

Con Edison, Inc.

May 5-6, 2013

2013 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 as a part of this presentation.

For more information, contact: Jan Childress, Director, Investor Relations

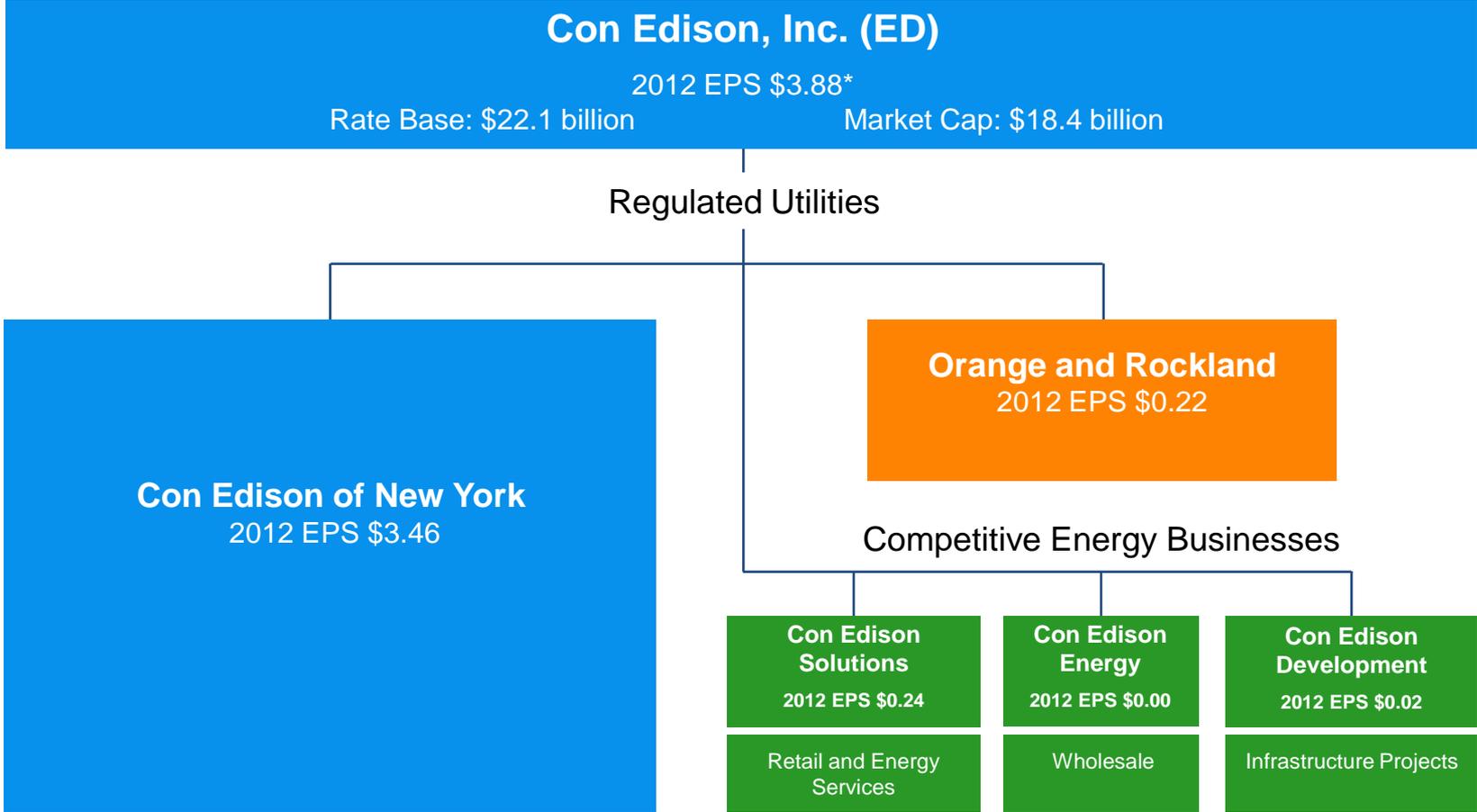
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Regulated Transmission and Distribution Focused



*Total reflects parent company expenses and consolidation adjustments amounting to \$(0.06) per share. Earnings include after-tax net mark-to-market gains of \$0.13.

Reconciliation of 1st Quarter 2013 and 1st Quarter 2012 Earnings Per Share

3 months ending March 31, 2013	CECONY	O&R	Con Edison Development	Con Edison Energy	Con Edison Solutions	Parent	Total
Reported EPS – GAAP basis	\$0.95	\$0.10	\$(0.45)	\$-	\$0.07	\$(0.01)	\$0.66
Mark-to-Market losses/(gains)	-	-	-	-	\$(0.09)	-	(0.09)
Lease In/Lease Out transactions	-	-	\$0.51	-	-	-	0.51
Ongoing operations	\$0.95	\$0.10	\$0.06	\$-	\$(0.02)	\$(0.01)	\$1.08

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

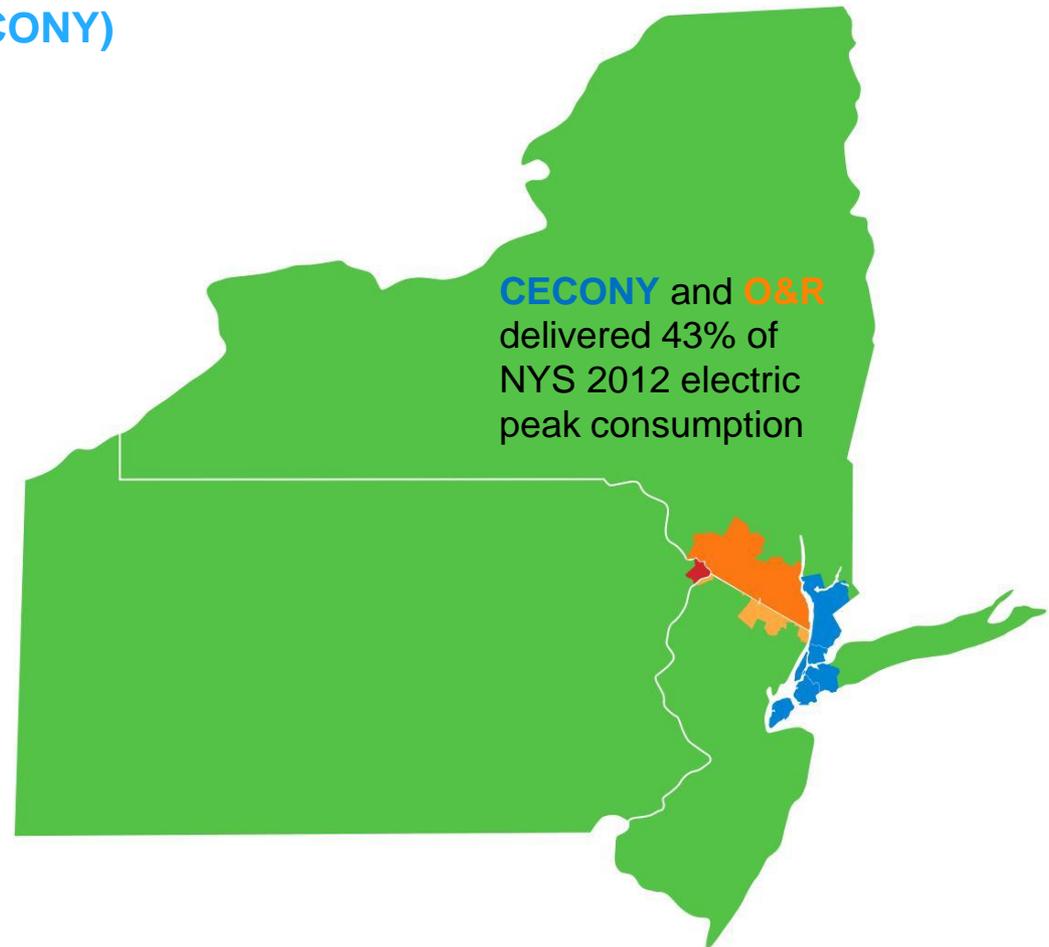
Regulated Utilities are the Core of Con Edison, Inc.

Con Edison of New York (CECONY)

- 3.3 million electric customers
- 1.1 million gas customers
- 1,717 steam customers
- 706 MW of regulated generation
- Delivered 40% of NYS 2012 electric peak consumption

Orange and Rockland (O&R)

- 303,000 electric customers
- 131,000 gas customers
- Delivered 3.4% of NYS 2012 electric peak consumption



Composition of Rate Base

(as of March 31, 2013)

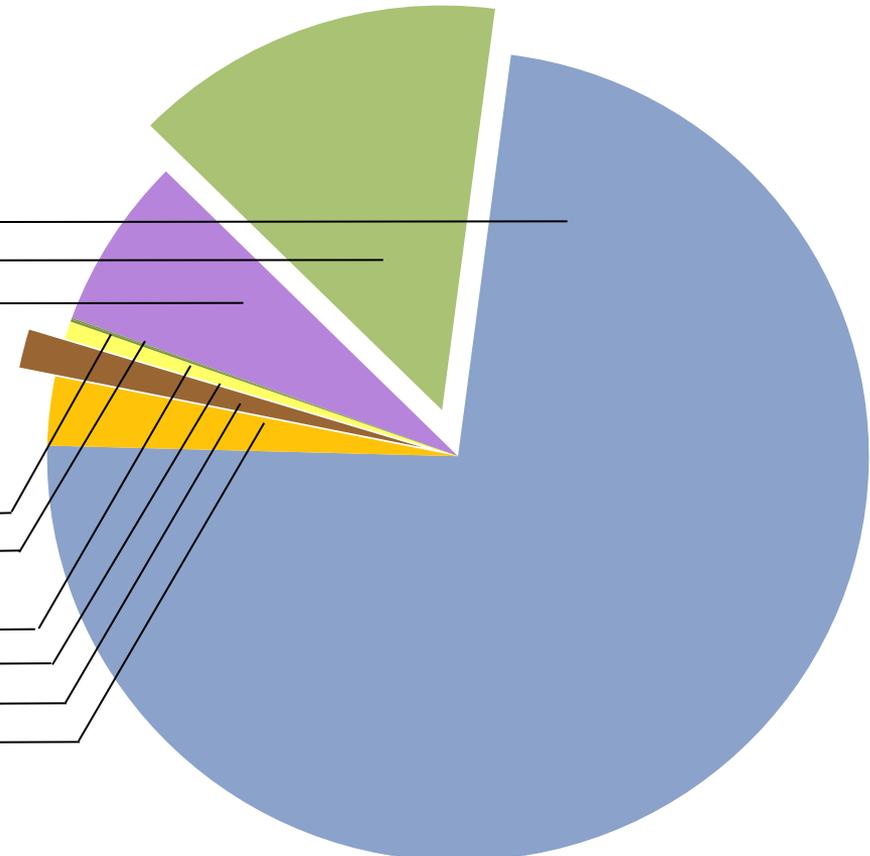
Rate Base* (\$ millions)

Con Edison of New York

Electric	(NY)	\$ 16,202	
Gas	(NY)	\$ 3,234	
Steam	(NY)	\$ 1,516	
Total CECONY		\$ 20,952	

Orange and Rockland

Pike Gas	(PA)	\$ 2	
Pike Electric	(PA)	\$ 13	
Rockland Electric	(NJ)		
(distribution)		\$ 155	
(transmission)		\$ 20	
O&R Gas	(NY)	\$ 339	
O&R Electric	(NY)	\$ 606	
Total O&R		\$ 1,135	



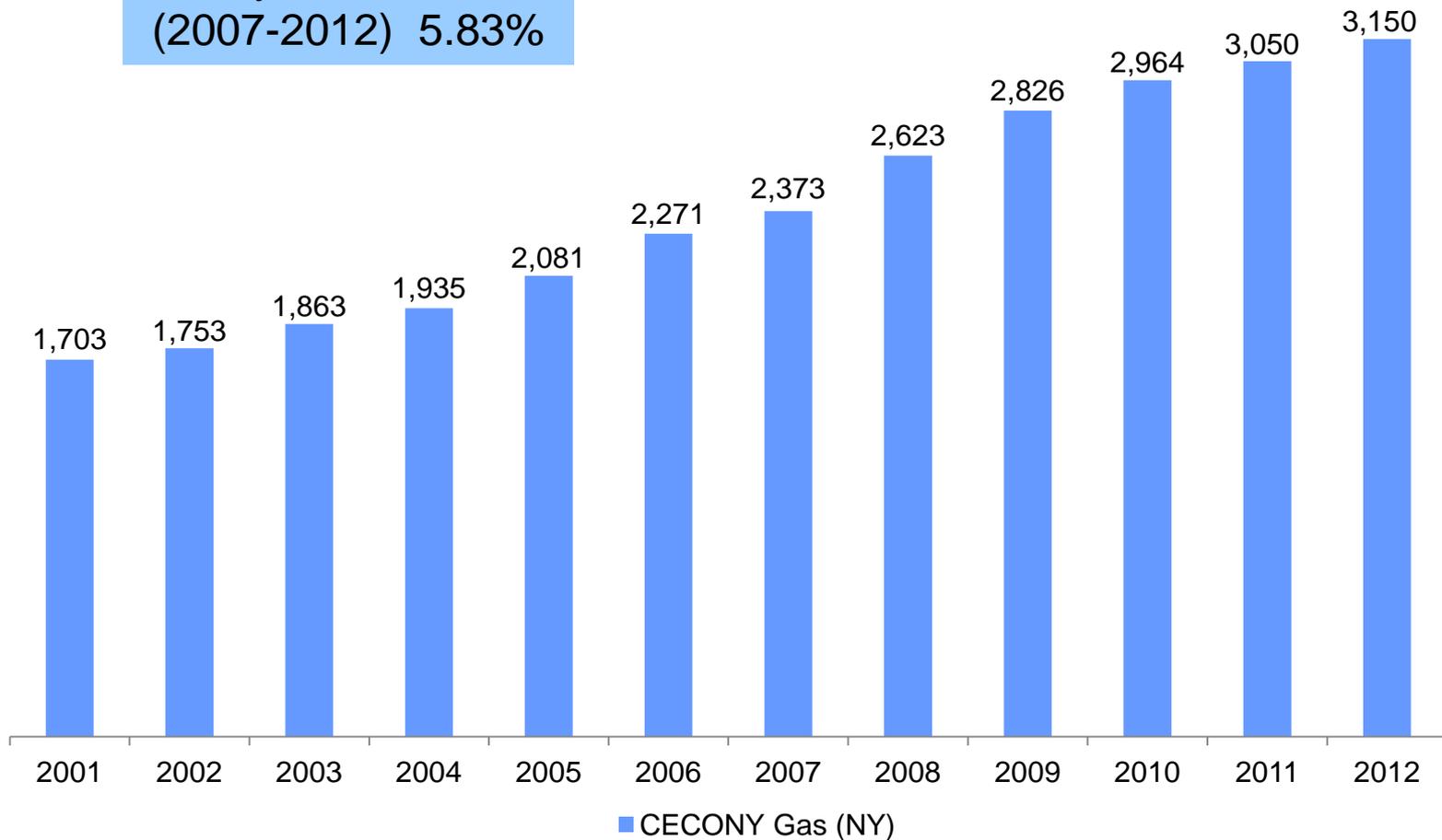
Total Rate Base \$22,087

* Average rate base for 12 months ending 3/31/2013

CECONY Gas Rate Base Growth

(\$ millions)

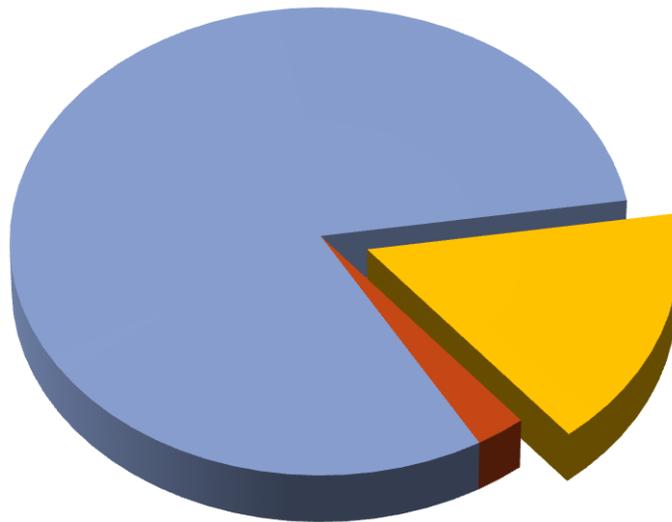
5-year CAGR
(2007-2012) 5.83%



Gas Distribution is a Significant Segment of Utility Operating Income

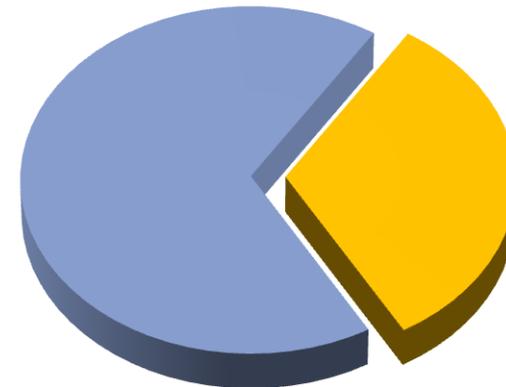
(for the twelve months ended December 31, 2012)

Con Edison of New York



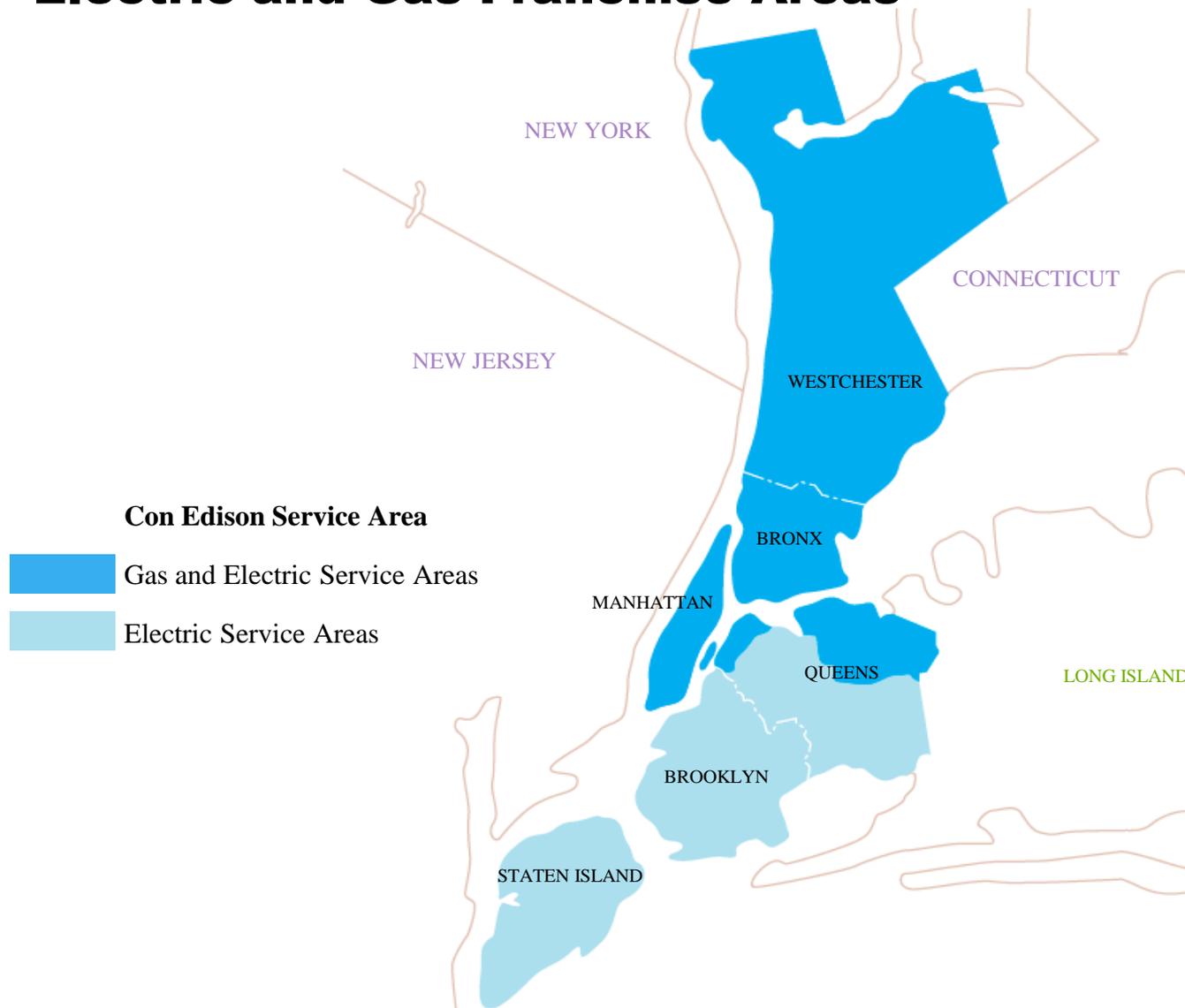
- Electric 81%
- Gas 16%
- Steam 3%

Orange and Rockland



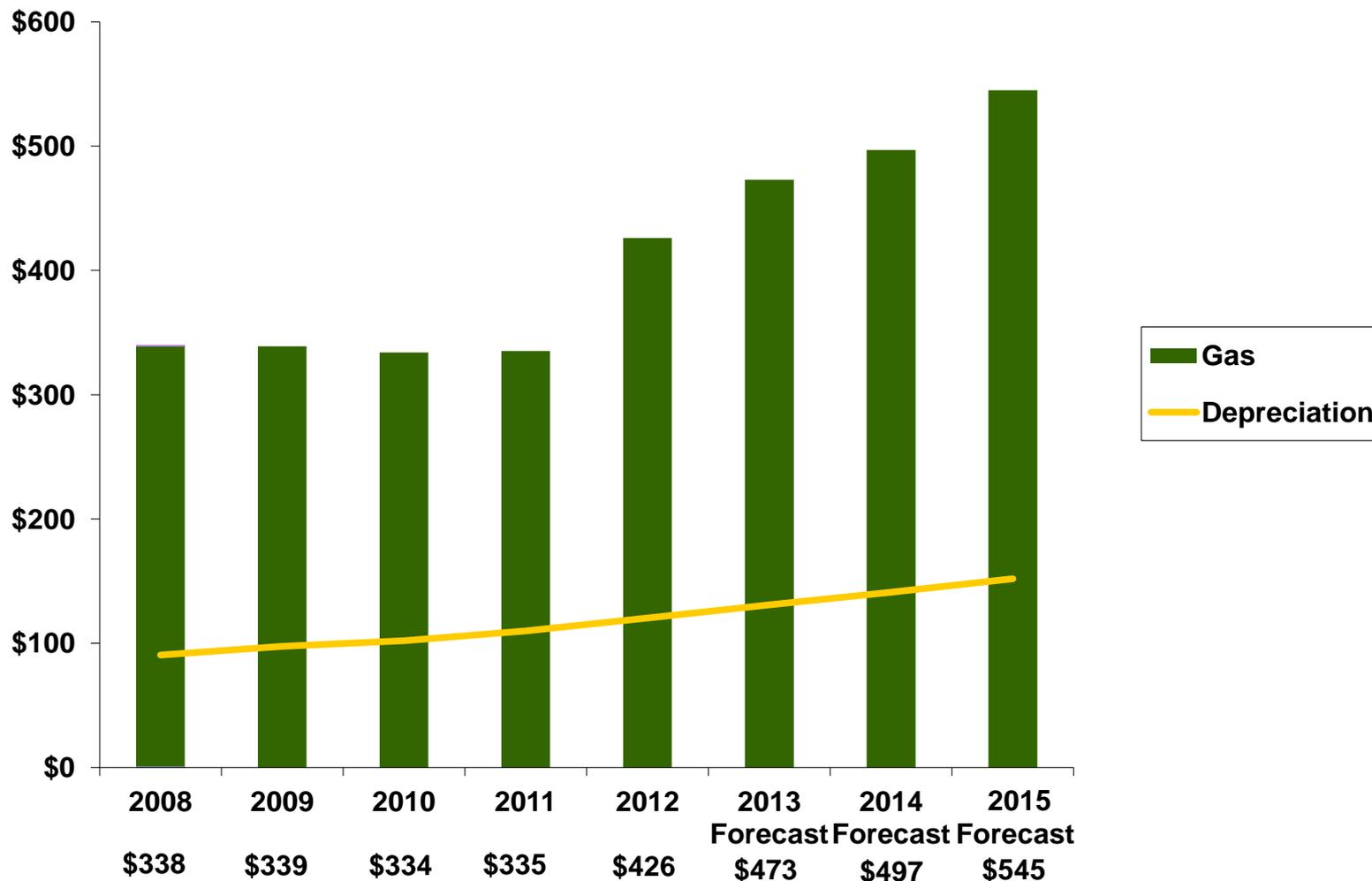
- Electric 67%
- Gas 33%

Electric and Gas Franchise Areas

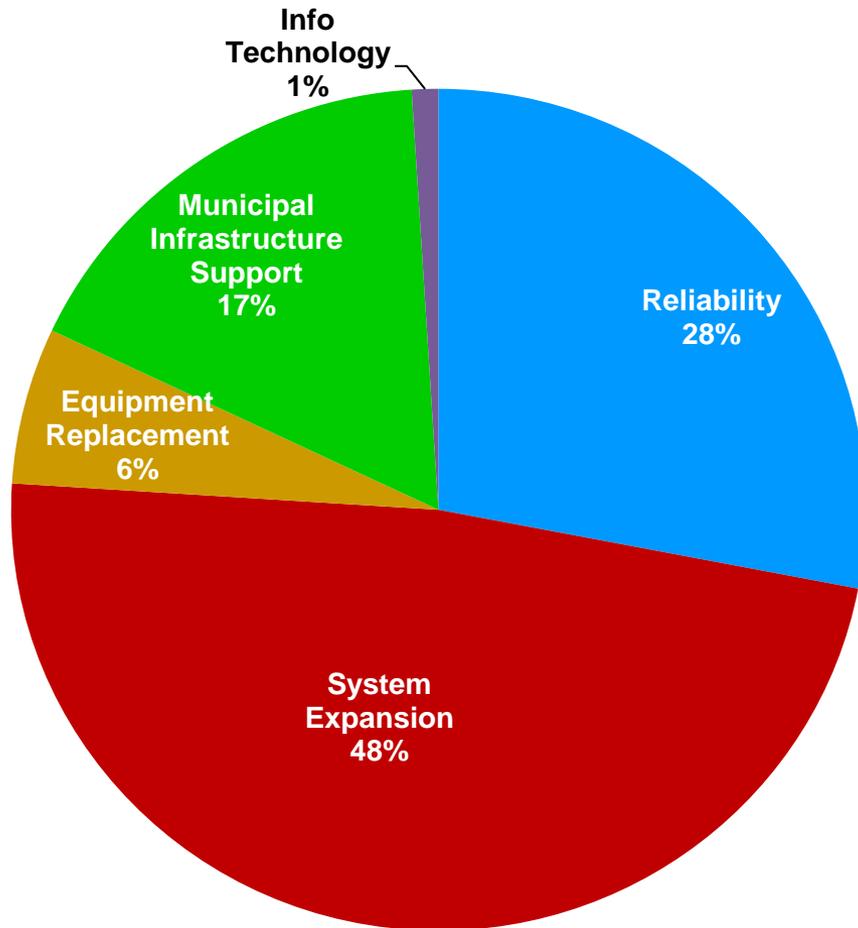


Gas Distribution Infrastructure Investment

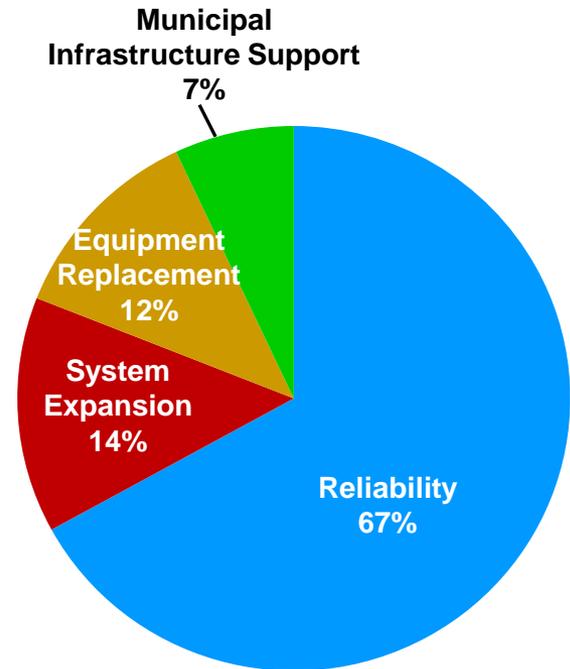
(\$ millions)



Breakdown of 2013 Gas Distribution Capital Investment



Con Edison of New York



Orange and Rockland

5-Year Annualized Growth Rates in Peak Usage

	5-Year Historical 2002-2007 (Pre-Recession)	Current 5-Year Forecast
CECONY		
Electric	1.8%	1.3%
Gas	1.0%	4.3%
Steam	(0.8)%	(0.5)%
O&R		
Electric	2.6%	0.9%
Gas	(0.8)%	0.8%

Gas Peak Demand Forecast - 1 Year vs. 5 Year Outlook by Component

2012 Adjusted Peak: 1,174 Mdt / day

<u>Components</u>	<u>2013</u>	<u>2013 – 2017</u>
#4 / #6 Oil to Gas	45	183
#2 Oil to Gas	4	19
Economy	1	28
New Business	6	47
Net Transfers	5	25
Distributed Generation	2	10
Energy Efficiency / Conservation	(7)	(37)
Total Growth:	56	275
Forecast:	1,230	1,449

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

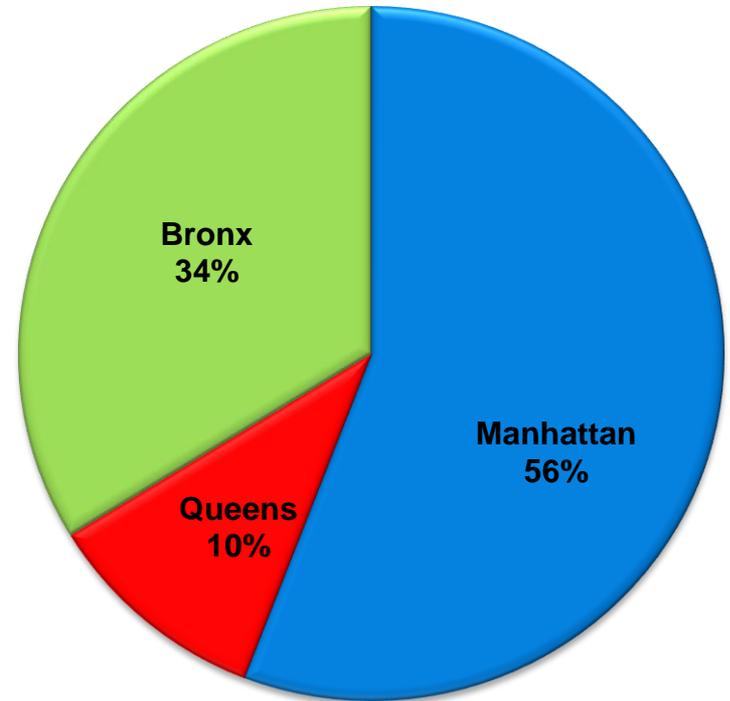
Price Advantage of Delivered Natural Gas Versus Oil*

- 50-65% discount to #2 oil
- 45-60% discount to #4 oil
- 35-50% discount to #6 oil

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

Breakdown of #4 and #6 Oil Users Within CECONY's Service Area*

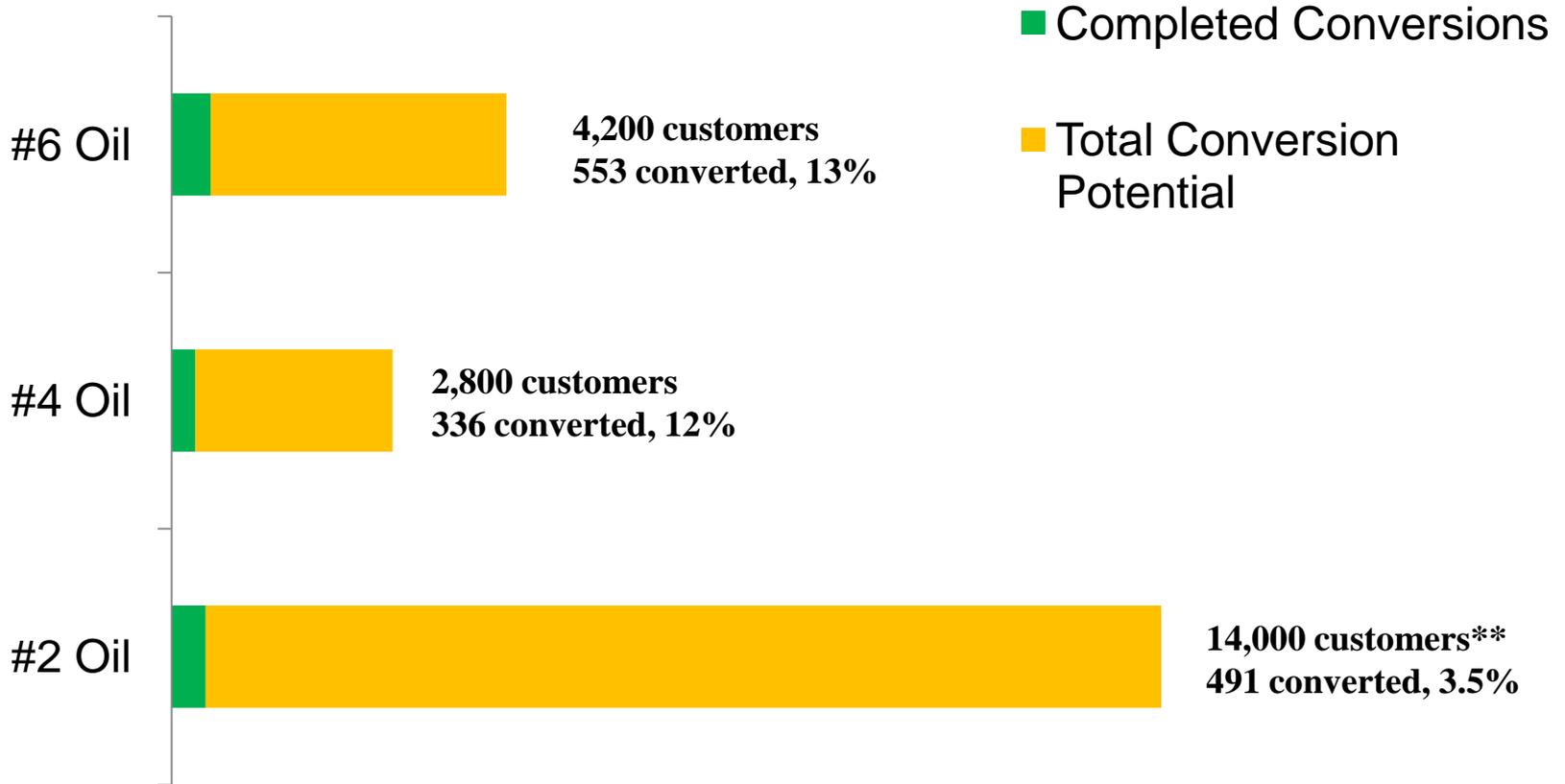
- There are around 10,000 boilers burning #4 or #6 heating oil in NYC
- Approximately 7,000 potential conversions within Con Edison gas franchise area – NYC



*As of April 2011

Market for Multi-Family* and Commercial Oil-to-Gas Conversions by Oil Type

January 2011 to March 2013

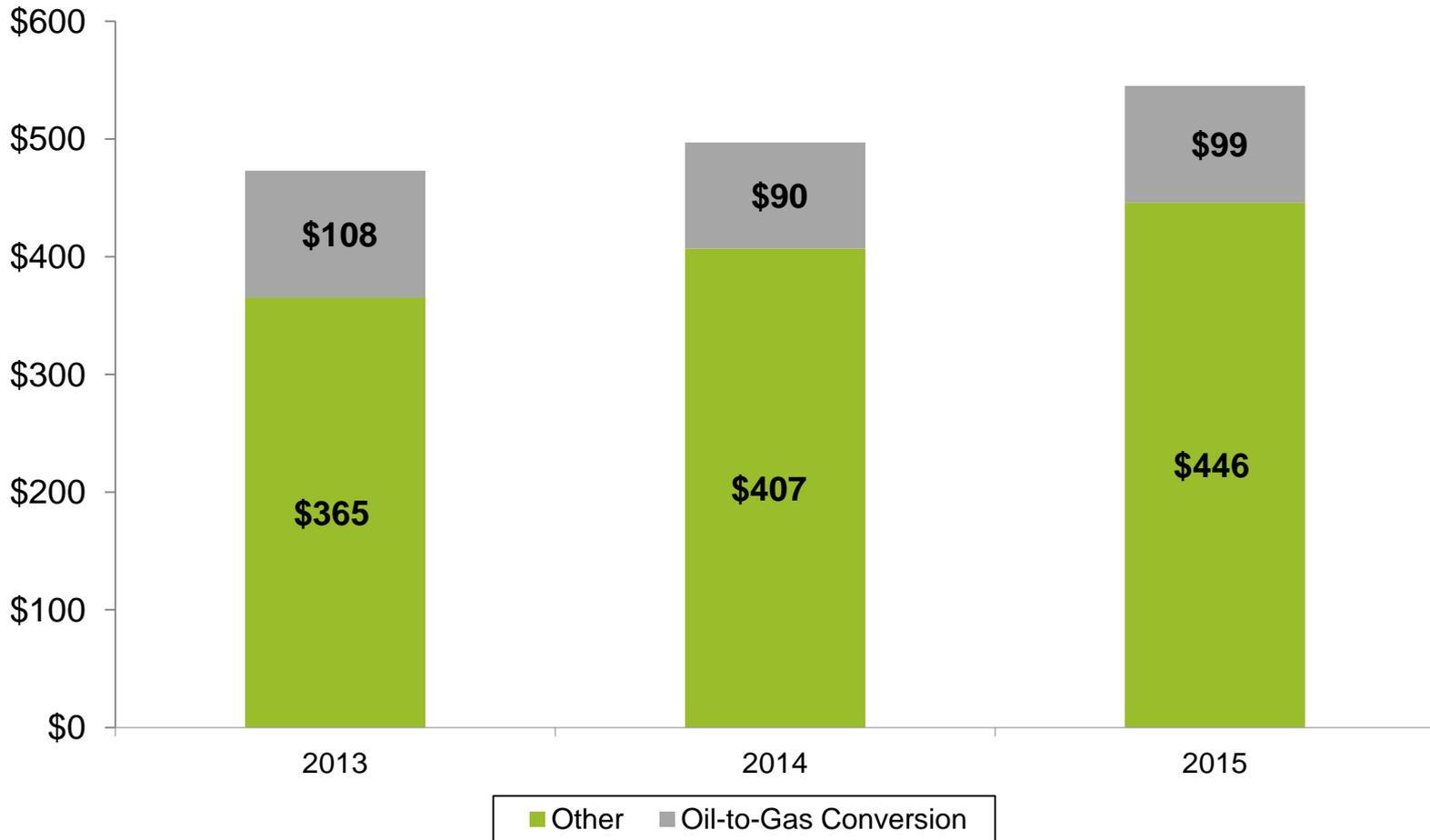


* Multi-family buildings include 5 or more families.

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

Gas Infrastructure Investment Forecast

(\$ millions)





Gas Conversion Opportunities and Obstacles

- Oil/gas price spread produces compelling economics for most customers burning heavy fuel oils
- Large upfront investments and limited access to capital may forestall some conversions from oil to natural gas
- Gas Customer Conversion Group has been formed to facilitate end-to-end process for conversions
 - Committed to connect the new customers in a cost effective manner
 - Minimize any increases in rate to our existing customers

Cost Mitigation Strategy - Area Growth Approach

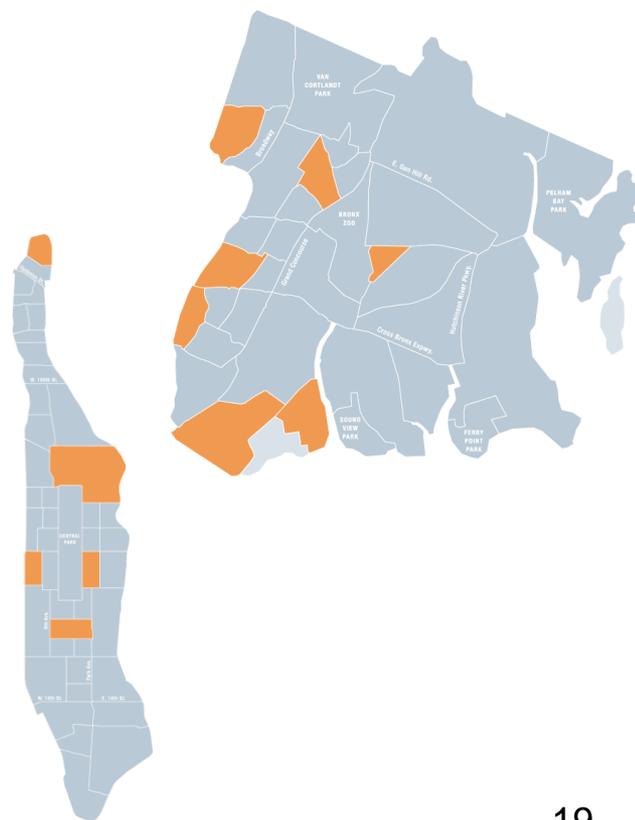
Our area approach overcomes significant challenges of traditional infrastructure expansion

Traditional

- We connect customers on an individual basis
- Revenues and costs of each customer are analyzed independently
- Construction is scheduled individually

Area Growth Approach

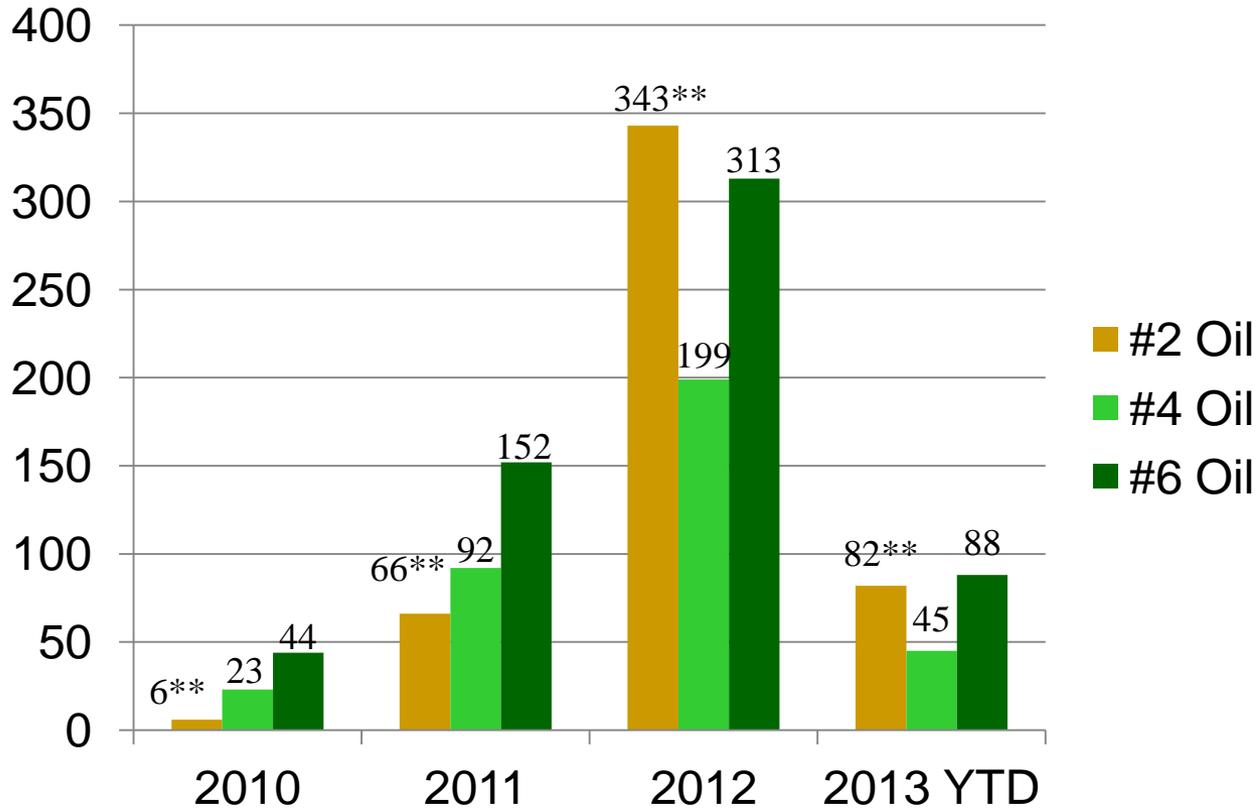
- We focus connections and work by area
- Revenues and costs are analyzed by area as a whole
- Construction is scheduled by area



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

2013 figures through March 31

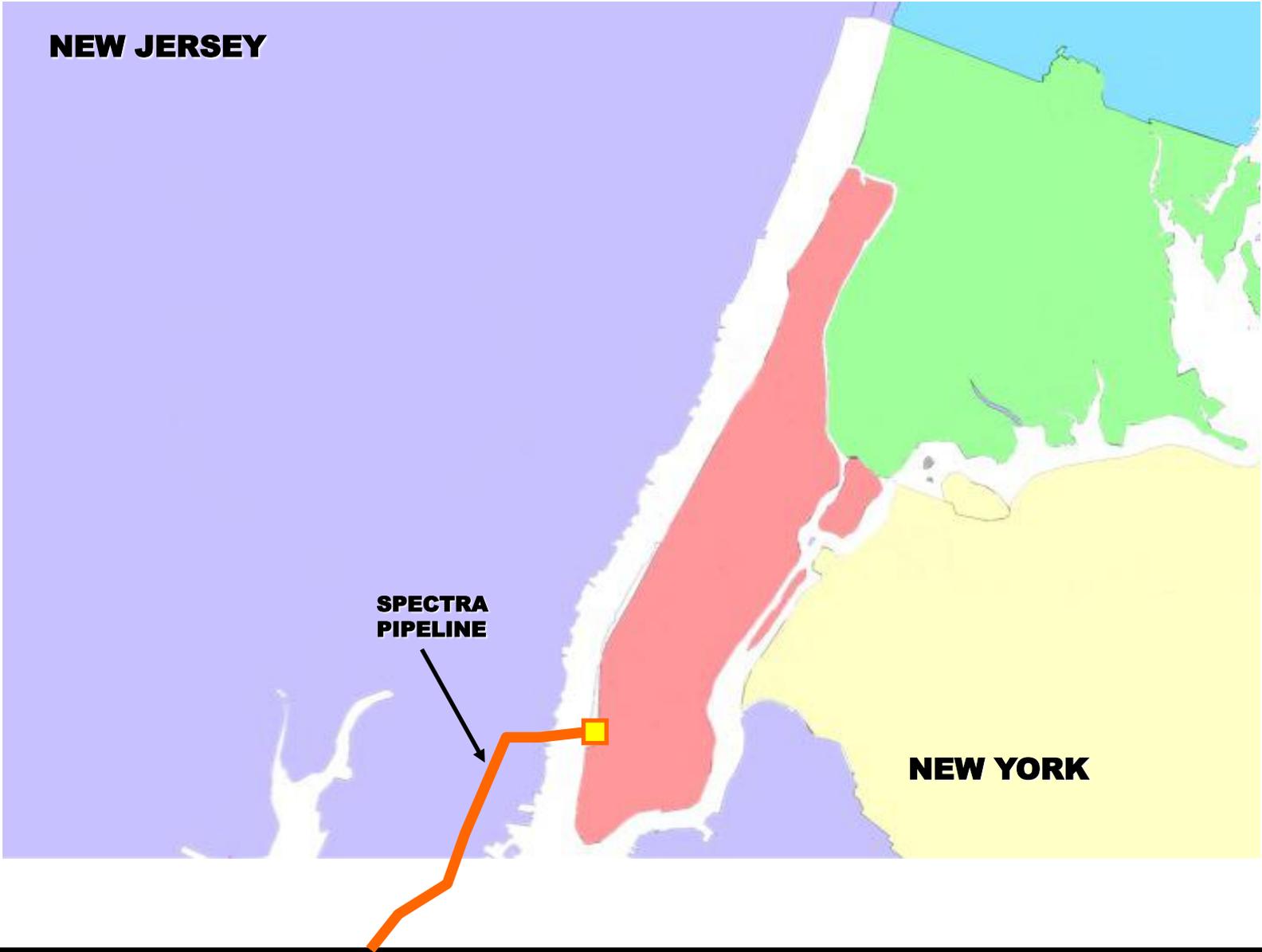
Number of gas service installations



* Multi-family buildings include 5 or more families.

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

Gas Pipelines around NYC



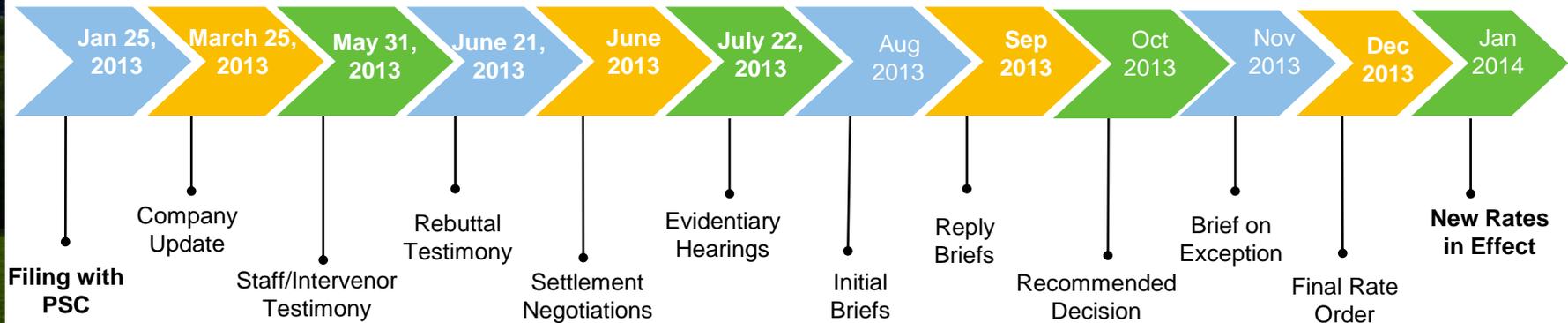


Proceeding to examine barriers and solutions to expanding natural gas infrastructure (12-G-0297)

- Public Service Commission opened up a proceeding in November as a result of the NY Energy Highway Blueprint issued in October 2012
- Comments filed March 12th
- 5 working groups formed to focus on:
 - Customers within 100 feet of gas main
 - Customers beyond 100 feet of gas main
 - Customers in geographies not served by gas (includes some areas of Westchester as well as other parts of NYS)
 - NYC gas issues, and
 - Natural gas vehicles (NGV)
- The availability of inexpensive shale gas is prime motivation for PSC's proceeding

2013 Electric, Gas and Steam Rate Filings (13-E-0030, 13-G-0031, 13-S-0032)

- Filed on January 25, 2013
- Historic test year: Twelve months ended June 30, 2012
- Forward test year: January 1, 2014 – December 31, 2014
- New rates in effect January 1, 2014
- Timeline for rate setting process:



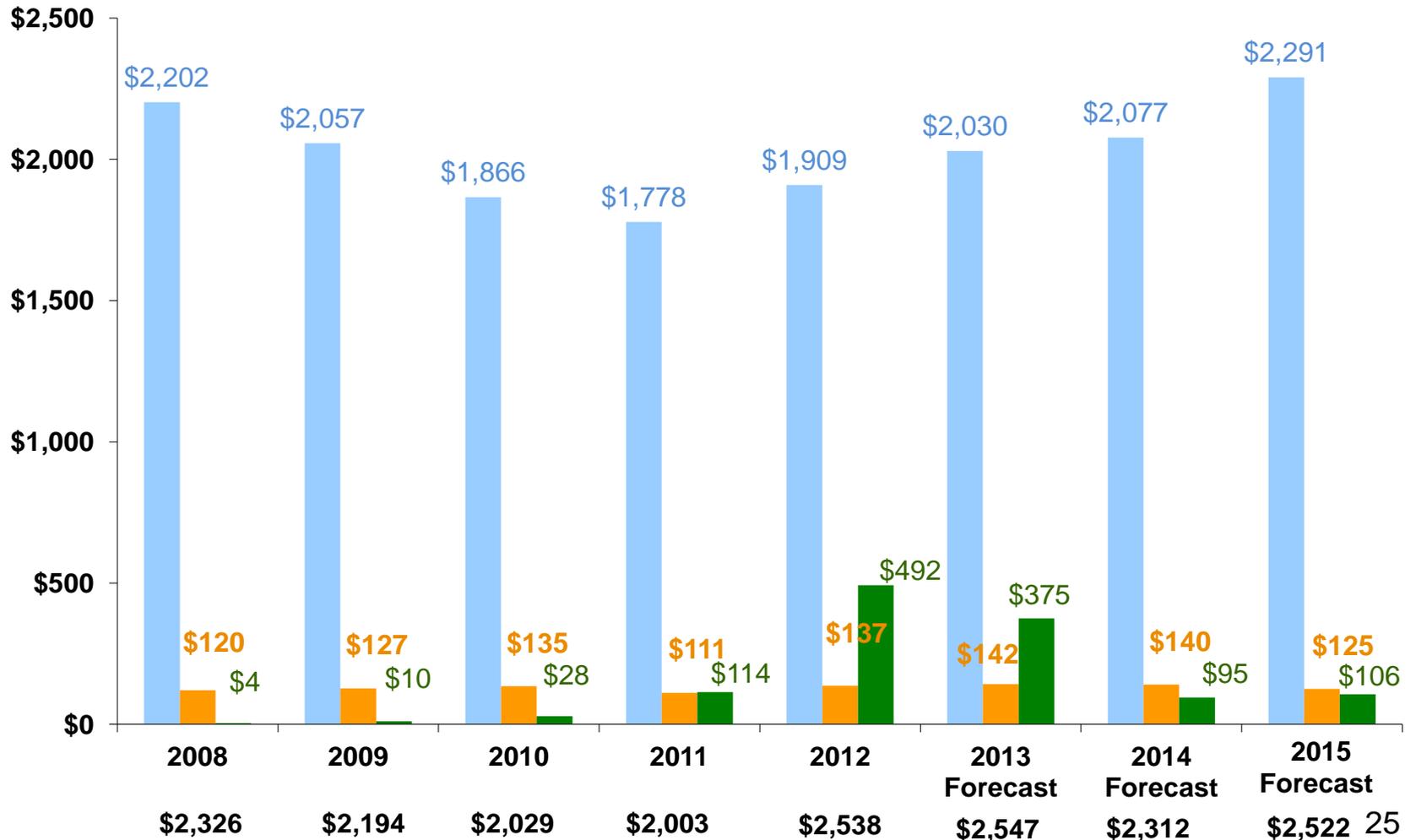
Storm Hardening Proposed Investment

Total Storm Hardening (\$000)					
	Forecast 2013	Forecast 2014	Forecast 2015	Forecast 2016	Total (4 years)
Electric Distribution	30,000	80,000	170,000	171,000	451,000
Transformer Purchase	10,000	5,000	6,000	4,200	25,200
Substations	30,000	60,000	70,000	80,000	240,000
System and Transmission Ops	3,900	4,900	2,000	2,000	12,800
Steam	7,500	26,500	30,500	35,000	99,500
Electric Production	10,000	14,000	21,000	20,500	65,500
Gas	2,100	4,800	36,000	56,500	99,400
Telecommunications	0	1,300	2,700	2,600	6,600
Total Storm Hardening	93,500	196,500	338,200	371,800	1,000,000

Capital Expenditures

(\$ millions)

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





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
 - Interest on long-term borrowing
- Revenue decoupling and weather normalization
- Performance penalties
- Formulaic approach to setting ROE's

Leader in Sustainability

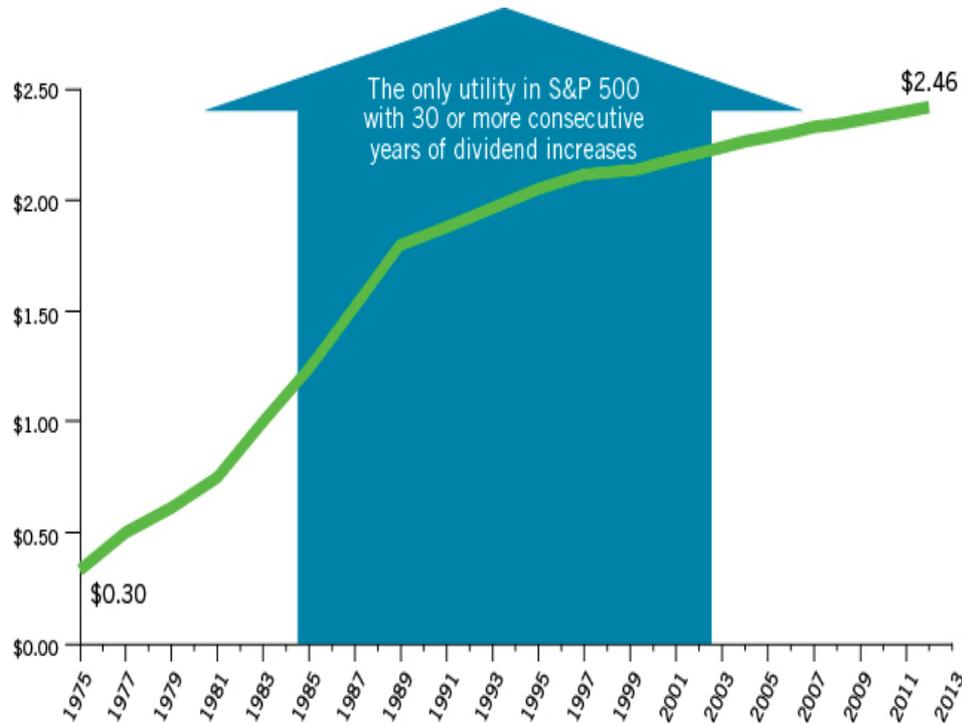
Consolidated Edison has been recognized recently through its inclusion in

- 2012 Carbon Disclosure Project's worldwide Leadership Index
- 2012 *Newsweek's* 500 Green Rankings for environmental and social performance
- Target Rock Sustainability's Utility Leaders Index for 2013

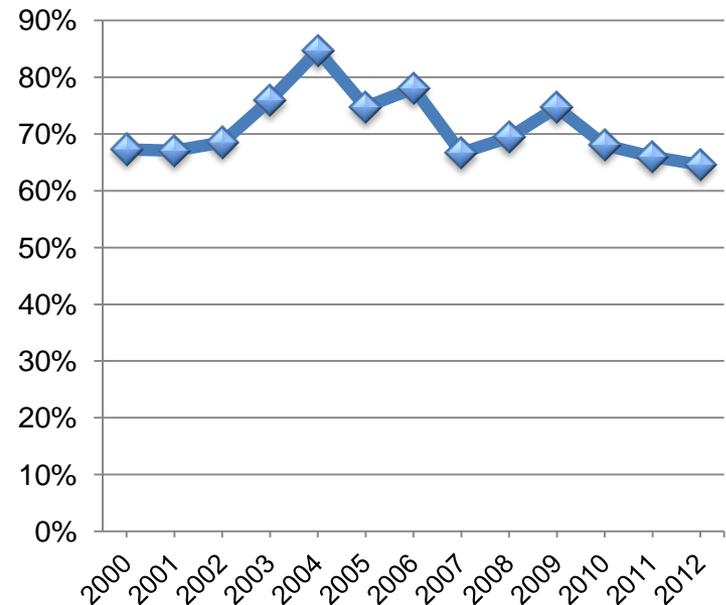


A Compelling Dividend Record: 39 Consecutive Years of Dividend Increases

Annualized Dividend 1975 - 2013



Dividend Payout Ratio





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 recovery of most fuel and commodity costs
 - Revenue decoupling mechanism in NY (electric and gas)
 - Adjustment mechanisms for several major uncontrollable expenses (e.g. pension)
- Significant dividend record
 - 39 consecutive years of dividend increases; 3rd longest in electric utility industry
 - 3.9% yield is 3rd highest among S&P 500 Dividend Aristocrats
- Ability to invest for customer benefit
 - Majority of investment is replacement and upgrade of existing assets
 - Growth opportunity through increased natural-gas conversions
 - Targeted energy efficiency and demand side management
 - Strong and stable balance sheet and conservatively managed liquidity