected in their rate plans prior to the enactment of the TCJA.
 - A 90-day comment period follows the NYSPSC staff proposal
 - NYSPSC decision is expected after the comment period
- NJBPU Docket No. AX1801001 - In the Matter of the Board's Consideration of the 2017 Tax Cuts and Jobs Act
 - In March 2018, the NJBPU approved a \$2.9 million interim decrease in Rockland Electric Company's (RECO) electric base rates, effective April 1, 2018, subject to the outcome of the NJBPU proceeding.
 - NJBPU decision tentatively expected in June
- FERC Docket No. EL18-111-000
 - In March 2018, the Federal Energy Regulatory Commission (FERC) issued an order directing RECO to propose revisions to its transmission revenue requirement to reflect the TCJA.

a. See Note B - Regulatory Matters/Other Regulatory Matters on pages 22-23 and Note I - Income Taxes on pages 29-30 in the 1Q 2018 10-Q.

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

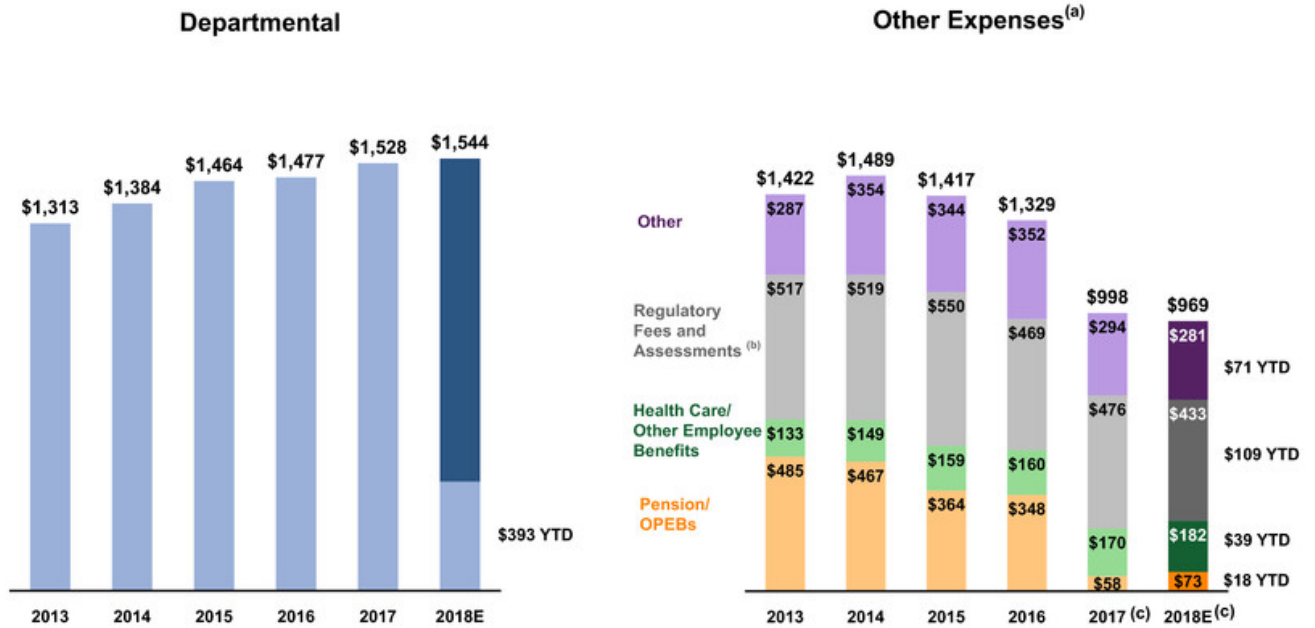
12 Months Ending December 31,

	2014	2015	2016	2017	2018 ^(a)
Reported EPS – GAAP basis	\$3.73	\$4.07	\$4.15	\$4.97	\$5.08
Enactment of the TCJA ^(b)	-	-	-	(0.85)	(0.86)
Gain on sale of the CEBs' retail electric supply business	-	-	(0.19)	-	-
Goodwill impairment related to the CEBs' energy service business	-	-	0.04	-	-
Impairment of assets held for sale	-	0.01	-	-	-
Gain on sale of the CEBs' solar electric production projects	(0.09)	-	-	-	-
Net mark-to-market effects of the CEBs	0.25	-	(0.01)	-	0.01
Adjusted EPS – Non-GAAP basis	\$3.89	\$4.08	\$3.99	\$4.12	\$4.23

a. Represents 12-month trailing EPS ending March 31, 2018.

b. Reflects \$269 million (or \$0.88 a share), \$11 million (or \$0.04 a share) and \$(21) million (or \$(0.07) a share) for CEBs, CET, and parent company, respectively resulting from the enactment of TCJA.

CECONY Operations and Maintenance Expenses (\$ in millions)

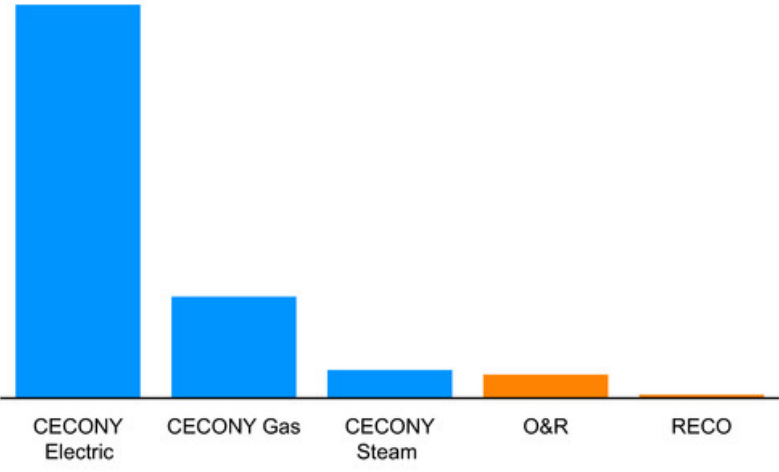


- a. Other Expenses generally are either reconciled through amounts reflected in rates, or represent surcharges that are recovered in revenues from customers.
- b. Includes Demand Side Management, System Benefit Charges and Public Service Law 18A assessments which are collected in revenues.
- c. Excludes non-service components of Pension/OPEBs pursuant to ASU 2017-07. See page 25 1Q 2018 Form 10-Q.

Composition of Regulatory Rate Base^(a) (as of March 31, 2018)

CECONY		(\$ in millions)
Electric	NY	\$18,766
Gas	NY	4,877
Steam	NY	1,388
Total CECONY		\$25,031

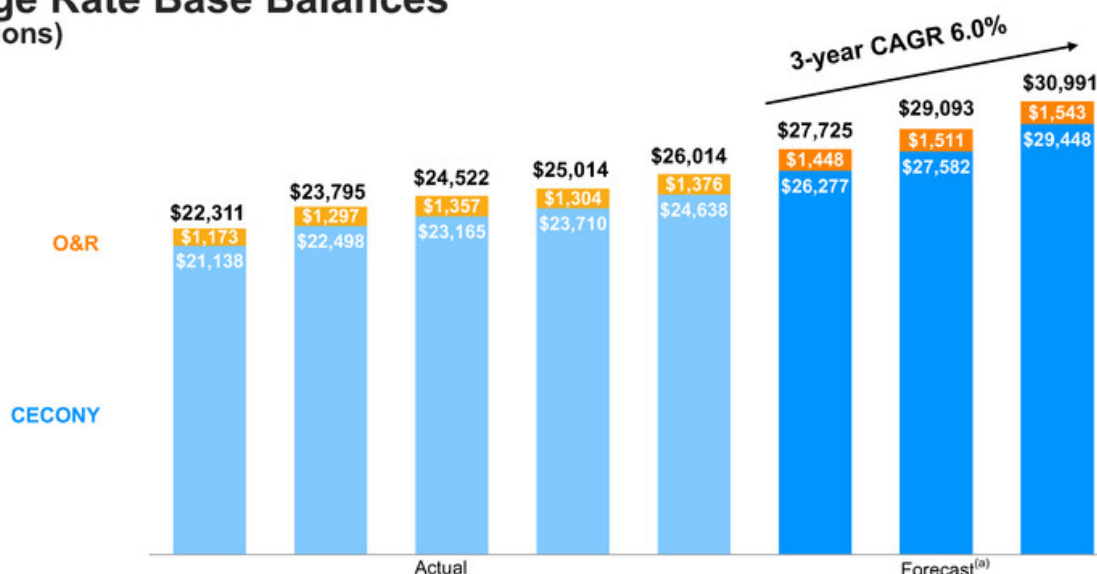
O&R		(\$ in millions)
O&R Electric	NY	\$765
O&R Gas	NY	402
RECO	NJ	215
Total O&R		\$1,382



Total Rate Base \$26,413

a. Average rate base for 12 months ended 3/31/2018.

Average Rate Base Balances (\$ in millions)



		2013	2014	2015	2016	2017	2018E	2019E	2020E
CECONY	Electric	\$ 16,235	\$ 17,403	\$ 17,599	\$ 17,971	\$ 18,513	\$ 19,530	\$ 20,277	\$ 21,569
	Gas	3,395	3,593	4,023	4,267	4,723	5,395	6,005	6,629
	Steam	1,508	1,502	1,543	1,472	1,402	1,352	1,300	1,250
O&R	Electric	633	726	769	731	759	792	814	821
	Gas	345	372	386	362	392	422	444	454
RECO	Electric	195	199	202	211	225	234	253	268

(a) Changes to rate base resulting from the TCJA will affect the utilities' net income as and when the changes are reflected in each of the utilities' next rate plans (assumed to be 2020 for CECONY; 2019 for O&R and RECO). Forecast for 2020 reflects, in addition to changes in net utility plant, estimated increase in average rate base due to decreased deferred taxes resulting from TCJA end of bonus depreciation for utilities and application of TCJA reduced tax rate to 2018 and 2019 temporary book/tax differences for CECONY, O&R and RECO of \$415 million, \$21 million and \$3.4 million, respectively. Forecast reflects no change in rate base from amortization of \$3,700 million regulatory liability for future income tax relating to excess deferred income taxes because amortization of entire regulatory liability over the same period that would have applied prior to TCJA is assumed. Also, forecast assumes no change in rate base relating to any regulatory liability for revenue requirement impact of reduced tax rate.

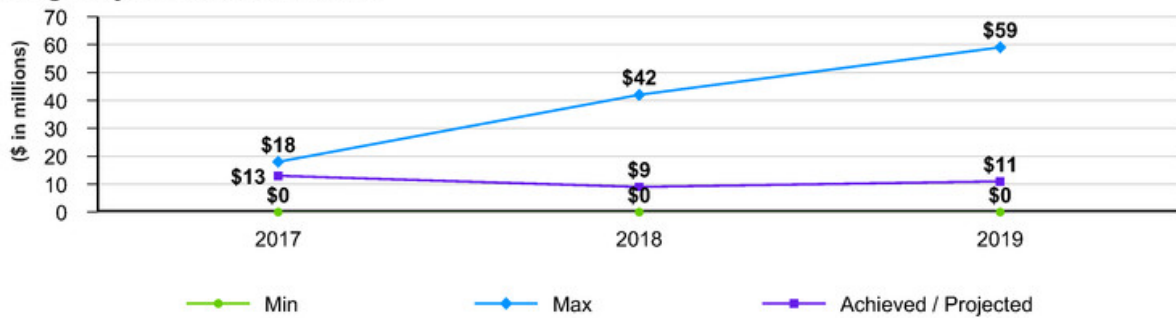
Regulated Utility Rates of Return and Equity Ratio (12 Months ended March 31, 2018)

	Regulated Basis	
	Allowed	Actual
CECONY		
Electric	9.0%	9.2%
Gas	9.0	10.1
Steam	9.3	11.5
Overall – CECONY	9.0 ^(a)	9.5
CECONY Equity Ratio	48.0%	48.4%
O&R		
Electric	9.0%	8.1%
Gas	9.0	10.1
RECO	9.6	7.5
Overall – O&R	9.1 ^(a)	8.6
O&R Equity Ratio	48.0%	49.4%

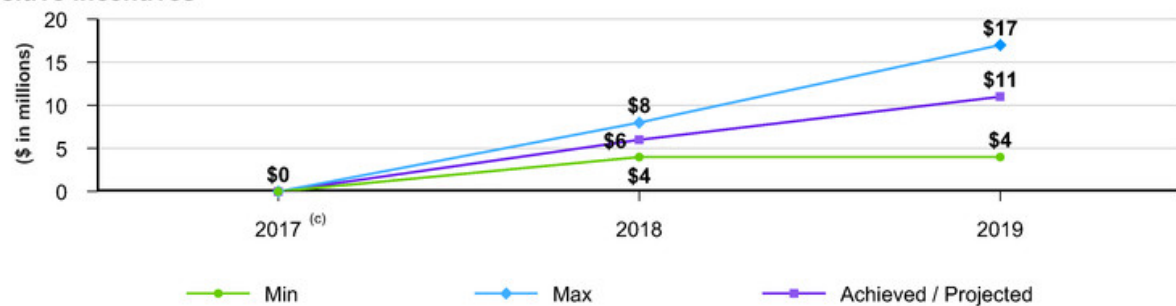
a. Weighted by rate base.

Earnings Adjustment Mechanisms and Positive Incentives

Earnings Adjustment Mechanisms



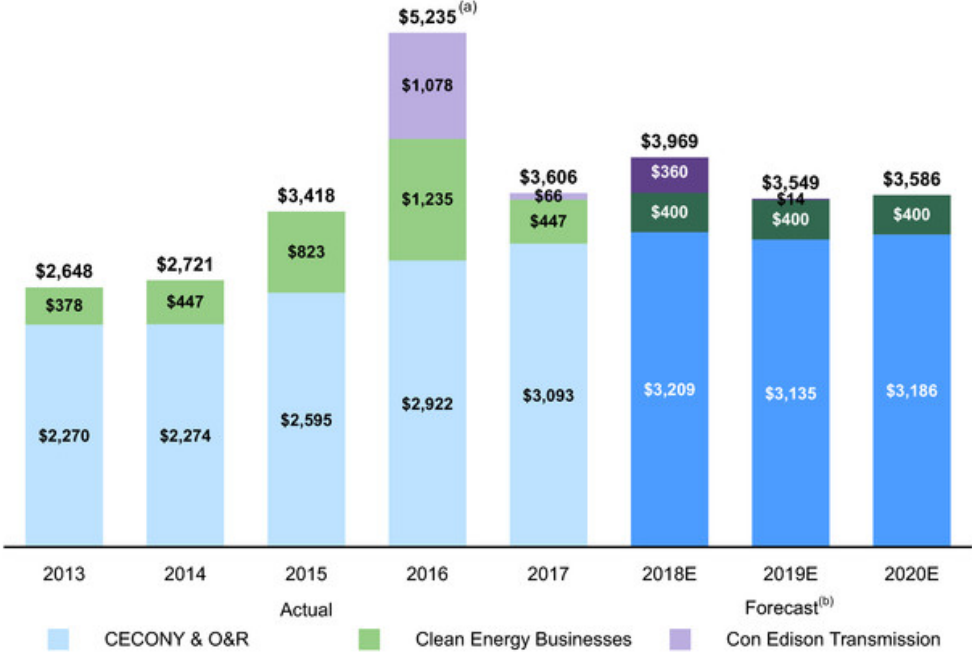
Positive Incentives^{(a) (b)}



- In 2017, CECONY achieved positive incentives of \$12 million, one third of which, pursuant to the accounting rules for alternative revenue recognition of the collection of such incentives under the rate plans (GAAP), will be recorded ratably from 2018 to 2020 and also reflected in the positive incentives projected, minimum and maximum amounts for the related period.
- Pursuant to GAAP, one third of the positive incentives achieved in 2018, if any, will be recorded ratably from 2018 to 2020 and also reflected in the positive incentives projected and maximum amounts for the related period. Two thirds and one third of the positive incentives achieved in 2019, if any, will be recorded in 2019 and 2020, respectively, and also reflected in the positive incentives projected and maximum amounts for the related period.
- Does not reflect negative earnings adjustment of \$5 million that CECONY recorded in 2017.

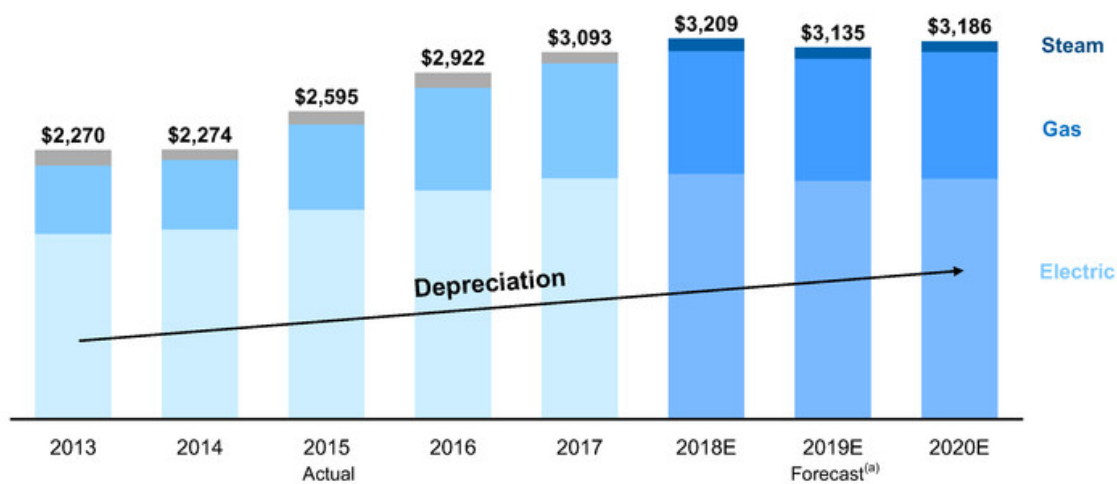
Capital Expenditures

(\$ in millions)



a. 2016 includes Stagecoach JV investment of \$974 million.
 b. 2017 Form 10-K, page 31.

Utility Capital Expenditures (\$ in millions)



	Annual CECONY Capital Expenditures				Annual O&R Capital Expenditures		
	Electric	Gas	Steam	Depreciation	Electric	Gas	Depreciation
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	1,106	114	52	67
2017	1,905	909	90	1,195	128	61	71
2018E	1,933	970	105	1,254	139	62	78
2019E	1,868	970	95	1,339	146	56	84
2020E	1,894	1,015	87	1,441	137	53	88

a. 2017 Form 10-K, page 31.

2018 Financing Plan and Activity

Debt and Equity Financing Plan

- Capital expenditures of \$3,969 million (CECONY: \$3,008 million, the CEBs: \$400 million, O&R: \$201 million, CET: \$360 million)
- Issue between \$1,300 million and \$1,800 million of long-term debt at the utilities
- Issue additional debt secured by the CEBs' renewable electric production projects
- Issue up to \$450 million of common equity in 2018 in addition to equity issued through dividend reinvestment, employee stock purchase and long-term incentives plans
- Financing plan does not reflect the provision to the utilities' customers of any TCJA benefits that the NYSPSC and the NJBPU may require to be provided

Debt Maturities

(\$ in millions)	2018	2019	2020	2021	2022
Con Edison, Inc. [parent company]	\$2	\$3	\$402	\$503	\$294
CECONY	1,200 ^(a)	475	350	—	—
O&R	55	62	—	—	—
CEBs	41	38	39	41	41
Total	\$1,298	\$578	\$791	\$544	\$335

a. \$600 million of 5.85 percent 10-year debentures matured on April 1, 2018.

Capital Structure – March 31, 2018

(\$ in millions)

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

Debt	\$ 16,021	51%
Equity	15,661	49
Total	\$ 31,682	100%

CECONY A2 / A- / A-

Debt	\$ 13,266	51%
Equity	12,662	49
Total	\$ 25,928	100%

O&R A3 / A- / A-

Debt	\$ 661	49%
Equity	681	51
Total	\$ 1,342	100%

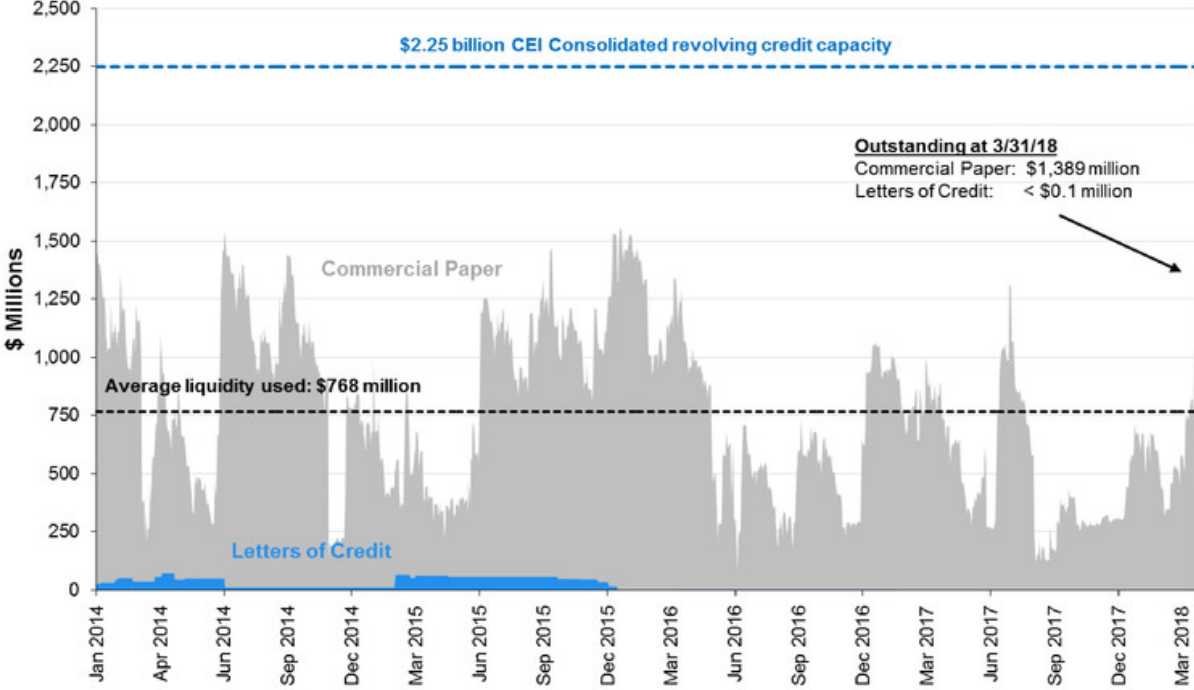
Parent and Other

Debt	\$2,094	47%
Equity	2,318	53
Total	\$ 4,412	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. Moody's ratings have negative outlooks and S&P and Fitch ratings have stable outlooks.

Liquidity Profile

(\$ in millions)



Utility Sales and Revenues – First Quarter

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, 2018 (expressed as a percentage of 2017 amounts):

	First Quarter Variation 2018 vs. 2017	
	Actual	Adjusted
CECONY		
Electric	2.1	0.7
Firm – Gas	12.8	4.6
Steam	11.6	—
O&R		
Electric	2.4	(2.1)
Firm – Gas	9.3	1.4

Utility Sales and Revenues – Electric First Quarter

(\$ in millions)

Electric – 1st Quarter	Millions of Kilowatt-hours		Revenues in Millions	
	2018	2017	2018	2017
Con Edison of New York				
Residential and Religious	2,410	2,278	\$623	\$574
Commercial and Industrial	2,415	2,305	453	430
Retail choice customers	6,276	6,304	557	632
Public Authorities	16	16	3	3
NYPA, Municipal Agency and other sales	2,569	2,496	128	127
Total Sales	13,686	13,399	\$1,764	\$1,766
Orange and Rockland				
Residential and Religious	377	349	\$74	\$68
Commercial and Industrial	198	191	30	27
Retail choice customers	697	707	44	43
Public Authorities	29	24	3	2
Total Sales	1,301	1,271	\$151	\$140
Regulated Utility Sales & Revenues				
Residential and Religious	2,787	2,627	\$697	\$642
Commercial and Industrial	2,613	2,496	483	457
Retail choice customers	6,973	7,011	601	675
Public Authorities	45	40	6	5
NYPA, Municipal Agency and other sales	2,569	2,496	128	127
Total Sales	14,987	14,670	\$1,915	\$1,906

Utility Sales and Revenues – Gas First Quarter

(\$ in millions)

Gas – 1st Quarter	Thousands of Dekatherms		Revenues in Millions	
	2018	2017	2018	2017
Con Edison of New York				
Residential	27,227	24,607	\$390	\$337
General	14,513	12,803	154	133
Firm Transportation	<u>34,791</u>	<u>30,415</u>	<u>260</u>	<u>222</u>
Total Firm Sales and Transportation	76,531	67,825	804	692
Interruptible Sales	1,492	2,308	12	13
Transportation of Customer Owned Gas	<u>23,233</u>	<u>28,233</u>	<u>16</u>	<u>17</u>
Total Sales	101,256	98,366	\$832	\$722
Off-system Sales	1	1	—	—
Orange and Rockland				
Residential	4,464	3,885	\$58	\$49
General	962	958	11	10
Firm Transportation	<u>4,449</u>	<u>4,188</u>	<u>35</u>	<u>29</u>
Total Firm Sales and Transportation	9,875	9,031	104	88
Interruptible Sales	1,143	1,188	2	3
Transportation of Customer Owned Gas	<u>426</u>	<u>397</u>	<u>—</u>	<u>—</u>
Total Sales	11,444	10,616	\$106	\$91
Off-system Sales	—	—	—	—
Regulated Utility Sales & Revenues				
Residential	31,691	28,492	\$448	\$386
General	15,475	13,761	165	143
Firm Transportation	<u>39,240</u>	<u>34,603</u>	<u>295</u>	<u>251</u>
Total Firm Sales and Transportation	86,406	76,856	908	780
Interruptible Sales	2,635	3,496	14	16
Transportation of Customer Owned Gas	<u>23,659</u>	<u>28,630</u>	<u>16</u>	<u>17</u>
Total Sales	112,700	108,982	\$938	\$813
Off-system Sales	1	1	—	—

Utility Sales and Revenues – Steam First Quarter (\$ in millions)

Steam – 1st Quarter				
	Millions of Pounds		Revenues in Millions	
	2018	2017	2018	2017
Con Edison of New York				
General	338	293	\$16	\$14
Apartment House	2,712	2,469	84	77
Annual Power	5,947	5,298	216	197
Total Sales	8,997	8,060	\$316	\$288

List of Notes to 2018 Form 10Q Financial Statements

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