

Con Edison, Inc.

May 15 -17, 2011

AGA Financial Forum





Forward-Looking Statements

This presentation contains certain forward-looking statements of future expectations and a financial measure, earnings from ongoing operations, not determined in accordance with Generally Accepted Accounting Principles (GAAP). Actual results might differ materially from those projected in the forward-looking statements because of factors such as those identified in reports the company has filed with the Securities and Exchange Commission. 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.

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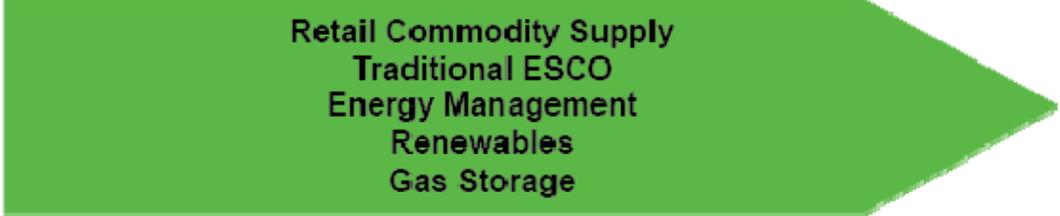
www.conEdison.com

Con Edison's Business Model

Regulated



Competitive



Reconciliation of Con Edison's 1st Quarter 2011 and 1st 2010 Earnings Per Share

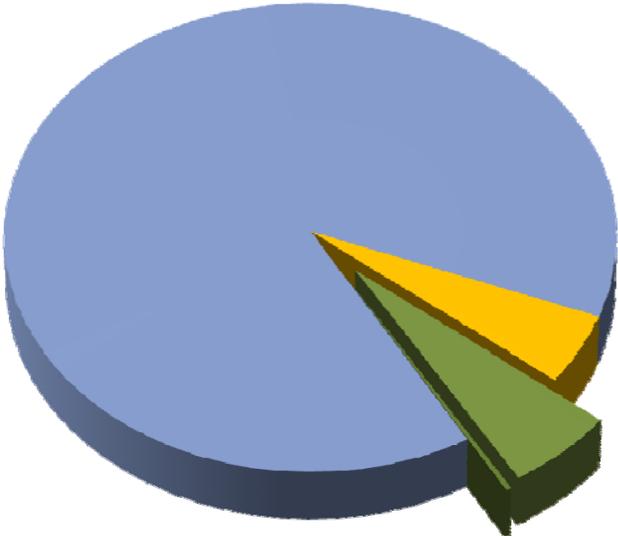
3 months ending March 31, 2011	CECONY	O&R	Con Edison Development	Con Edison Energy	Con Edison Solutions	Parent	Total
Reported EPS – GAAP basis	\$0.92	\$0.07	\$-	\$-	\$0.09	\$(0.01)	\$1.07
Mark-to-Market losses/(gains)	-	-	-	(0.01)	(0.07)	-	(0.08)
Ongoing operations	\$0.92	\$0.07	\$-	\$(0.01)	\$0.02	\$(0.01)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

3 months ending March 31, 2010	CECONY	O&R	Con Edison Development	Con Edison Energy	Con Edison Solutions	Parent	Total
Reported EPS – GAAP basis	\$0.86	\$0.05	\$-	\$0.03	\$(0.13)	\$(0.01)	\$0.80
Mark-to-Market losses/(gains)	-	-	-	(0.04)	0.17	-	0.13
Ongoing operations	\$0.86	\$0.05	\$-	\$(0.01)	\$0.04	\$(0.01)	\$0.93



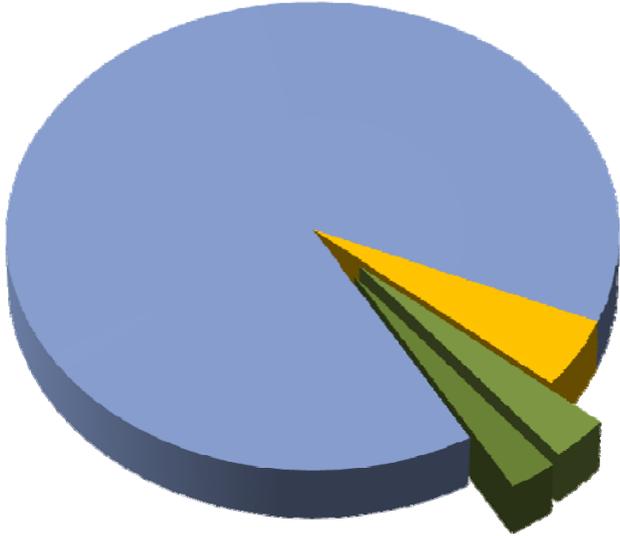
Con Edison's Focus is Energy Delivery (for the twelve months ended December 31, 2010)

Ongoing Earnings



- CECONY 91%
- O&R 5%
- Competitive Businesses 6%
- Parent (2%)

Equity



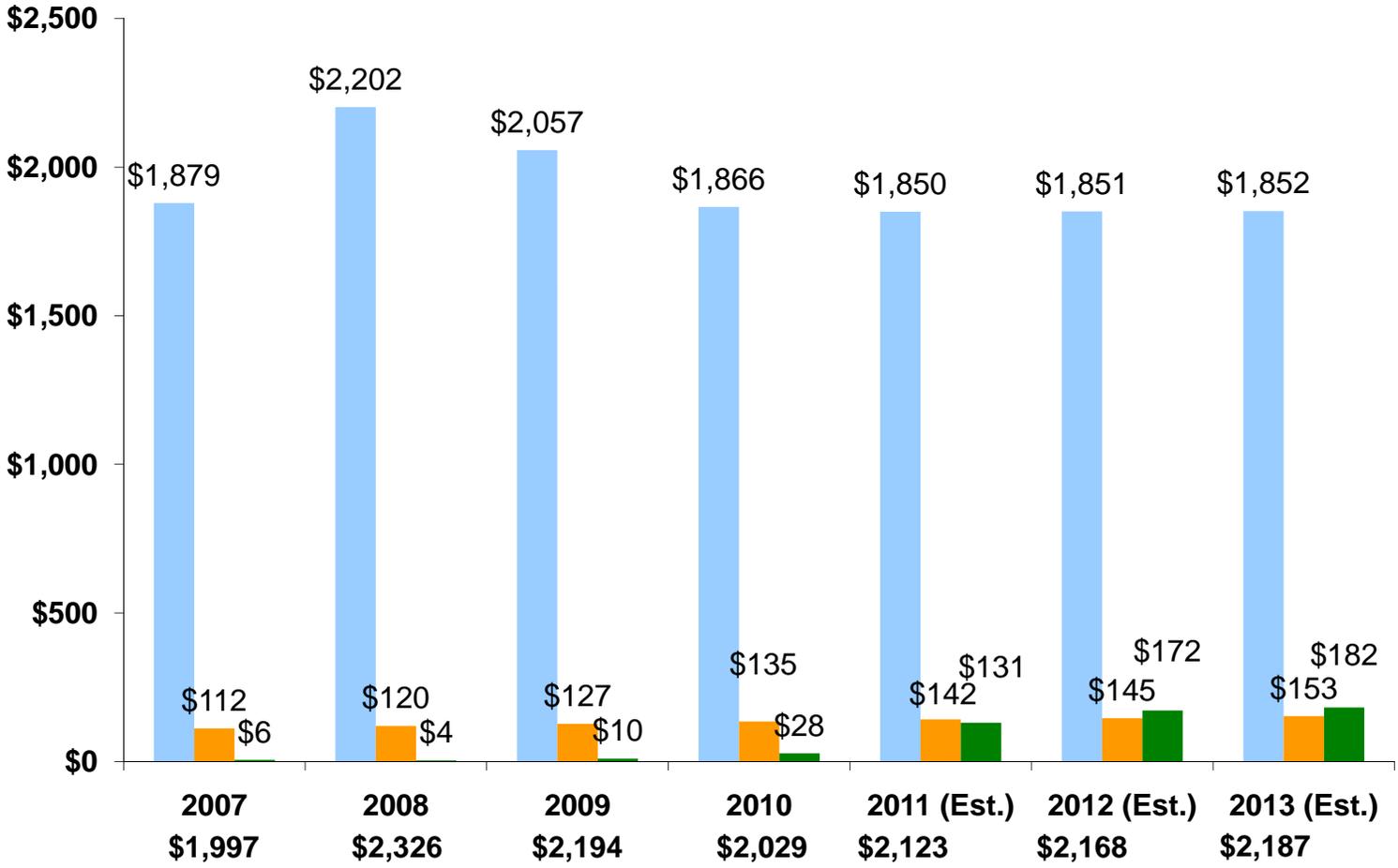
- CECONY 90%
- O&R 5%
- Competitive Businesses 3%
- Parent 2%



Capital Expenditures

(\$ millions)

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





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
- Wholesale commodity supply
- Renewable energy support for CED and others

Con Edison Development (CED)

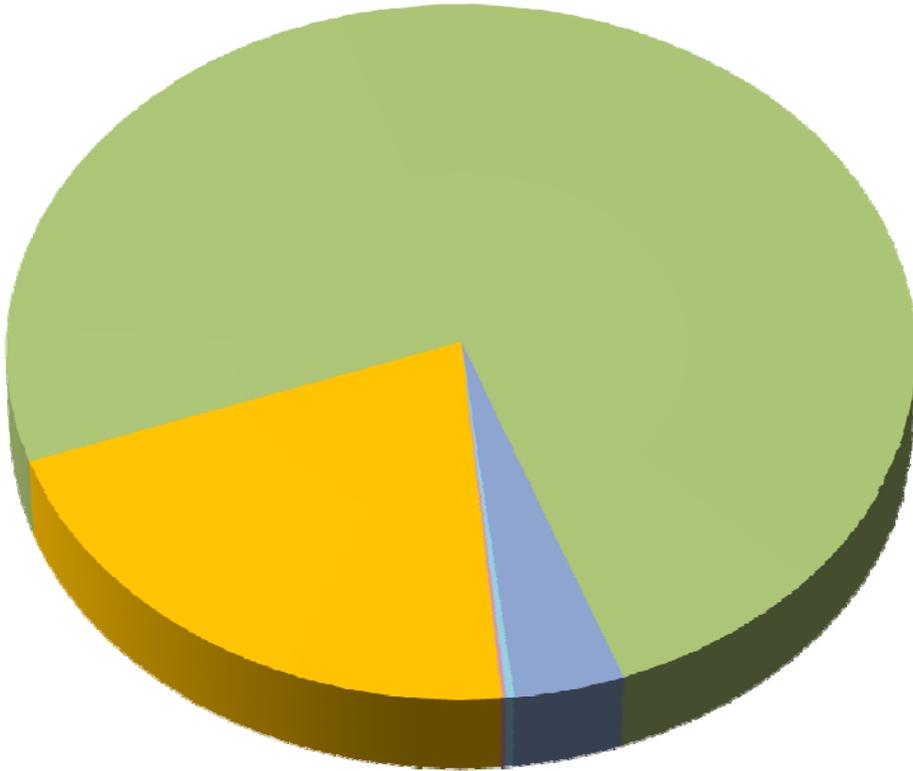
- Renewable energy: solar (>2 MW) focus
- Gas storage and pipeline assets
- Passive investments
 - LILOs
 - Low-income housing



Competitive Business Mix

(for the twelve months ended December 31, 2010)

Revenues



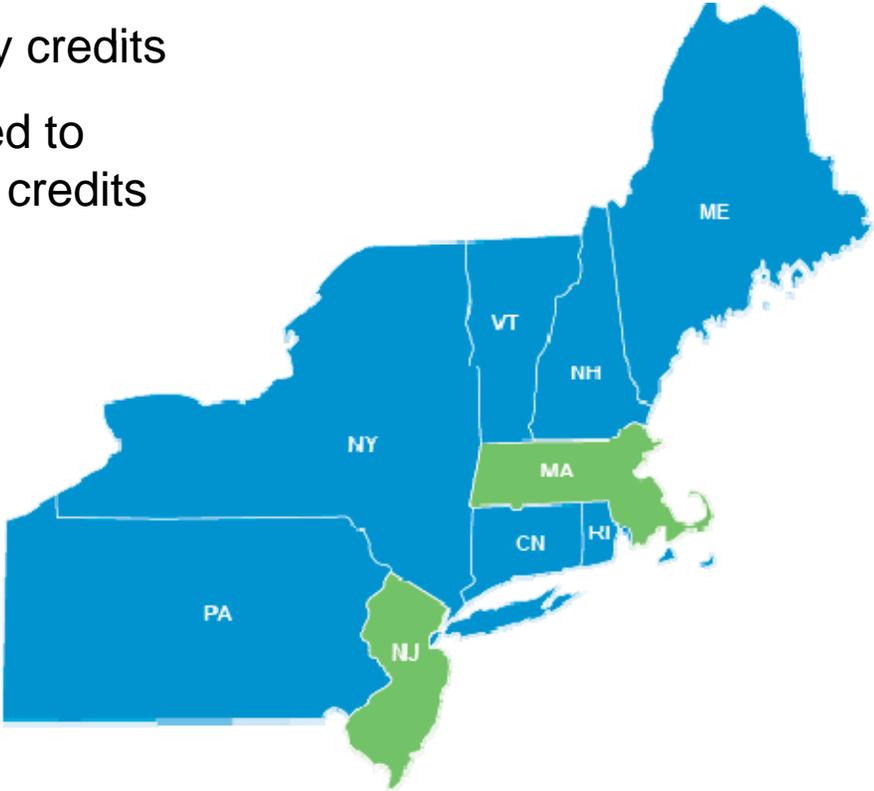
- Retail electric commodity
- Wholesale commodity
- Energy services
- Solar
- Gas storage
- Leases



Competitive Businesses: Solar Initiatives

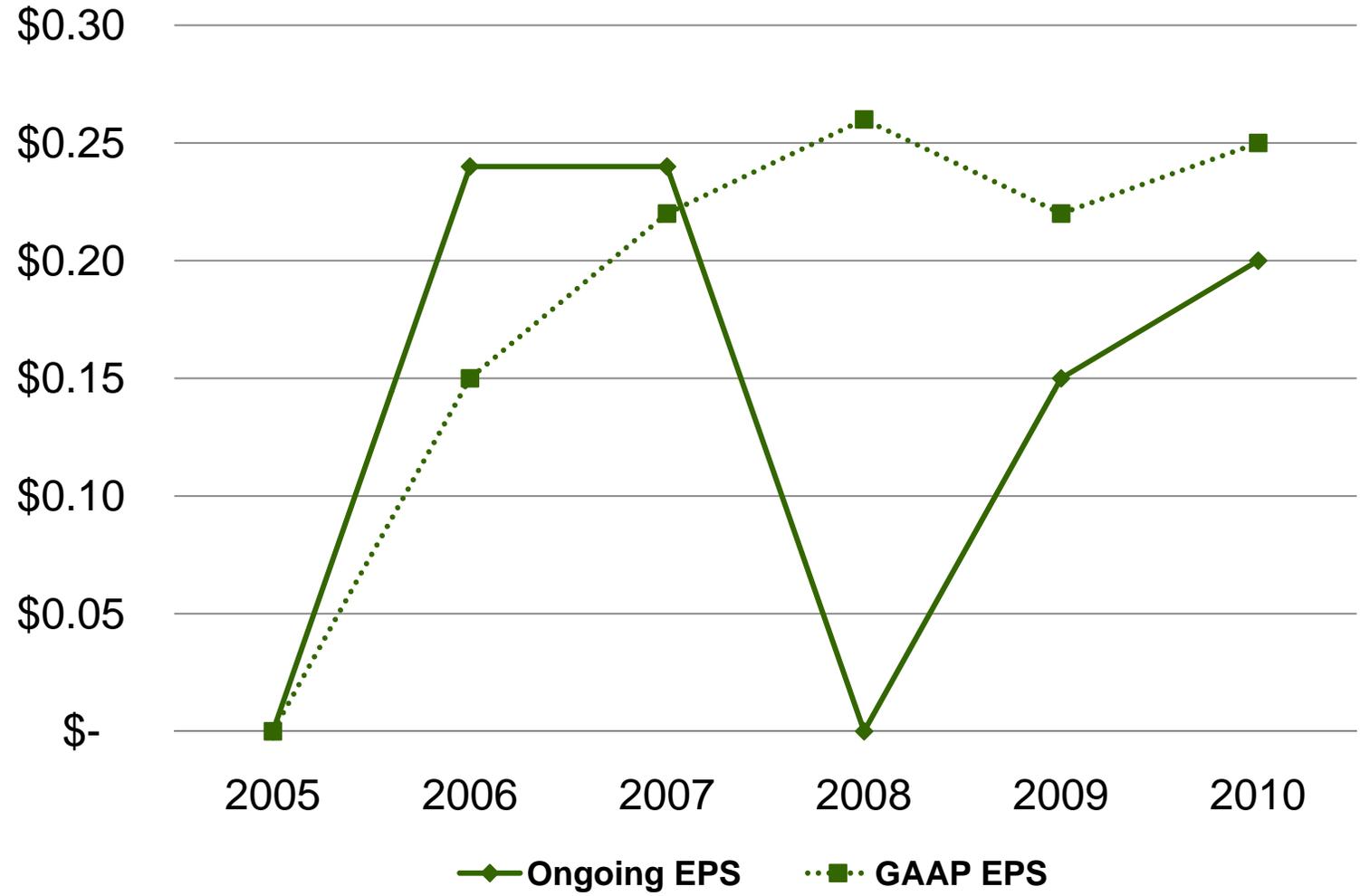
Focused on Northeast states with market for Renewable Energy Credits

- **New Jersey**
 - Market for renewable energy credits
 - Load serving entities required to purchase renewable energy credits
- **Massachusetts**
 - Less liquid than NJ
 - Sets floor on renewable energy credits





Competitive Business Historical Financial Performance



Ongoing EPS excludes \$0.48 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 in 2005, 2006, 2007, 2008, 2009 and 2010, respectively.



Composition of Rate Base (as of March 31, 2011)

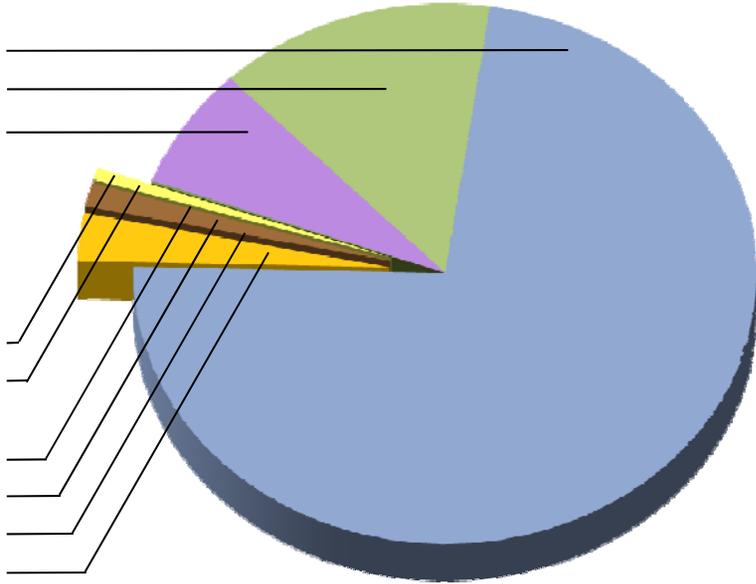
Rate Base (\$ millions)

Con Edison of New York

Electric	(NY)	\$ 15,017	_____
Gas	(NY)	\$ 2,970	_____
Steam	(NY)	\$ 1,510	_____

Orange and Rockland

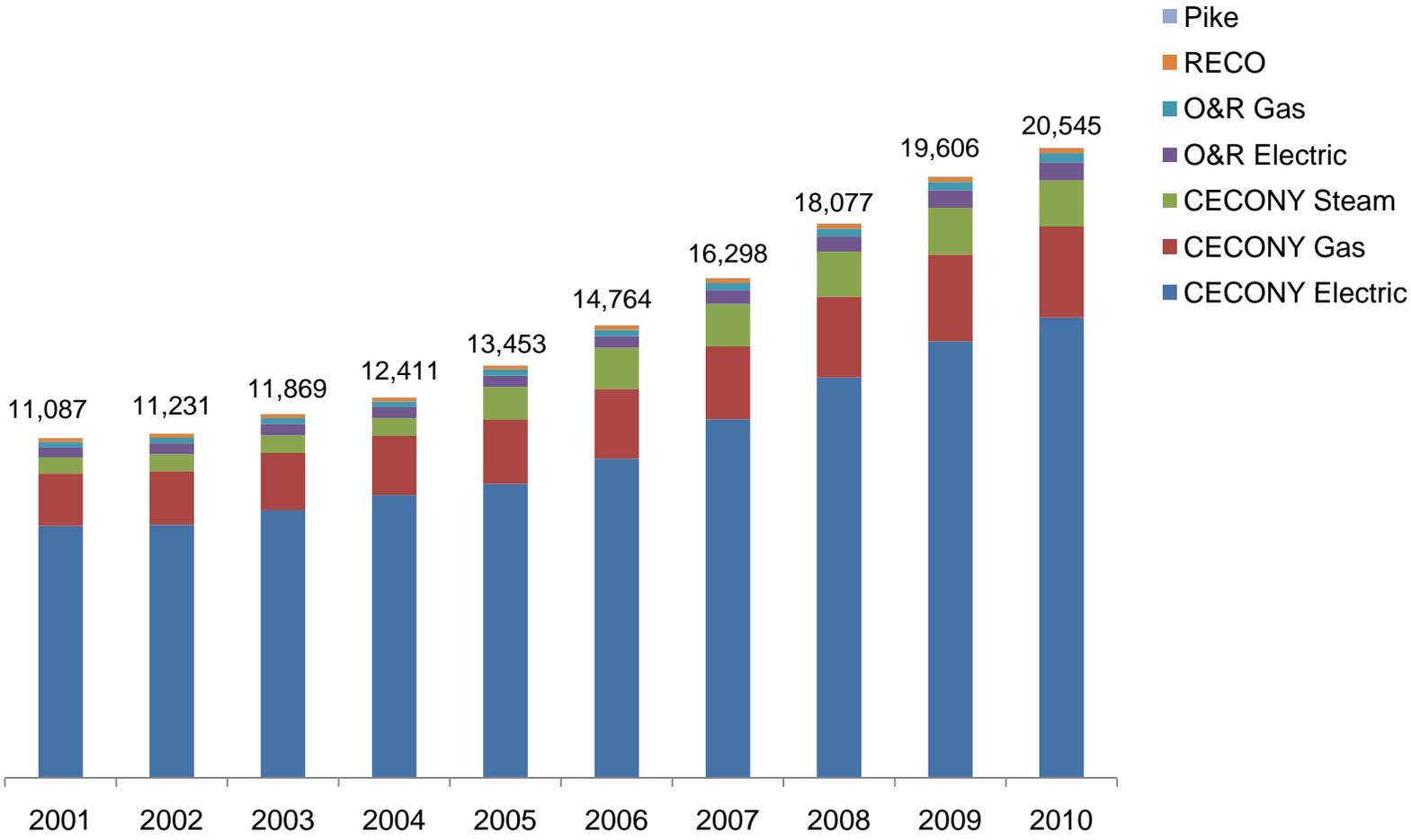
Pike Gas	(PA)	\$ 1	_____
Pike Electric	(PA)	\$ 9	_____
Rockland Electric	(NJ)		
(distribution)		\$ 150	_____
(transmission)		\$ 20	_____
O&R Gas	(NY)	\$ 300	_____
O&R Electric	(NY)	\$ 580	_____



Total Rate Base \$ 20,710

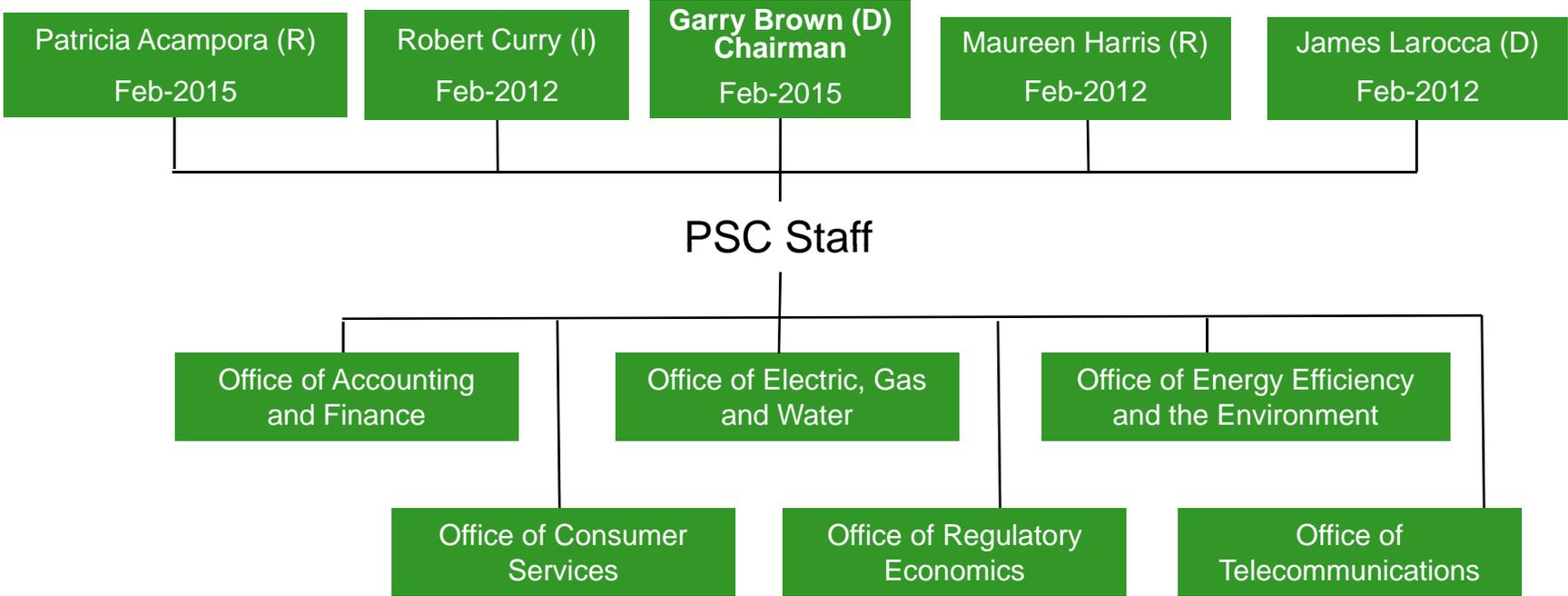


Consolidated Edison, Inc. 10-Year Rate Base Growth (\$ millions)



New York Public Service Commission (NYPSC)

Commissioners



- Annual budget: \$80 million
- Staffing: 515 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's Formulaic Approach to Calculating ROE

Rate of return on equity



2/3 Discounted Cash Flow model
(dividend discount model)

+

1/3 Capital Asset Pricing model

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	12/10	O&R Electric (Staff's recommendation)	9.00%	1 year
10/07	O&R Electric	9.10%	1 year	01/11	Niagara Mohawk	9.30%	2 years
12/07	National Fuel Gas	9.10%	1 year				
03/08	CECONY Electric	9.10%	1 year				
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				



Rate Plans Offer Investors Clarity

Sub	Service	Terms
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	Filed for new rates effective July 1, 2011
O&R	Gas	3-year plan effective Nov. 1, 2009; 10.4% ROE
RECO	Electric	1-year plan effective May 2010; 10.3% ROE



Con Edison of New York

Rates of Return

(for twelve months ended March 31, 2011)

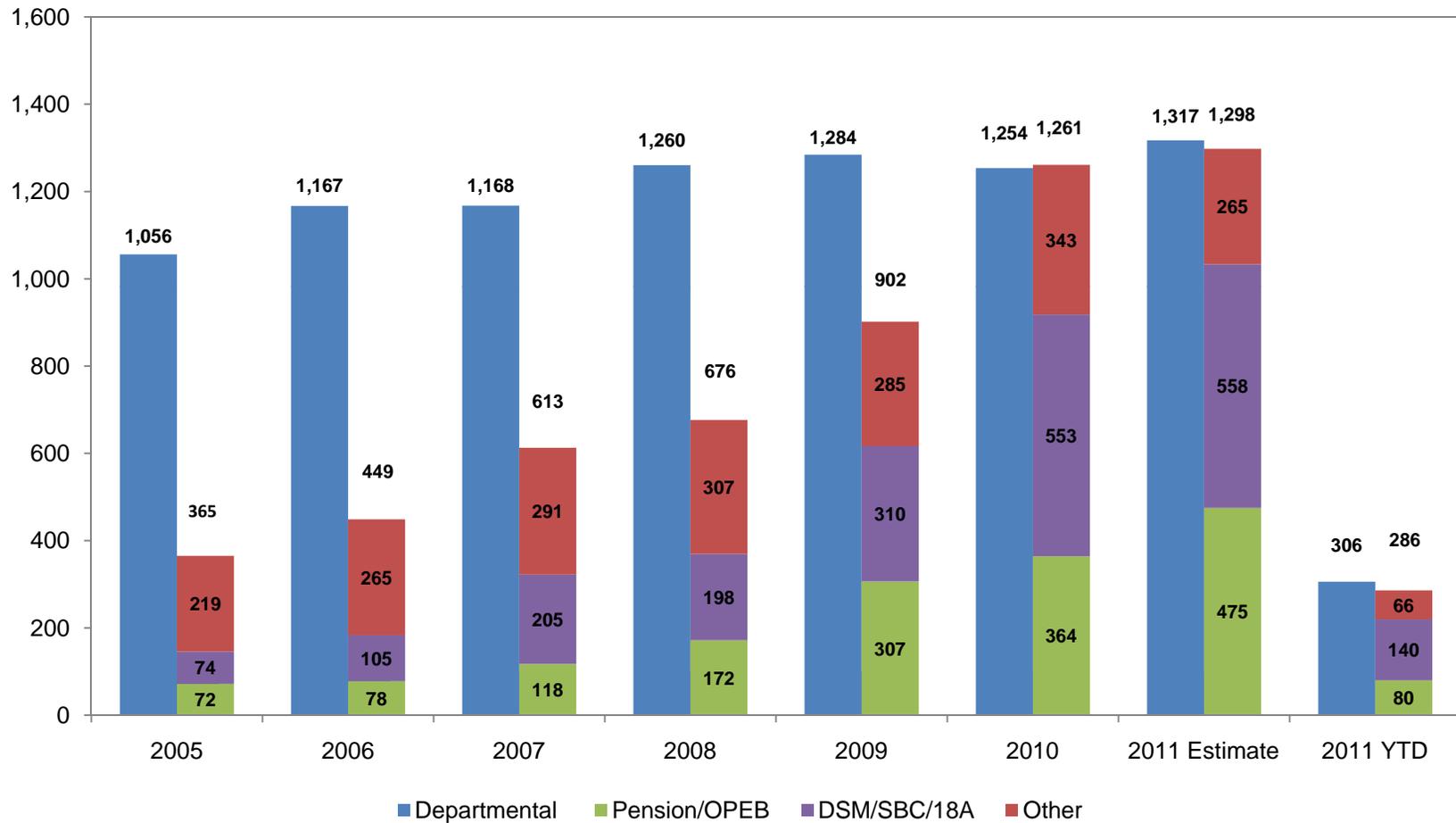
	Allowed 2010	Earned 2010
Electric	10.15%*	9.6%
Gas	9.7%*	9.6%
Steam	9.5%*	9.1%
Overall - CECONY	10.0%**	9.5%

*Pro rated with equal-weight to each quarter

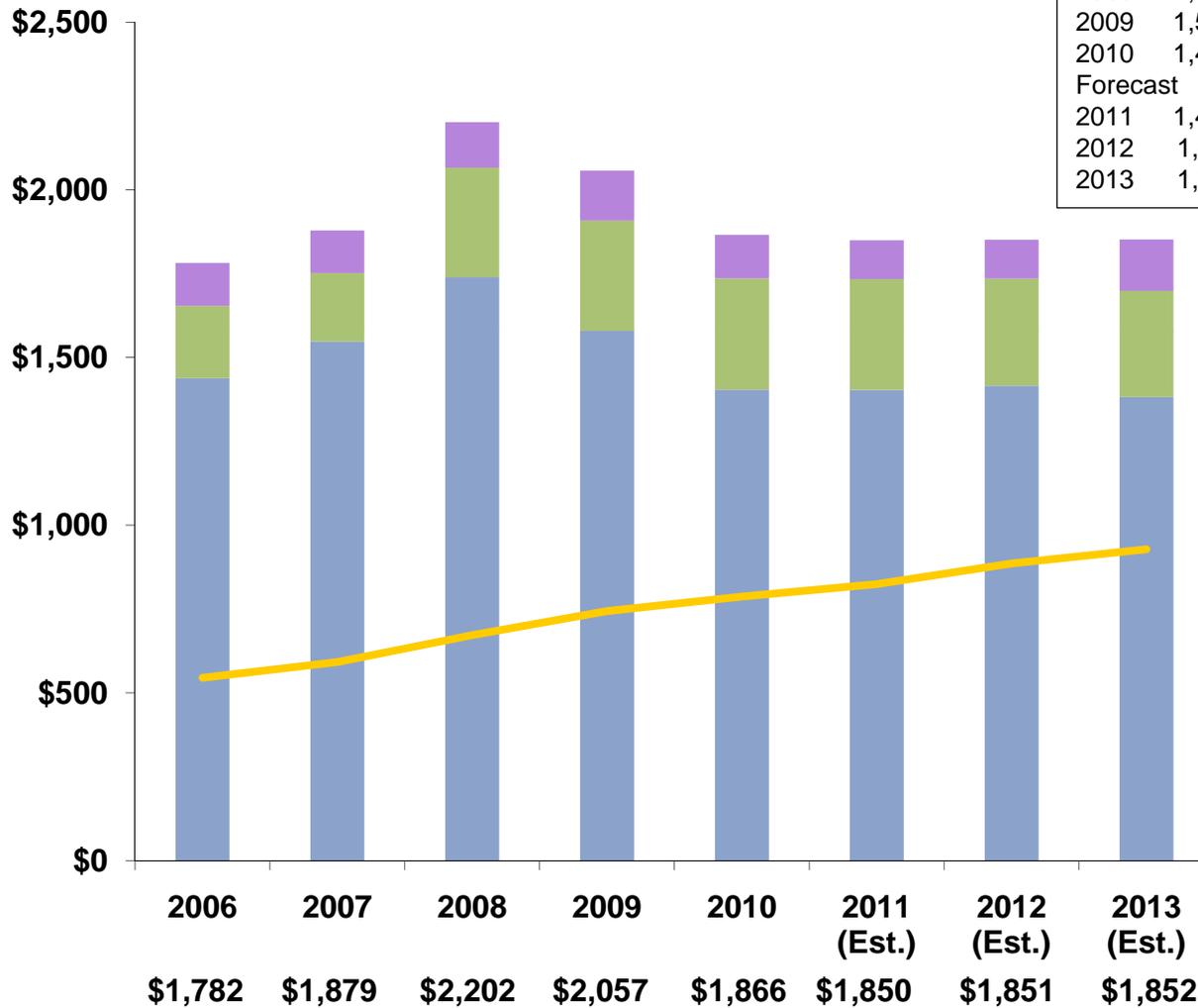
** Weighted by rate base

Con Edison of New York

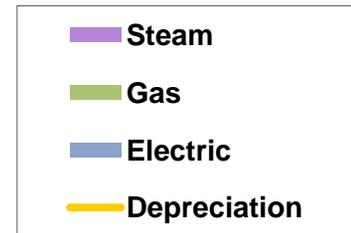
Departmental and Other Expenses (\$ millions)



Con Edison of New York Infrastructure Investment (\$ millions)



	Electric	Gas	Steam	Depreciation
Actual				
2006	1,438	216	128	545
2007	1,548	204	127	592
2008	1,740	326	136	672
2009	1,580	328	149	742
2010	1,404	332	130	787
Forecast				
2011	1,411	335	104	824
2012	1,422	324	105	886
2013	1,388	320	144	928





Orange and Rockland

Rates of Return

(for twelve months ended March 31, 2011)

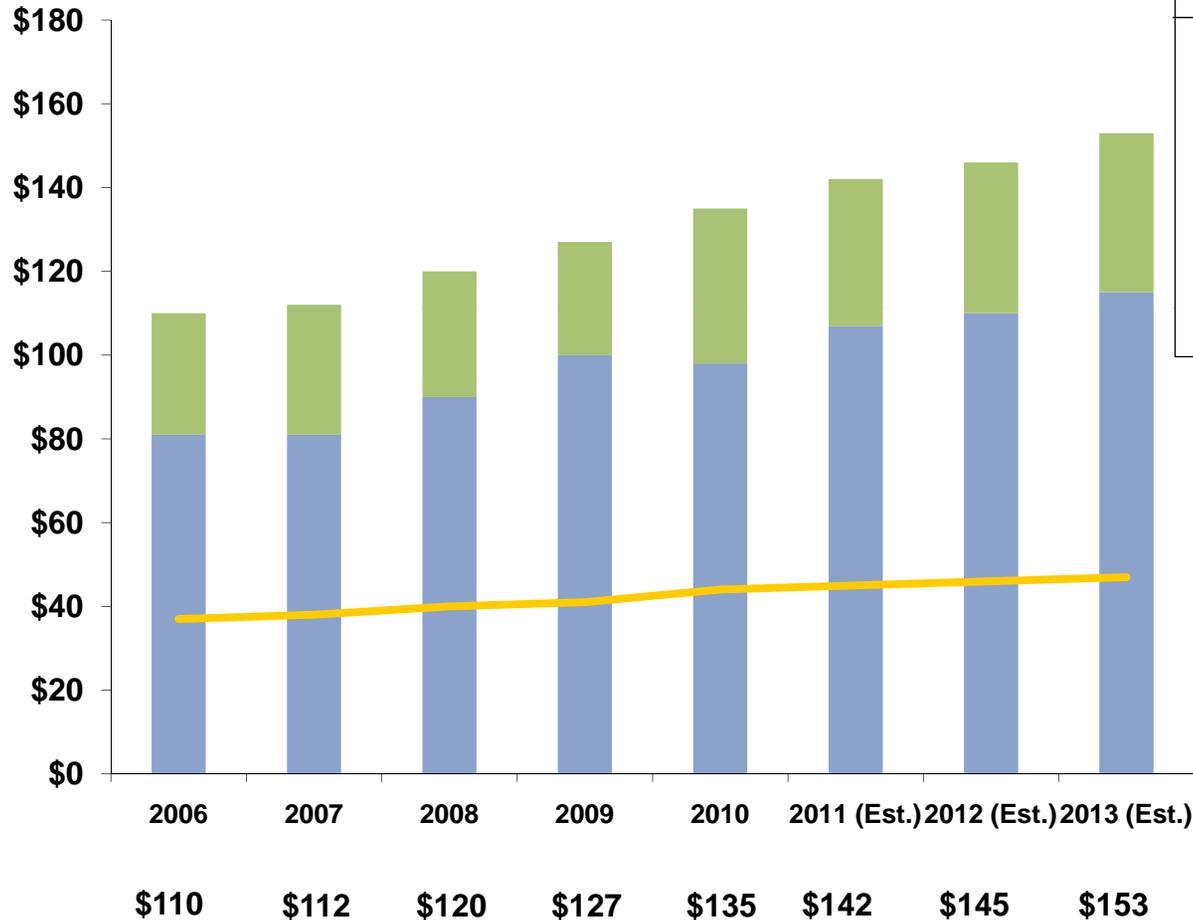
	Allowed 2011	Earned 2011
O&R - NY		
Electric	9.4%	7.9%
Gas	10.4%	12.4%
RECO	10.1%*	13.8%
Overall - O&R	9.8%**	10.2%

*Pro rated with equal-weight to each quarter

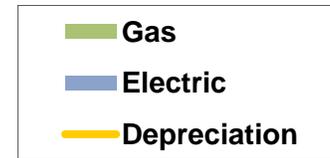
** Weighted by rate base



Orange and Rockland Infrastructure Investment (\$ millions)



	Electric	Gas	Depreciation
Actual			
2006	81	29	37
2007	81	31	38
2008	90	30	40
2009	100	27	41
2010	98	37	44
Forecast			
2011	107	35	45
2012	107	38	46
2013	118	35	47



Long-term Debt Maturities (\$ millions)

	2011	2012	2013	2014	2015
Con Edison, Inc. – parent company	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2
Con Edison of New York	-	300	700	475	350
Orange and Rockland	3	3	3	3	142
Competitive energy businesses	1	1	1	1	1
Total	\$ 5	\$ 305	\$ 706	\$ 481	\$ 495

2012

- CECONY \$300 million debenture maturing in July, 5.625%

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%

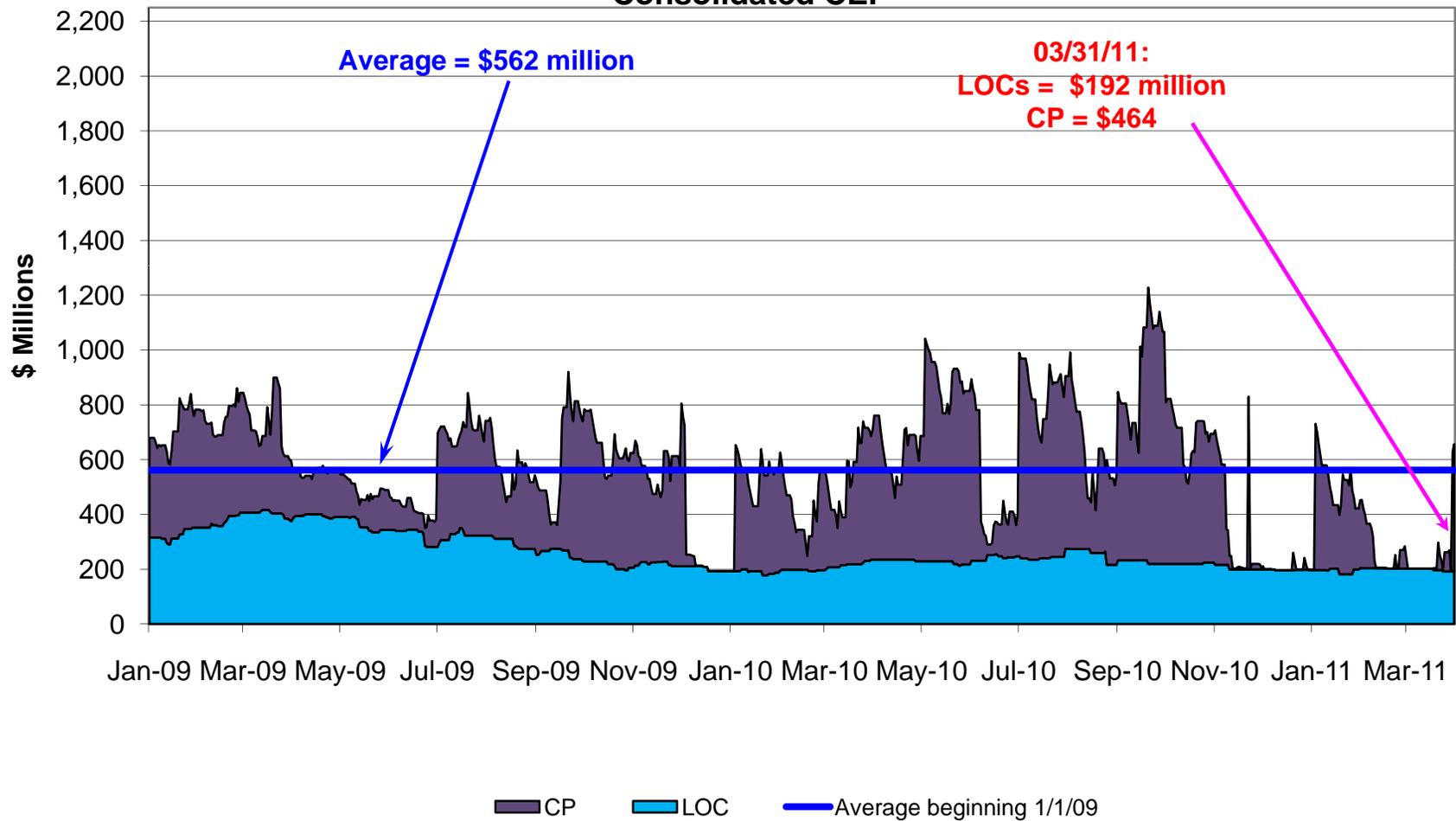
2015

- 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

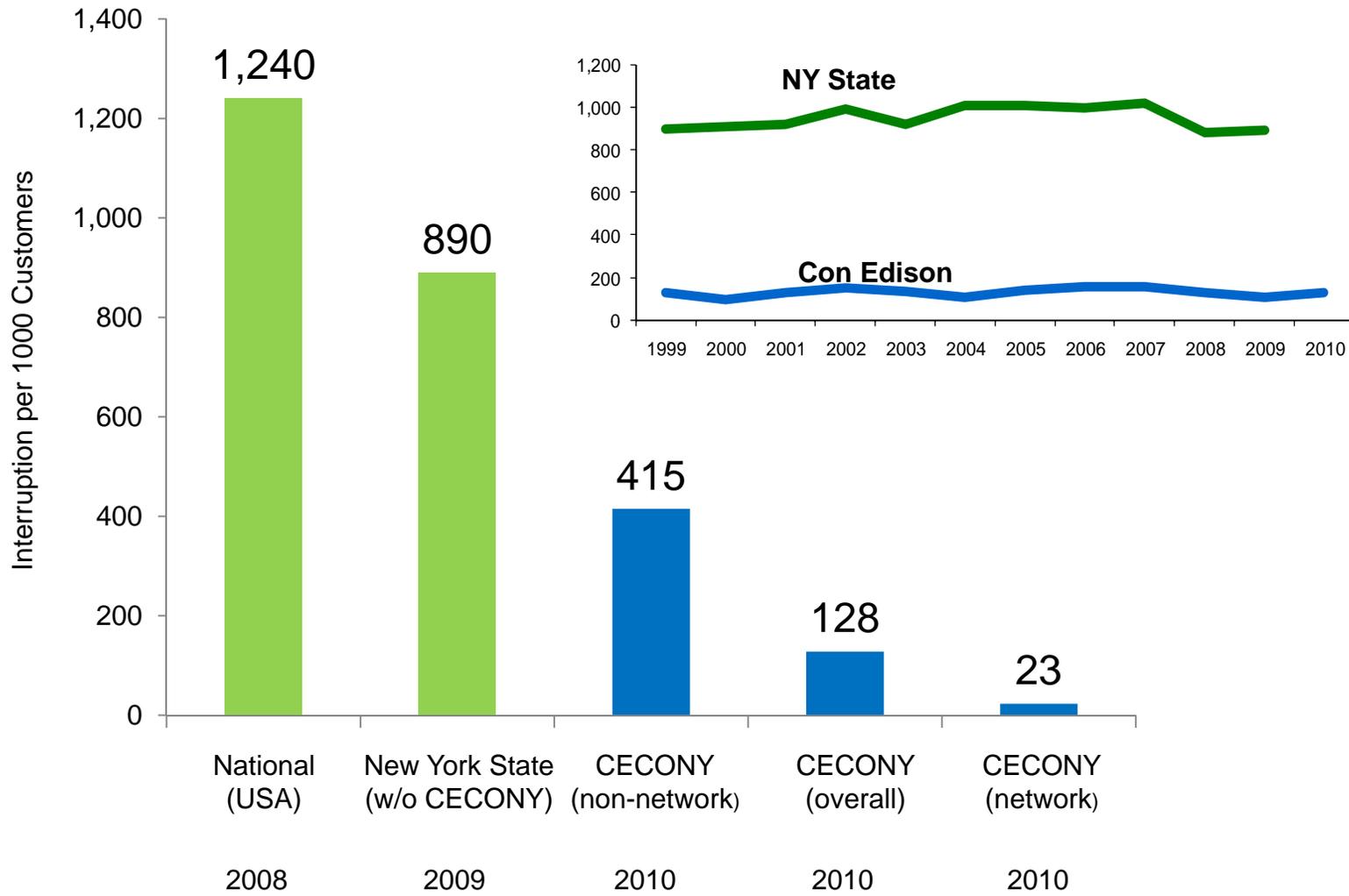


Commercial Paper and Letters of Credit Outstanding \$2,250 million Under the Revolver (\$ millions)

Aggregate CP and LOC Outstanding Consolidated CEI



Con Edison of New York Focused on Reliability





Leader in Sustainability

- Member of the Dow Jones Sustainability North America Index
- Ranked #1 among all S&P 500 companies and top ranked utility in performance in the 2010 worldwide Carbon Disclosure Project
- 2nd among utilities and 31st overall in *Newsweek* 500 Green Rankings for environmental and social performance
- 17th among Corporate Responsibility Magazine's "Best 100 Corporate Citizens" for 2011



**Dow Jones
Sustainability Indexes**
Member 2010/11



A Compelling Dividend Record: 37 Consecutive Years of Dividend Increases

Annualized Dividend 1975 - 2011





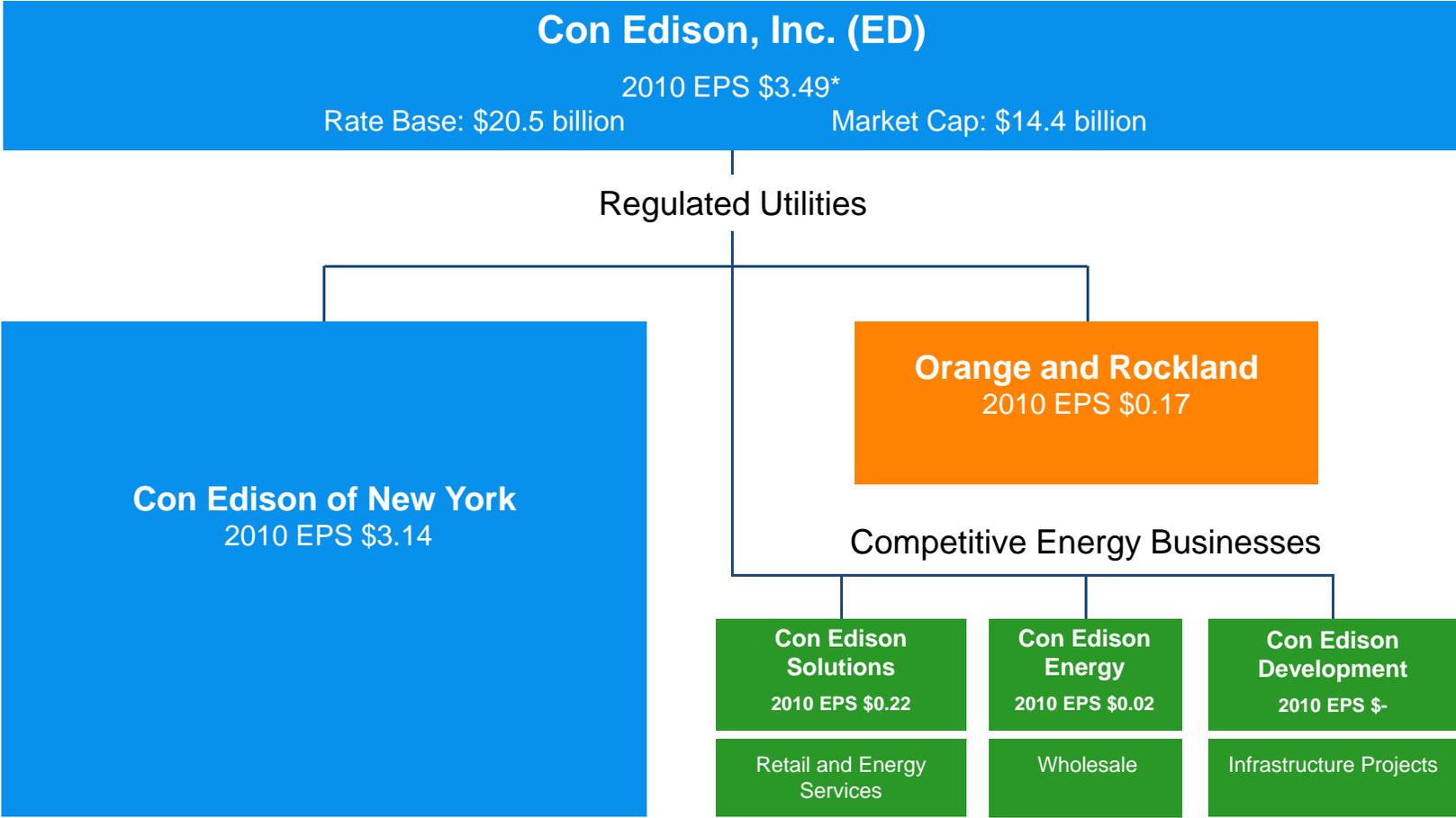
Consolidated Edison, Inc. Investment Thesis

- The largest of the few publicly-traded, T&D-focused utility companies
 - Limited commodity exposure
- Earnings visibility
 - Multi-year rate plans in effect
 - Reduced regulatory lag:
 - forward-looking test years
 - timely fuel and power cost recovery
 - revenue decoupling mechanism in NY
 - adjustment mechanisms for several major uncontrollable expenses
- Significant dividend record
 - Thirty-seven years of dividend increases
 - 5th highest yield among S&P 500 Dividend Aristocrats
- Ability to invest for customer benefit
 - Provides a strong and stable balance sheet
 - Liquidity has been managed conservatively
- Highest electric reliability in the country



Appendix

Regulated Transmission and Distribution Focused



*Total reflects parent company expenses and consolidation adjustments amounting to (0.06) per share.

Reconciliation of Con Edison's 2010 and 2009 Earnings Per Share

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
2009	CECONY	O&R	Con Edison Development	Con Edison Energy	Con Edison Solutions	Parent	Total
Reported EPS – GAAP basis	\$2.84	\$0.16	\$0.01	\$(0.05)	\$0.26	\$(0.06)	\$3.16
Mark-to-Market losses/(gains)	-	-	(0.01)	0.03	(0.09)	-	(0.07)
Ongoing operations	\$2.84	\$0.16	\$-	\$(0.02)	\$0.17	\$(0.06)	\$3.09



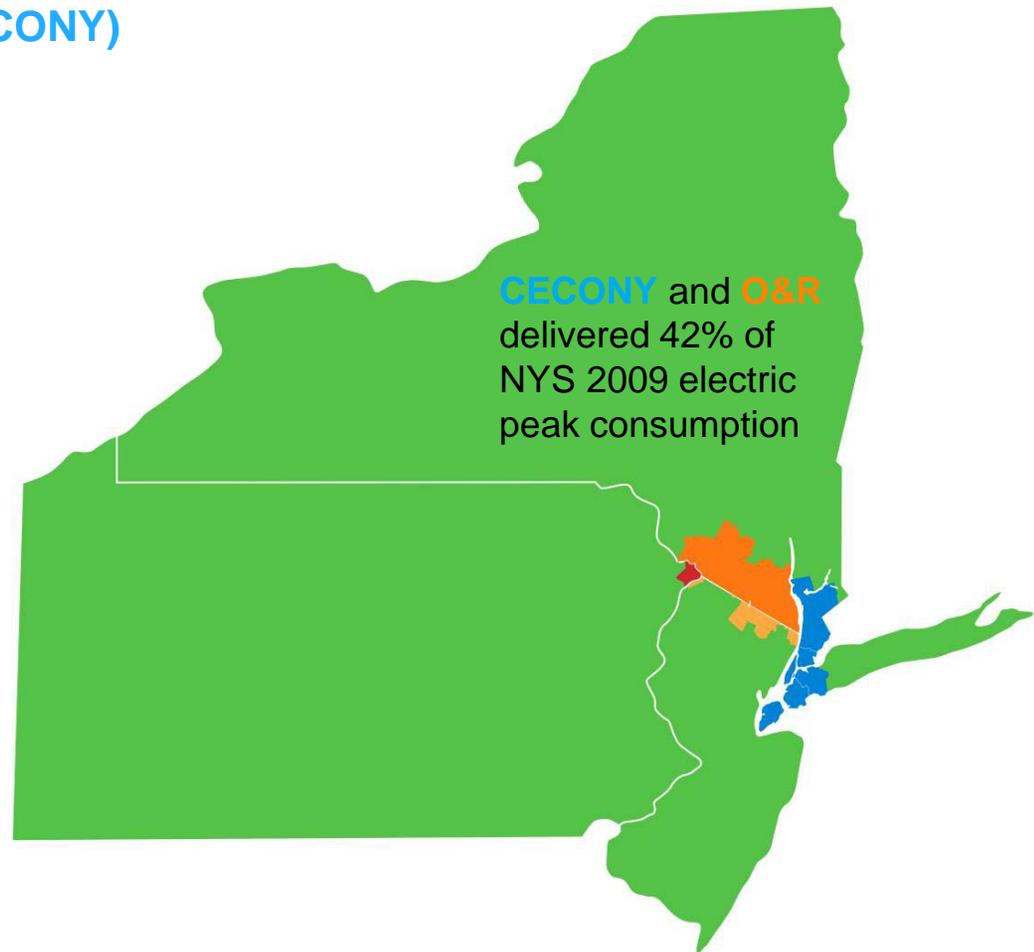
Regulated Utilities are the Core of Con Edison, Inc.

Con Edison of New York (CECONY)

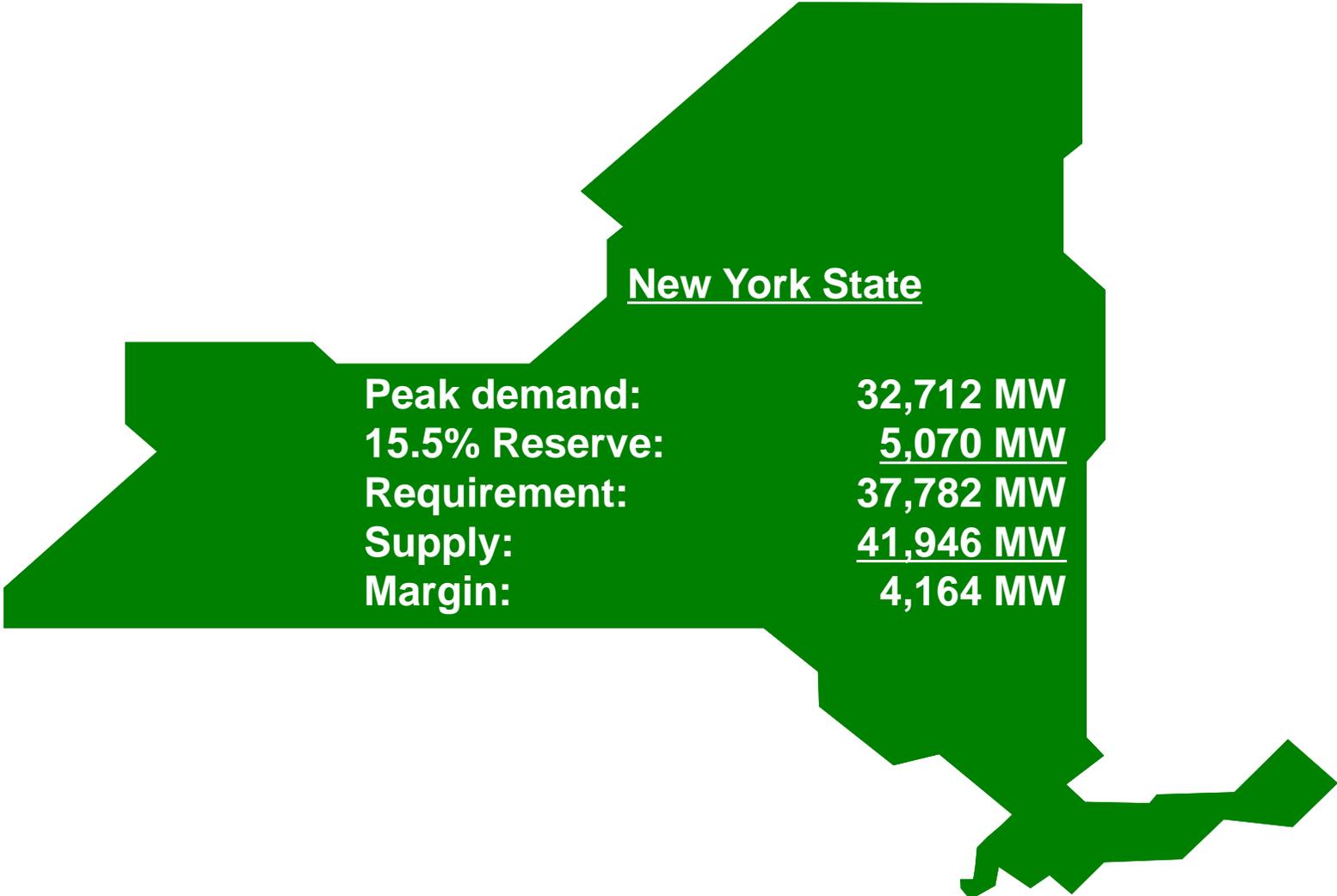
- 3.3 million electric customers
- 1.1 million gas customers
- 1,760 steam customers
- 706 MW of regulated generation
- Delivered 38.4% of NYS 2009 electric peak consumption

Orange and Rockland (O&R)

- 300,000 electric customers
- 129,000 gas customers
- Delivered 3.2% of NYS 2009 electric peak consumption



Electric Supply and Demand New York State - Summer 2011

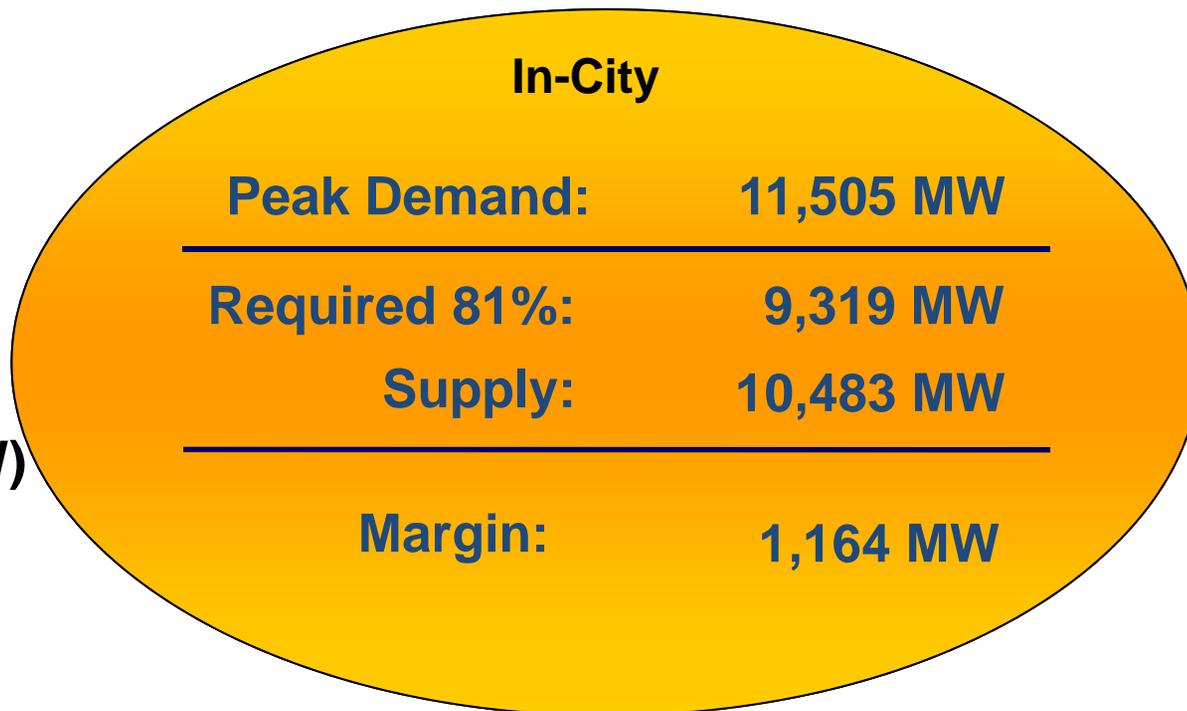


Electric Supply and Demand Con Edison - Summer 2011

System Peak Demand
13,275 MW

**From Westchester
(4,050 MW)**

**From NJ
(1,000 MW)**



**From LI
(300 MW)**

Con Edison of New York
Cost of Delivering Electricity

