

Consolidated Edison, Inc.

September 2019 Investor Meetings



Available Information

On August 1, 2019, Consolidated Edison, Inc. issued a press release reporting its second quarter 2019 earnings and filed with the Securities and Exchange Commission the company's second quarter 2019 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 or customer 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. Con Edison assumes no obligation to update forward-looking statements.

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 for common stock, which is an indicator of financial performance determined in accordance with GAAP. Adjusted earnings excludes from net income for common stock certain 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.

For more information, contact:

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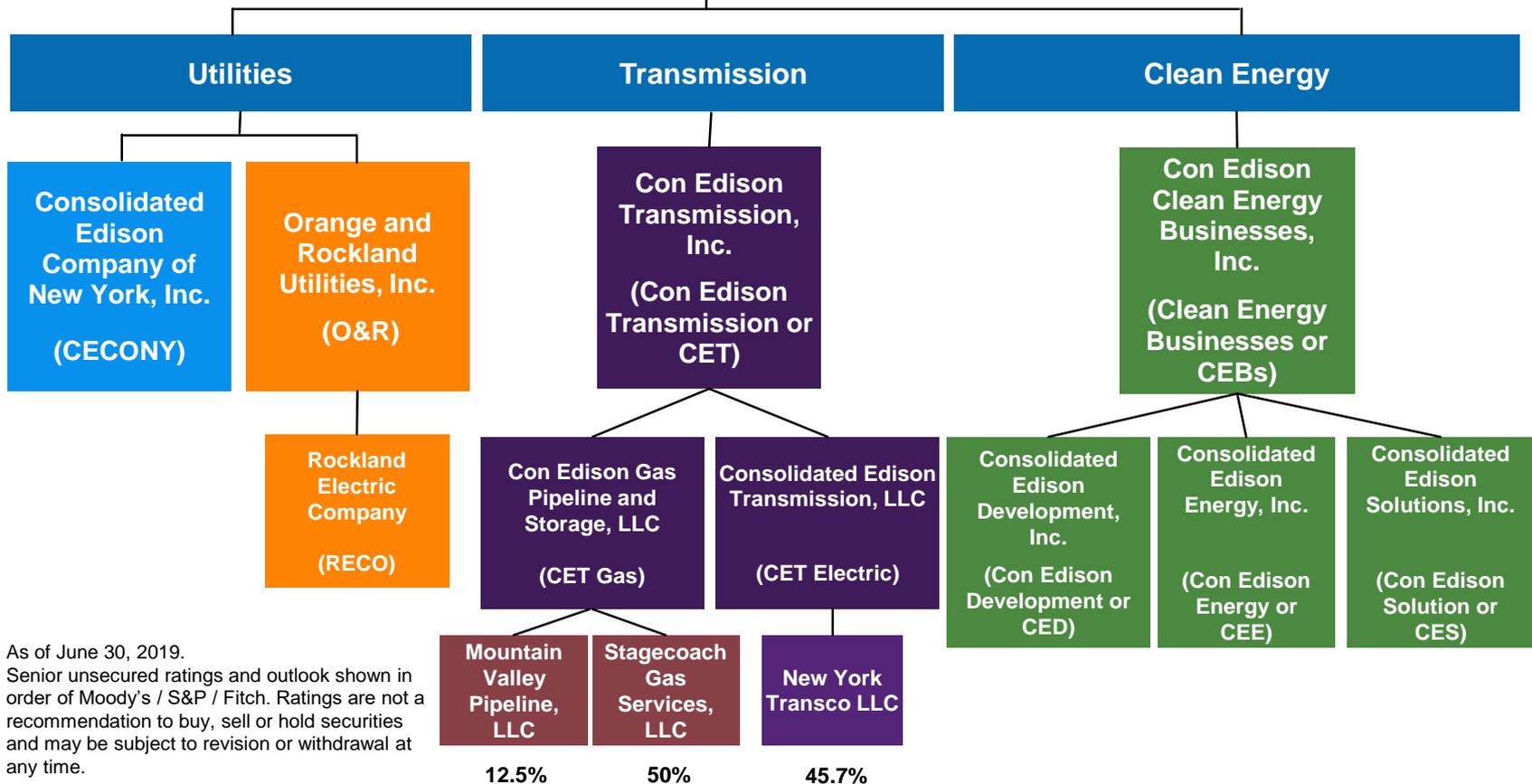
www.conEdison.com

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Organizational Structure



Market Cap ^(a) :	\$29.1 billion
Ratings ^(b) :	Baa1 / BBB+ / BBB+
Outlook ^(b) :	Stable / Stable / Stable

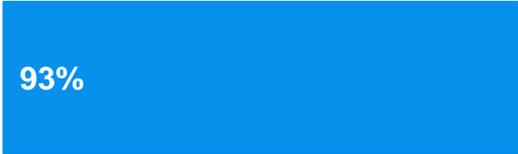
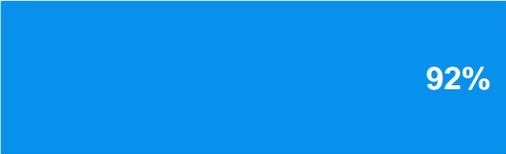


a. As of June 30, 2019.
 b. Senior unsecured ratings and outlook shown in order of Moody's / S&P / Fitch. Ratings are not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

Complementary Business Mix with Utilities

2018 GAAP EPS Contribution

2018 Adjusted EPS Contribution (Non-GAAP) ^(a)



Regulated Utilities



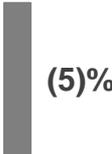
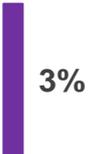
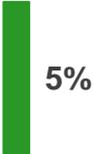
Clean Energy



Transmission



Other ^(b)

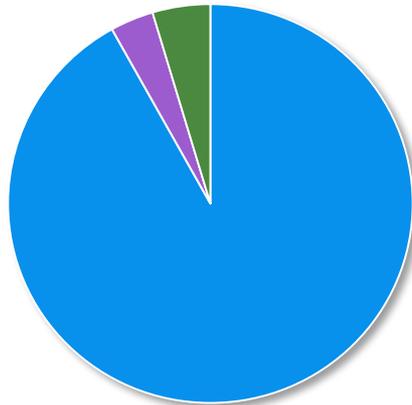


a. Represents Adjusted Earnings per Share. Please see slide 42 for reconciliation to GAAP.
 b. Includes parent company and consolidation adjustments.

Long-Range Plan – Complementary Business Mix

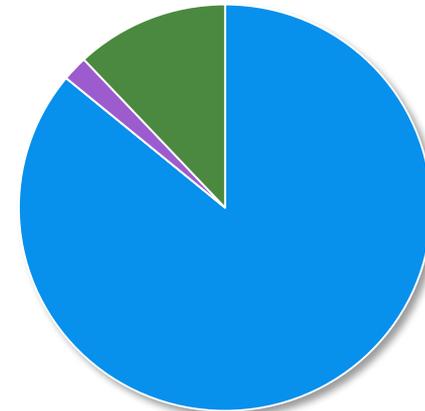
- Core utility business expected to continue to dominate the business mix
- Investment in contracted renewables expected to complement utility growth
- Transmission infrastructure investment opportunities expected to contribute to EPS

2018 Adjusted Earnings per Share Contribution (Non-GAAP)*



- CECONY and O&R 93%
- Parent (1)%
- Consolidated Edison Transmission 3%
- Clean Energy Businesses 5%

20-Year Outlook Earnings per Share Contribution



- CECONY and O&R 85-87%
- Parent (<1%)
- Consolidated Edison Transmission 2-3%
- Clean Energy Businesses 10-12%

Long-Range Plan Major Assumptions

- Target long-term capital structure of 52% debt / 48% equity
- Beyond current rate plans, earned ROE equal to allowed ROE of 9.0%
- Share price issuance at price/earnings ratio of 17x
- Long-range utility capital investment achieves safety, reliability, resiliency and new capabilities for the future while improving the customer experience
- General inflation rate of 2.5%

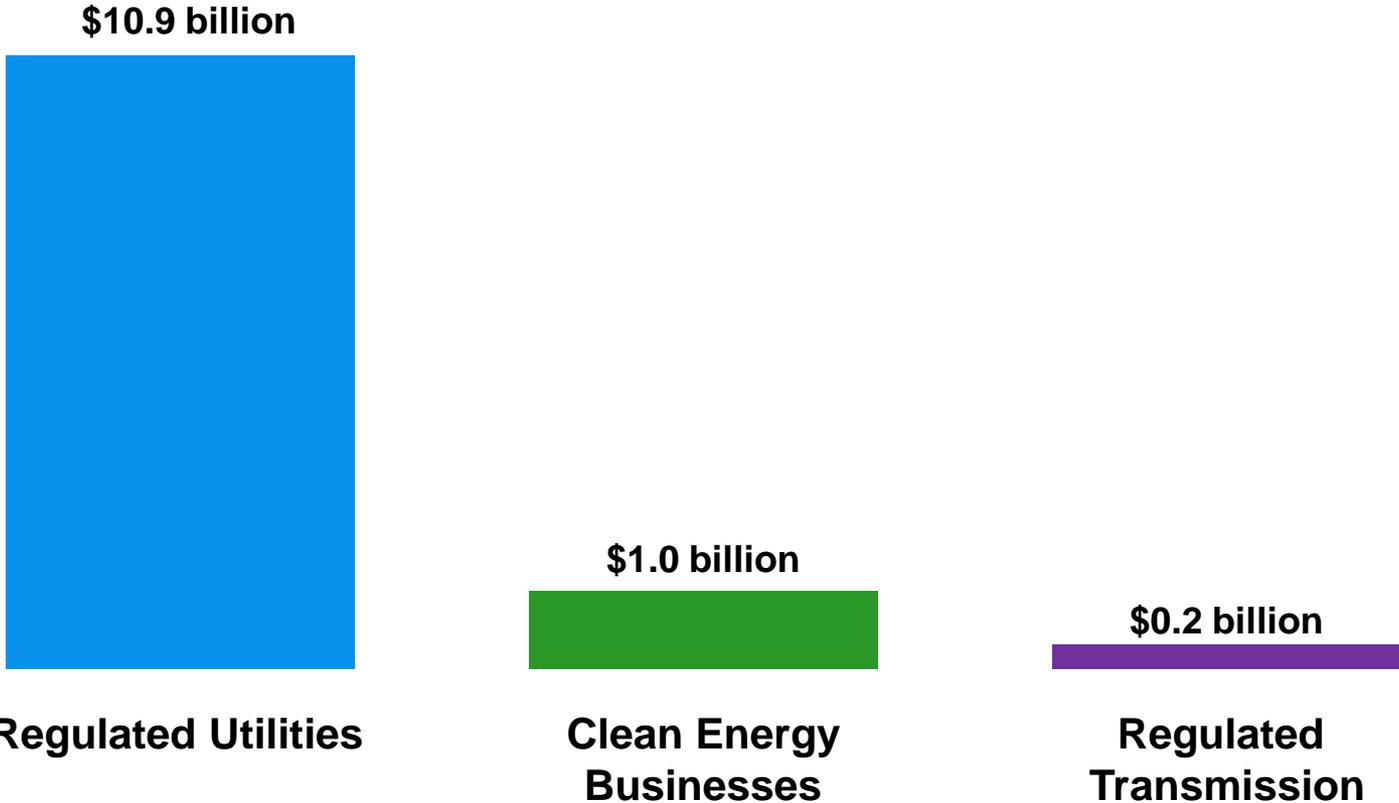
*Represents Adjusted Earnings per Share. Please see slide 42 for reconciliation to GAAP.

CECONY has long-range plans to achieve its strategic priorities of public and employee safety, operational excellence, and an enhanced customer experience. The company's 20-year plans for its electric and gas business are designed to help the company navigate today's challenges while preparing for changes in the energy landscape. The plans are available on our website at the following links:

<https://www.coned.com/-/media/files/coned/documents/our-energy-future/our-energy-projects/electric-long-range-plan.pdf>
<https://www.coned.com/-/media/files/coned/documents/our-energy-future/our-energy-projects/gas-long-range-plan.pdf>

Opportunities for Growth Across Our Businesses

2019 – 2021 Forecasted Capital Investment^(a)



a. From 2018 Form 10-K, page 33.

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

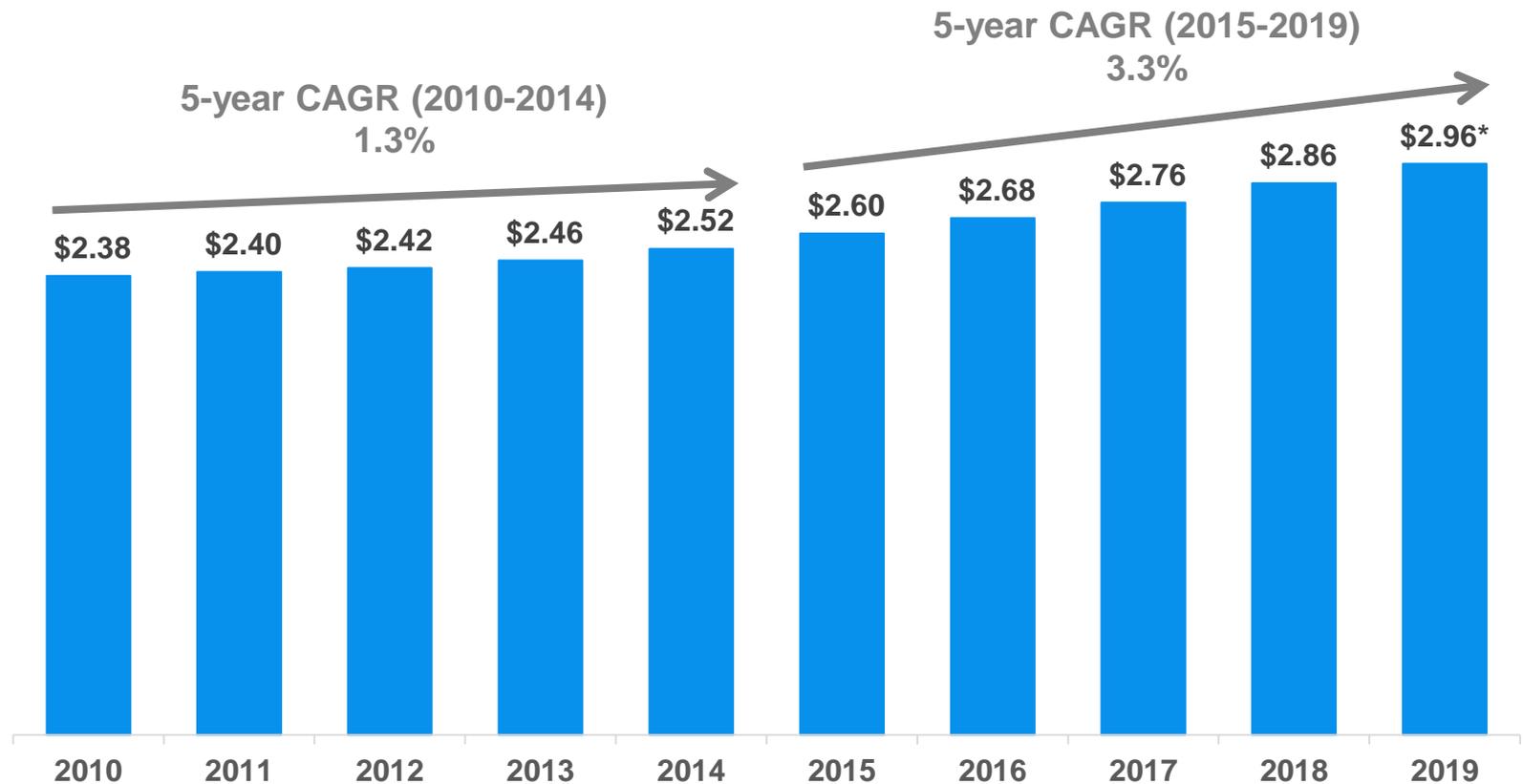
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<https://www.coned.com/-/media/files/coned/documents/our-energy-future/our-energy-projects/gas-long-range-plan.pdf>

Dividend Growth for Shareholders

- 45 consecutive years of dividend increases
- Accelerated growth over past five years
- Target dividend payout range: 60 – 70% of adjusted earnings



*In January 2019, the Board declared a quarterly dividend of 74 cents a share on its common stock -- an annualized increase of 10 cents over the previous annualized dividend of \$2.86 a share

Regulatory Framework in NY Supports Energy Efficiency and Distributed Resources

Reduced regulatory lag

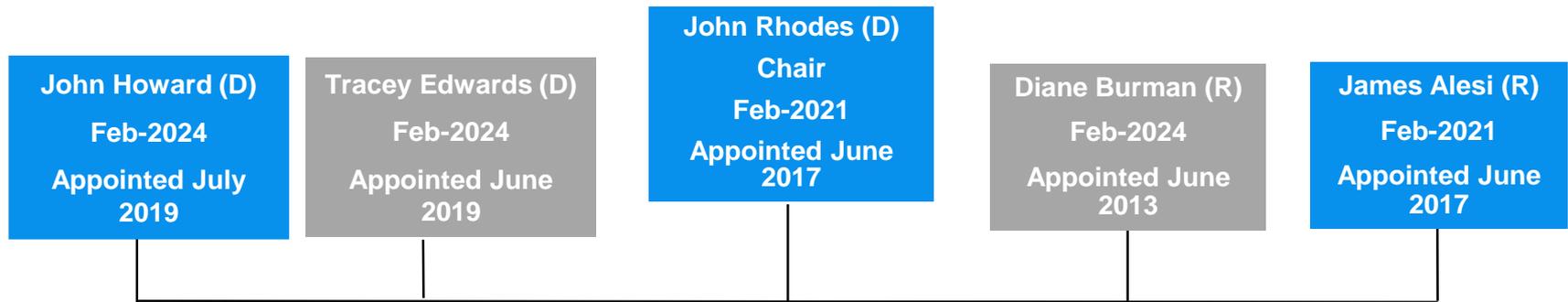
- Forward-looking test years
- Timely recovery of most fuel and commodity costs
- Revenue decoupling mechanism in NY (electric and gas)
- Adjustment mechanisms for several major uncontrollable expenses (e.g. pension)

Ability to capture value in evolving industry for customer & shareholder benefit

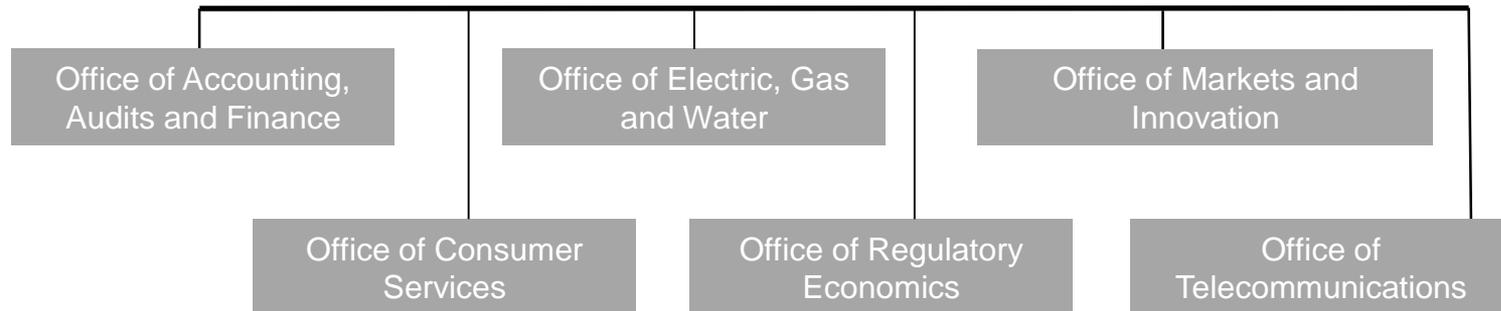
- Majority of investment is replacement and upgrade of existing assets
- Smart meter installation underway
- Accelerated gas main replacement
- Increased energy efficiency investments benefit customers, shareholders & environment

New York Public Service Commission (NYSPSC)

Commissioners



PSC Staff



- Annual budget FY 2018: \$101 million; Staffing: 520 employees
- Regulates: Electric (48 companies), Gas (19), Steam (1), Water (230), Telecom (429)

NYSPSC's Formulaic ROE Approach: Decisions 2006 – 2019 YTD

Rate of return on equity



2/3 Discounted Cash Flow model
+
1/3 Capital Asset Pricing model

Date	Company	ROE	Term
09/06	CECONY Steam	9.80%	2 years
10/06	O&R Gas	9.80%	3 years
08/07	Keyspan Gas	9.80%	5 years
09/07	CECONY Gas	9.70%	3 years
10/07	O&R Electric	9.10%	1 year
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 Gas	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
03/10	CECONY Electric	10.15%	3 years
06/10	Central Hudson	10.00%	3 years
09/10	CECONY Gas	9.60%	3 years
09/10	CECONY Steam	9.60%	3 years
09/10	Energy East (RGE/NYSEG)	10.00%	40 months

Date	Company	ROE	Term
06/11	Niagara Mohawk Electric	9.30%	2 years
06/11	O&R Electric	9.20%	1 year
04/12	Corning Gas	9.50%	3 years
06/12	O&R Electric (9.40%, 9.50% and 9.60% in year 1, 2 and 3, respectively)	9.50%	3 years
04/13	Niagara Mohawk Electric and Gas	9.30%	3 years
06/13	Keyspan Gas	9.40%	2 years
02/14	CECONY Gas and Steam	9.30%	3 years
02/14	CECONY Electric	9.20%	2 years
05/14	National Fuel Gas	9.10%	2 years
06/15	Central Hudson Electric and Gas	9.00%	3 years
06/15	CECONY Electric extension	9.00%	3 rd year
10/15	O&R Electric/Gas	9.00%	2 / 3 years
6/16	Energy East (RGE/NYSEG)	9.00%	3 years
1/17	KeySpan Gas	9.00%	3 years
1/17	CECONY Electric and Gas	9.00%	3 years
4/17	National Fuel Gas	8.70%	1 year
9/17	Corning Gas	9.00%	3 years
3/18	Niagara Mohawk Electric and Gas	9.00%	3 years
6/18	Central Hudson Electric and Gas	8.80%	3 years
3/19	O&R Electric/Gas	9.00%	3 years

Summary of CECONY Electric & Gas Rate Filings^(a)

Company's Proposed Rate Changes and Capital Expenditures

(\$ millions)	Electric Case number 19-E-0065			Gas Case number 19-G-0066		
	Rate Change	Rate Base ^(b)	Capital Expenditure	Rate Change	Rate Base ^(b)	Capital Expenditure
Rate Year 1: 2020	\$470	\$21,836	\$2,322	\$206	\$7,193	\$1,124
Rate Year 2: 2021	379	23,168	2,487	134	7,973	1,104
Rate Year 3: 2022	270	24,546	2,381	160	8,754	1,033

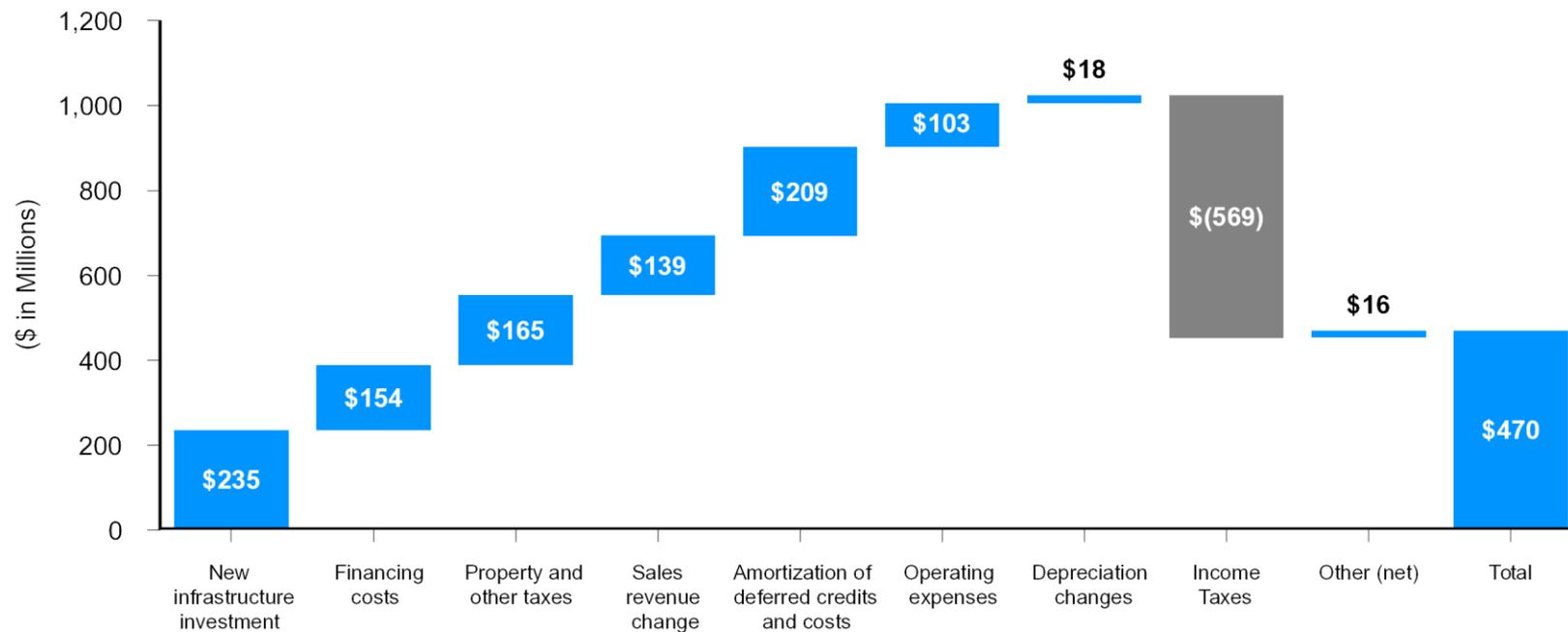
- Start of evidentiary hearings scheduled for September 16, 2019 adjourned by administrative law judge
- A new scheduling ruling establishing further process is expected to be issued after a Joint Proposal, if executed, is filed

a. 2020 amounts were proposed. CECONY provided 2021 and 2022 amounts in rate filing for illustration and to facilitate settlement discussions. In June, CECONY filed an update to the request it filed in January 2019.

b. Average rate base.

CECONY Electric & Gas Rate Filings

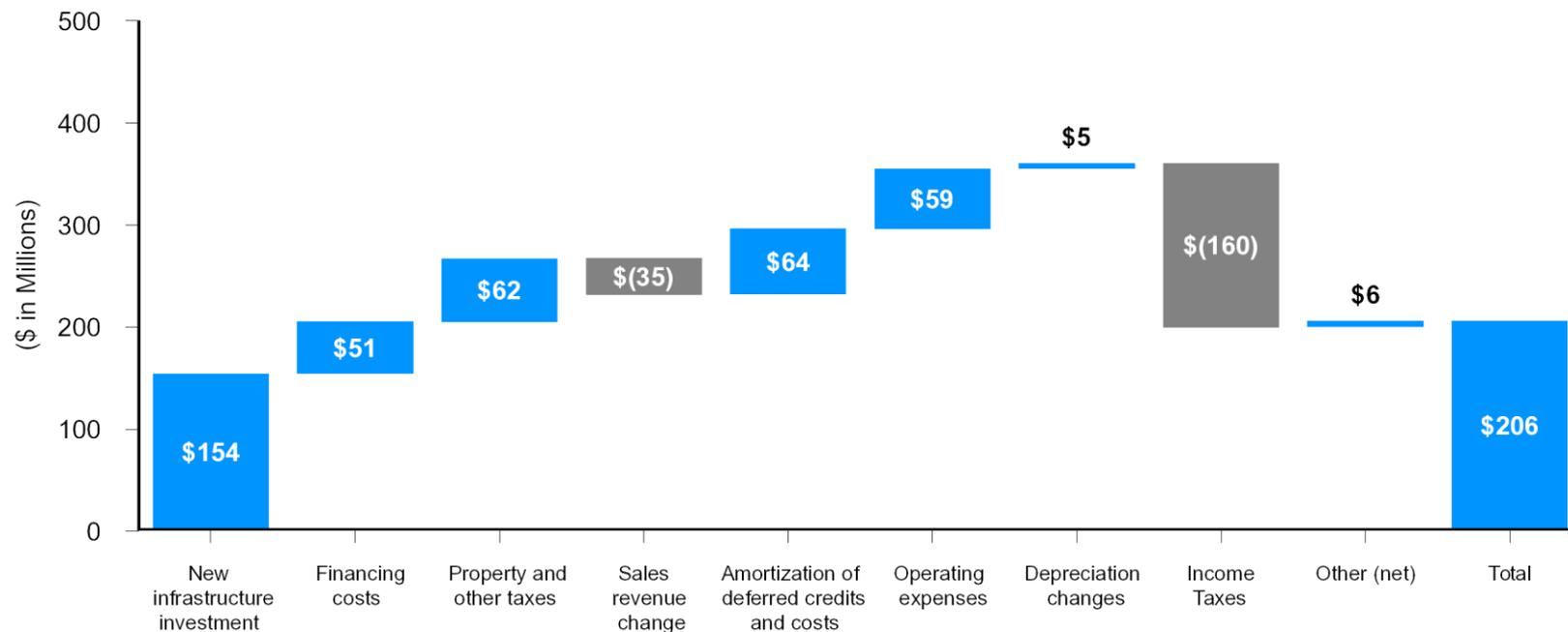
Key Drivers of Proposed 2020 Electric Rate Increase



Note: 2020 amounts were proposed in a January 2019 filing. In April 2019, CECONY preliminarily updated its January 2019 request to the NYSPSC. In June 2019, CECONY filed a rebuttal and updated testimony to the NYSPSC.

CECONY Electric & Gas Rate Filings (cont'd)

Key Drivers of Proposed 2020 Gas Rate Increase



Note: 2020 amounts were proposed in a January 2019 filing. In April 2019, CECONY preliminarily updated its January 2019 request to the NYSPSC. In June 2019, CECONY filed a rebuttal and updated testimony to the NYSPSC.

CECONY Electric Rate Case – Comparison of Filings

(\$ millions)

Electric case number 19-E-0065	CECONY		NYSPSC	CECONY
	Jan 2019 Filing	April 2019 Update	May 2019 Staff Filing	June 2019 Rebuttal
Rate Year (Jan 2020 – Dec 2020)				
New infrastructure investment	\$271	\$244	\$225	\$235
Financing costs -- cost of capital (ROE), capital structure	175	166	(107)	154
Property and other taxes	168	160	140	165
Sales revenue change	124	128	68	139
Amortization of deferred credits and costs	242	225	198	209
Operating expenses	43	76	(27)	103
Depreciation changes	23	28	107	18
Income taxes	(577)	(570)	(562)	(569)
Other (net)	16	16	16	16
Total Rate Increase	\$485	\$473	\$58	\$470
Rate Base	\$22,203	\$21,907	\$21,708	\$21,836
ROE	9.75%	9.75%	8.30%	9.75%
Equity Ratio	50%	50%	47.3%	50%

CECONY Gas Rate Case – Comparison of Filings

(\$ millions)

Gas case number 19-G-0066	CECONY		NYSPSC	CECONY
	Jan 2019 Filing	April 2019 Update	May 2019 Staff Filing	June 2019 Rebuttal
Rate Year (Jan 2020 – Dec 2020)				
New infrastructure investment	\$147	\$149	\$142	\$154
Financing costs -- cost of capital (ROE), capital structure	56	53	(35)	51
Property and other taxes	63	61	56	62
Sales revenue change	(15)	(34)	(34)	(35)
Amortization of deferred credits and costs	64	64	61	64
Operating expenses	41	56	26	59
Depreciation changes	9	6	24	5
Income taxes	(161)	(160)	(158)	(160)
Other (net)	6	6	1	6
Total Rate Increase	\$210	\$201	\$83	\$206
Rate Base	\$7,096	\$7,118	\$7,049	\$7,193
ROE	9.75%	9.75%	8.30%	9.75%
Equity Ratio	50%	50%	47.3%	50%

Comparison of Rate Changes

(\$ millions)

Rate Year (Jan 2020 – Dec 2020)	Electric	Gas	Total
Company Rate Increase (June Rebuttal)	\$470	\$206	\$676
Financing costs -- cost of capital (ROE), capital structure	(261)	(86)	(347)
Depreciation	89	19	108
O&M adjustments	(130)	(33)	(163)
Sales Revenue	(71)	1	(70)
All other adjustments	(39)	(24)	(63)
Staff Rate Increase	\$58	\$83	\$141

Safety is our #1 Priority

- CECONY and O&R have achieved **60% and 69% reductions in recorded injuries and illnesses** since 2009
- 88% of all Company work groups completed 2018 without a recordable injury
- Our objective: **accident-free workplace**



Link to Con Edison Sustainability Report: <https://www.conedison.com/ehs/2018-sustainability-report/>

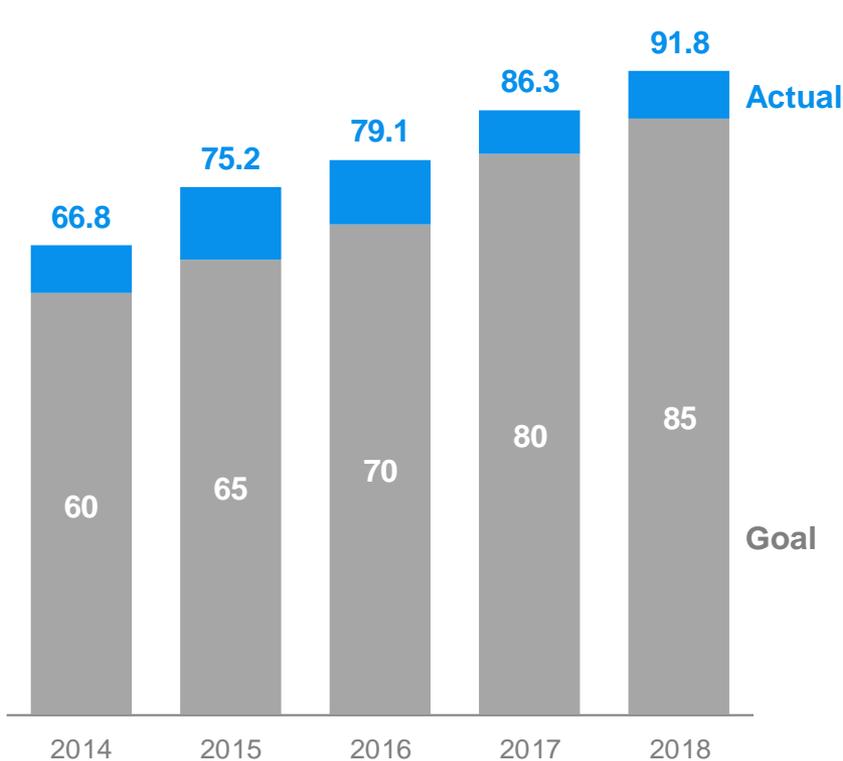
Risk-based Capital Investment Approach

- We plan to **invest over \$3 billion between 2019 and 2021** to fortify CECONY and O&R gas infrastructure, reducing risk and underscoring our commitment to safety and the environment
- Over the course of the past 20 years, the O&R team has **replaced more than 370 miles of gas distribution pipe**
- In 2018, O&R **completed all cast iron pipe replacement** and retired its low-pressure gas system

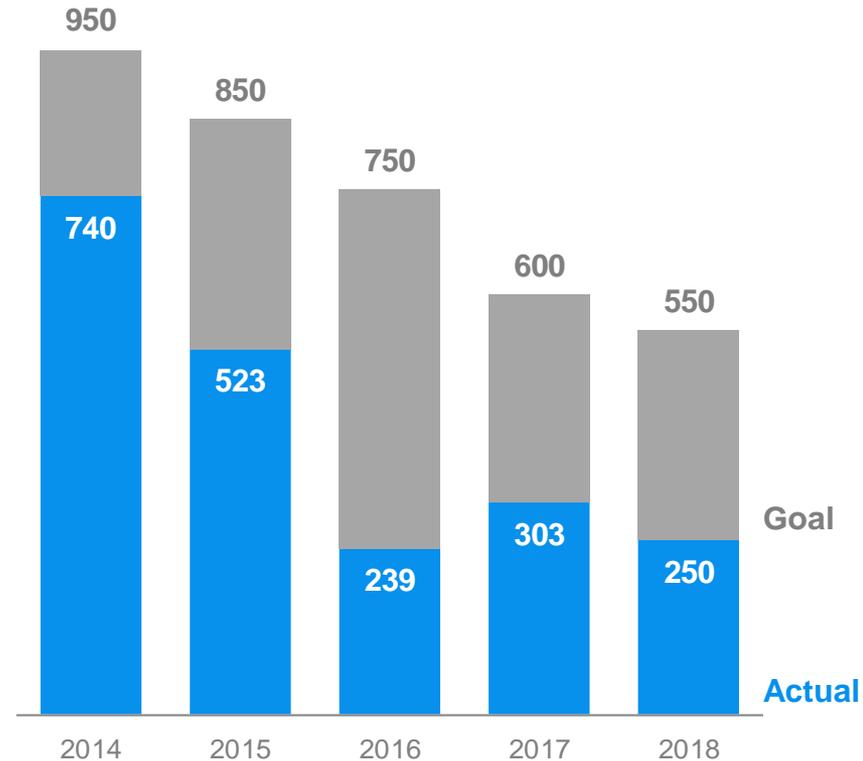


CECONY's Sustained Performance on Main Replacement and Leak Backlog

CECONY Gas Main Replacement (miles)



CECONY Year-End Leak Backlog



Link to Con Edison Sustainability Report: <https://www.conedison.com/ehs/2018-sustainability-report/>

Deploying New Technologies to Enhance Public Safety

- A Con Edison team rolled out the **first of its kind smart-meter-enabled natural gas detectors** to improve gas-customer safety by providing alerts of potentially unsafe conditions to our Gas Control Center
- We have deployed **4,000 sensors for early detection of cable degradation**
- We designed **latching manhole covers** that stay in place through heat and gas build up



Operational Excellence: Reliability is What Our Customers Demand



Link to Con Edison Sustainability Report: <https://www.conedison.com/ehs/2018-sustainability-report/>

Ambitious New York State Environmental Goals

New York State Climate Leadership and Community Protection Act signed into law on July 18, 2019

New York State Climate Leadership and Community Protection Act Requirements

- 70% renewable electricity by 2030
- 100% carbon-free power by 2040
- 40% greenhouse gas emissions reductions by 2030
- 85% greenhouse gas emissions reductions by 2050 and net-zero emissions in all sectors of the economy

New York State Renewable Energy Development Goals

- 6,000 megawatts of distributed solar deployment by 2025
- 3,000 megawatts of energy storage by 2030
- 9,000 megawatts of offshore wind by 2035
- New large-scale, wind and solar resources procured by renewable energy credits through New York State Energy Research and Development Authority



Supporting New York's Energy Storage Goals

Energy storage can help ensure reliability and can reduce peak demand on our electric system

- In 2018, CECONY commissioned its first battery installation designed for **2 MW / 12 MWh battery in Ozone Park, Queens** to support the Brooklyn Queens Demand Management (BQDM) area
- **Requested six utility-owned energy storage projects totaling 31.5 MW / 120 MWh** in the January 2019 CECONY rate filing
- **300 MW requirement for CECONY and 10 MW requirement for O&R** for procurement of bulk energy storage dispatch rights by 2022
- Working with New York City's Department of Buildings, the Fire Department of New York (FDNY), battery technology developers, and NYSERDA to **address battery safety**



Easing Access to Distributed Resources for Customers

- **32,000 solar customers** across our utility service areas
- Working to ensure a **seamless connection process**
- Providing **solar energy to low-income residents**
- Introduced innovative device **connecting solar panels and electric vehicles to home meters**



Supporting Electric Vehicles

- **Vehicle-to-grid school bus demonstration project** in White Plains, NY includes five electric school buses that will be used for grid services in the summer
- Providing **incentives to charge during off-peak hours** to reduce system peak load
- Working with NYC Department of Transportation on a curbside charging demonstration project to install approximately **120 charging ports** for NYC fleet and public electric vehicles
- January 2019 CECONY electric rate filing includes proposals for electric vehicle programs
 - \$30 million program to provide interconnection for **new public fast charging** providers
 - \$15 million to extend **off-peak charging incentives program**



Enhancing the Customer Experience Through Smart Systems

- Launched **\$1.4 billion smart meter initiative** targeting 5.3 million installations in New York City, Westchester and New Jersey areas by 2022
- More than **2 million smart meters installed** to date
- Website and digital customer experience leverage smart-meter data to **give customers more control over their energy usage**
- Proposed **new Customer Service System will complement smart meters** and further **enhance our energy efficiency and demand response programs**

Emphasis on Energy Efficiency and Demand Response

Technology is providing customers with new ways to reduce energy use



1.98 million

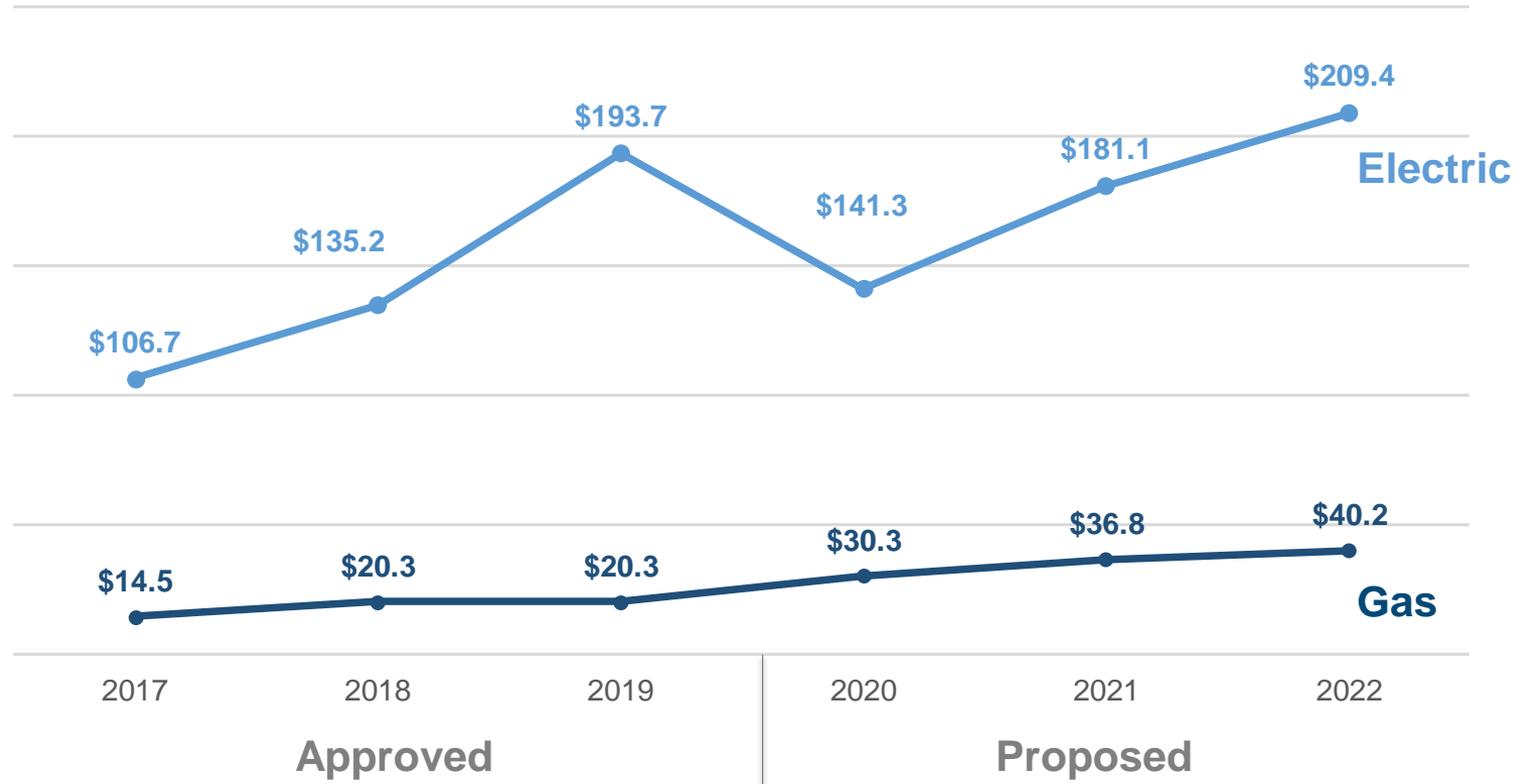
MWh of cumulative electric utility customer energy savings since 2009

2.74 million

dekatherms of cumulative gas utility customer energy savings since 2009

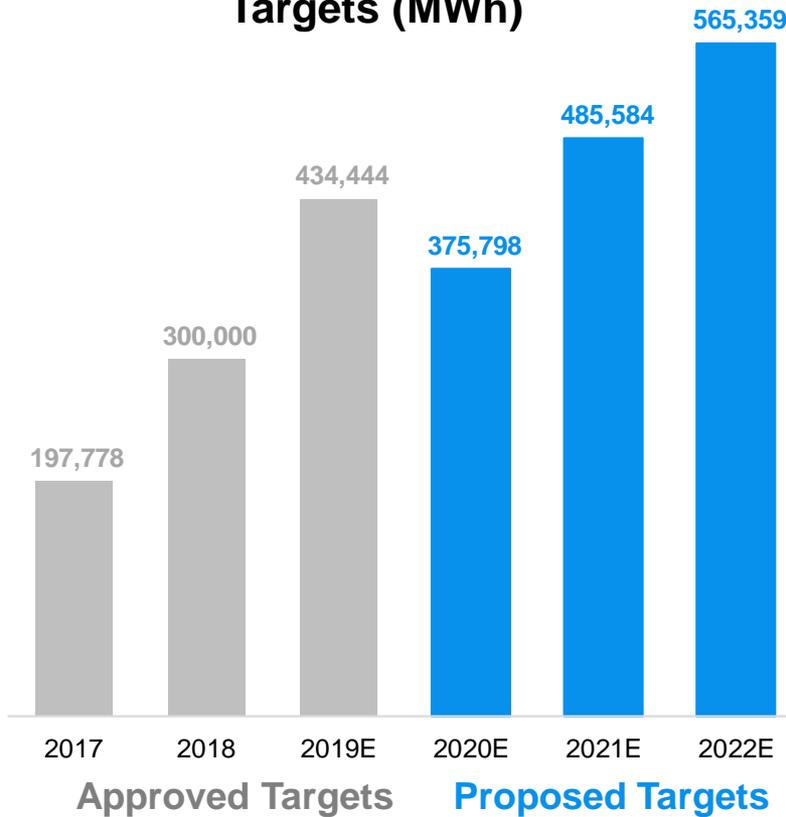
Our Energy Efficiency Programs Lower Customer Bills

CECONY Electric & Gas Energy Efficiency Budgets
(\$ millions)

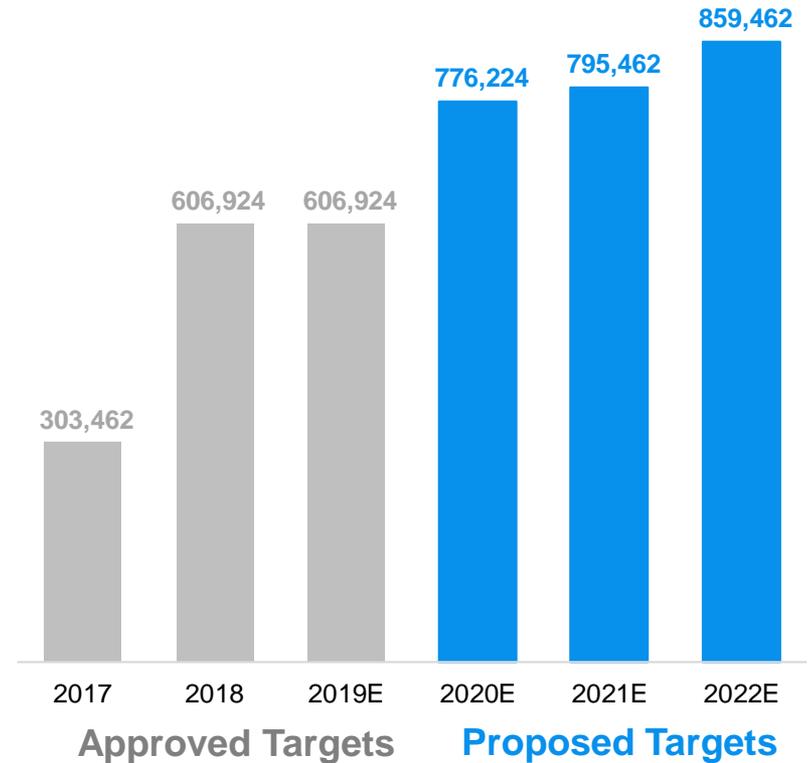


Energy Efficiency Also Contributes to Cleaner Air by Lowering Emissions

Electric Energy Efficiency Targets (MWh)



Gas Energy Efficiency Targets (Dth)



Non-wires Solutions Expand our Toolkit to Solve System Needs

Non-wires solutions have the potential to reduce customers' electric bills, improve reliability, defer capital infrastructure spending, and help advance clean energy goals of New York State

Customer Perspective

- 70% share of net benefits to customer on future projects
- Energy savings
- Increase customer choice in managing energy usage
- Opportunity to develop new markets
- Increase customer and market engagement
- Positive environmental impact

Shareholder Perspective

- 30% share of net benefits to company on future projects
- Reduce peak demand forecasts
- Defer infrastructure investments
- Earn a regulated return on program expenditures



Battery storage is part of the non-wires solutions in the Brooklyn Queens Demand Management ("BQDM") project

Smart Solutions for Natural Gas Customers

\$223 million in funding through 2025 approval by NYSPSC in February 2019 to offset 84,100 dekatherms of peak-day gas usage* (avoiding 5 million tons of CO2 over life of program)

1. Enhanced Gas Energy Efficiency

- Incent customers to install energy efficient heating equipment to reduce winter peak day usage by 25,000 dekatherms

2. Electrification of Space Heating

- Incentives for customers installing heat pumps to reduce peak by 12,000 dekatherms

3. Renewable Gas

- Construction of three renewable gas facilities to supply up to 7,100 dekatherms during peak

4. Storage

- New natural gas storage facilities to meet 40,000 dekatherms of peak usage

*2019/2020 CECONY service area peak-day demand is estimated to be 1,645,000 dekatherms.

Commitment to Climate Resilience

- **\$1 billion storm-resiliency investments** following Superstorm Sandy completed in 2016
- **\$100 million commitment for storm resiliency** in Westchester began in 2018
- **\$3 billion annual investment** planned over next several years for upgrades to utility infrastructure
- **Climate Change Vulnerability Study** underway with results to be released in December 2019

Clean Energy Businesses

2.6 GW (AC)

- Located in 17 states
- 85% solar
- 15% wind



Copper Mountain Solar

Con Edison Transmission



50% ownership

Storage

- 41 Bcf of natural gas storage; 99% subscribed
- Storage position with top regional utility customers: CECONY, NJNG, PSE&G, NYSEG

Pipelines

- Total pipeline length of 181 miles with interconnections to Millennium, Tennessee, and Transco pipelines
- 3 natural gas pipelines (MARC I, North/South and the East Pipeline) with a combined throughput capacity of 2,960 Mmcf per day



12.5% ownership

- Constructing new 303-mile pipeline (2 million Dt/day) that connects Equitrans pipeline in northwestern West Virginia to Columbia Gas Transmission and Transco pipelines
- Fully contracted under 20-year agreements
- \$4.8 - \$5.0 billion project underway and 80% complete through 1Q 2019; mid-2020 projected in-service date

New York Transco™

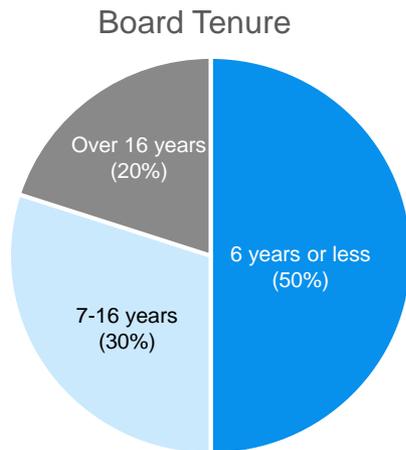
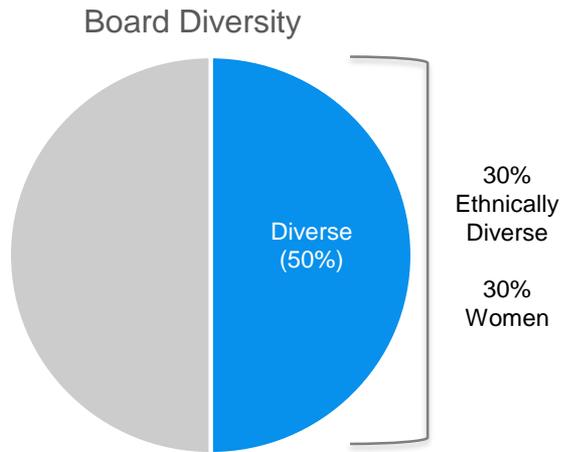


45.7% ownership

- Proposed \$600 million NY Energy Solutions project approved in April 2019 with target year-end 2023 in-service date (excludes electrical interconnection costs)
- 10% allowed return on common equity and actual common equity ratio up to 53% for NY Transco's \$214 million existing projects
- NYS renewable energy portfolio standard creates transmission opportunities

Adopting Governance Best Practices

Board of Directors has an appropriate blend of diversity, tenure and skills



Consolidated Edison, Inc. 2019 Proxy Statement

Adopting Governance Best Practices

- Independent Lead Director
 - Chair of Corporate Governance and Nominating Committee

Standing Committees of the Board

- Audit Committee
- Corporate Governance and Nominating Committee
- Executive Committee
- Finance Committee
- Management Development and Compensation Committee
- Safety, Environment, Operations and Sustainability Committee

Adopting Governance Best Practices

Board of Directors has oversight of key governance issues

- **Proxy Access Framework**
 - A stockholder or a group of up to 20 stockholders who have owned at least 3% of the outstanding shares of the Company for at least three years
 - Can submit nominees for up to 20% of the Board, or two nominees, whichever is greater, for inclusion in the Company's proxy statement
- **Majority Voting Standards**
 - In uncontested elections, each Director nominee may be elected by a majority of the votes cast at a meeting of the Company's stockholders by the holders of shares entitled to vote
 - In contested elections, each Director nominee may be elected by a plurality of the votes cast
- **Claw Backs**
 - Applies to incentive pay
 - Can recoup excess incentive-based compensation received by any current or former officer
 - Can recoup incentive-based compensation received during the three year period preceding the date on which the Audit Committee determines that the company is required to prepare an accounting restatement due to the company's material noncompliance with any financial reporting requirement under the securities laws
- **Stock Ownership Guidelines**
 - Senior officers are subject to stock ownership guidelines as a multiple of base salary
 - CEO (3x), CFO (2x), President of CECONY/O&R (2x), General Counsel (1x)
 - Must meet the guidelines within 5 years from January 1 after their appointment to a covered title or promotion to a position with a higher ownership requirement
 - Expected to retain for at least one year at least 25% of net shares acquired upon stock option exercise and 25% of net shares pursuant to vested restricted stock until their holdings of common stock equal or exceed applicable guideline requirements
- **Anti-hedging/pledging Policies**
 - Prohibits all Directors, officers, financial personnel, and certain other individuals from shorting, hedging, and pledging Company securities

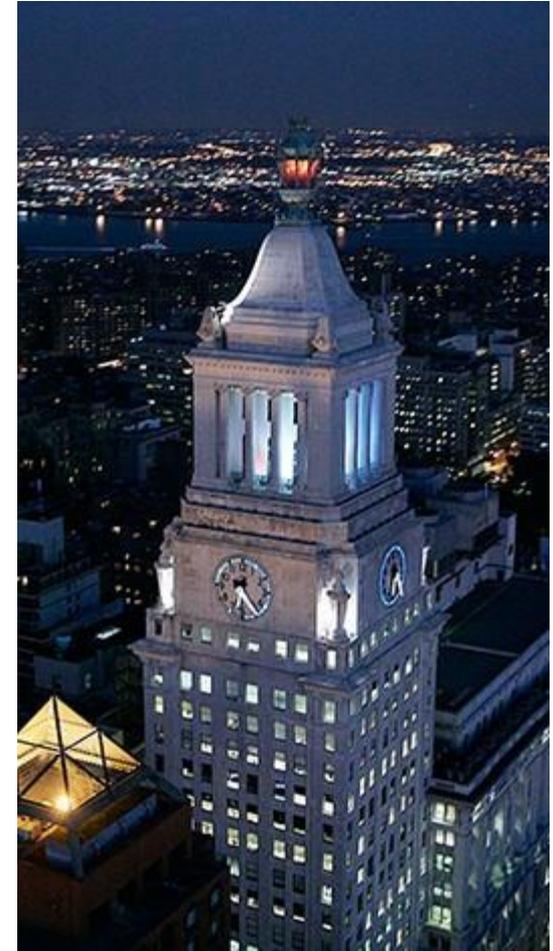
Adopting Governance Best Practices

Executive compensation tied to key ESG/sustainability measures

CECONY	Orange & Rockland	Clean Energy Businesses
<p>Safety</p> <ul style="list-style-type: none"> Injury/Illness Incident Rate Significant High Hazard Injuries Public Safety-Related Equipment Failures Motor Vehicle Collisions Operating Errors 	<p>Safety</p> <ul style="list-style-type: none"> Injury/Illness Incident Rate Significant High Hazard Injuries Motor Vehicle Collisions Operating Errors Damage Prevention 	<ul style="list-style-type: none"> Injury/Illness Incident Rate Renewable Portfolio Production Annual Availability – Jointly Owned Projects Retail Energy Services Profit Margin Significant Risk Limit Violations Material Financial Weaknesses or Significant Deficiencies and Ethical Violations Complete Required Training Timely Recruiting Implement Strategic Plan IT Phishing Test Performance
<p>Environment</p> <ul style="list-style-type: none"> Dielectric Fluid Released to the Environment Late Spill Notifications SF6 Gas Emissions Customer Emissions (Energy Efficiency) Customer Emissions (Oil-to-Gas Conversions) 	<p>Environment</p> <ul style="list-style-type: none"> Written Notice of Violations Customer Emissions (Energy Efficiency) Gas Leak Inventory Solar Connection – Initial Screening Coordinated Review 	
<p>Operational Excellence</p> <ul style="list-style-type: none"> Steam System Reliability Reliability Performance Measures Gas Made Safe Time Workable Gas Leak Inventory Cyber Security Physical Security 	<p>Operational Excellence</p> <ul style="list-style-type: none"> Outage Frequency Outage Duration Gas Made Safe Time Cyber Security Physical Security 	
<p>Customer Experience</p> <ul style="list-style-type: none"> Customer Project Completion Dates First Call Resolution Estimated Time for Restoration Customer Appointments 	<p>Customer Experience</p> <ul style="list-style-type: none"> Customer Service Performance Incentive Mechanism Customer Service Appointments New Business Electric Services Energized First Call Resolution AMI Implementation Storm Scorecard 	

Con Edison: Poised for a Strong Future

- **One of the nation's largest investor-owned energy-delivery companies**
 - \$12 billion in annual revenues
 - \$54 billion asset base
- **Steady earnings, growing dividend**
 - 45 consecutive years of dividend growth
- **Attractive capex opportunities**
 - Three-year infrastructure investment plan exceeding \$12 billion
- **Strong balance sheet and liquidity profile**
 - 48% equity ratio and \$2.25 billion revolving credit agreement
- **Safety, sustainability and service**
 - Focused on serving our customers and community while reducing carbon footprint, promoting workplace safety and optimizing costs



APPENDIX

2018 EPS Reconciliation by Company

Year Ended December 31, 2018

	CECONY	O&R	CEBs	CET	Other ^(c)	Total
Reported EPS – GAAP basis	\$3.84	\$0.19	\$0.46	\$0.15	\$(0.21)	\$4.43
Income tax effect of the TCJA	—	—	—	—	0.14	0.14
Gain on acquisition of Sempra Solar Holdings, LLC, net of transaction costs (pre-tax) (a)	—	—	(0.39)	—	0.03	(0.36)
Income taxes (b)	—	—	0.11	—	(0.01)	0.10
Gain on acquisition of Sempra Solar Holdings, LLC, net of transaction costs (net of tax)	—	—	(0.28)	—	0.02	(0.26)
Net mark-to-market losses (pre-tax)	—	—	0.03	—	—	0.03
Income taxes (b)	—	—	(0.01)	—	—	(0.01)
Net mark-to-market losses (net of tax)	—	—	0.02	—	—	0.02
Adjusted EPS – Non-GAAP basis	\$3.84	\$0.19	\$0.20	\$0.15	\$(0.05)	\$4.33

- Gain recognized with respect to jointly owned renewable electric production projects on completion of the acquisition.
- The amount of income taxes was calculated using a 28% combined federal and state income tax rate for the year ended December 31, 2018 and a 40% combined federal and state income tax rate for the year ended December 31, 2017.
- Includes parent company and consolidation adjustments.

2Q 2019 vs. 2Q 2018 EPS Reconciliation by Company

Three Months Ended June 30, 2019

	CECONY	O&R	CEBs	CET	Other ^(c)	Total
Reported EPS – GAAP basis	\$0.46	\$0.01	\$(0.03)	\$0.04	\$(0.02)	\$0.46
HLBV effects of the Clean Energy Businesses (pre-tax)	—	—	0.10	—	—	0.10
Income taxes (a)	—	—	(0.03)	—	—	(0.03)
HLBV effects of the Clean Energy Businesses (net of tax)	—	—	0.07	—	—	0.07
Net mark-to-market losses (pre-tax)	—	—	0.07	—	—	0.07
Income taxes (b)	—	—	(0.02)	—	—	(0.02)
Net mark-to-market losses (net of tax)	—	—	0.05	—	—	0.05
Adjusted EPS – Non-GAAP basis	\$0.46	\$0.01	\$0.09	\$0.04	\$(0.02)	\$0.58

Three Months Ended June 30, 2018

	CECONY	O&R	CEBs	CET	Other ^(c)	Total
Reported EPS – GAAP basis	\$0.48	\$0.02	\$0.08	\$0.04	\$(0.02)	\$0.60
Net mark-to-market losses (pre-tax)	—	—	0.01	—	—	0.01
Income taxes (b)	—	—	—	—	—	—
Net mark-to-market losses (net of tax)	—	—	0.01	—	—	0.01
Adjusted EPS – Non-GAAP basis	\$0.48	\$0.02	\$0.09	\$0.04	\$(0.02)	\$0.61

- a. The amount of income taxes was calculated using a combined federal and state income tax rate of 25% for the three months ended June 30, 2019.
- b. The amount of income taxes was calculated using a combined federal and state income tax rate of 24% for the three months ended June 30, 2019 and a combined federal and state income tax rate of 28% for the three months ended June 30, 2018.
- c. Includes parent company and consolidation adjustments.

YTD 2019 vs. YTD 2018 EPS Reconciliation by Company

Six months ended June 30, 2019

	CECONY	O&R	CEBs	CET	Other ^(c)	Total
Reported EPS – GAAP basis	\$1.73	\$0.11	\$(0.13)	\$0.08	\$(0.02)	\$1.77
HLBV effects of the Clean Energy Businesses (pre-tax)	—	—	0.15	—	—	0.15
Income taxes (a)	—	—	(0.04)	—	—	(0.04)
HLBV effects of the Clean Energy Businesses (net of tax)	—	—	0.11	—	—	0.11
Net mark-to-market losses (pre-tax)	—	—	0.11	—	—	0.11
Income taxes (b)	—	—	(0.03)	—	—	(0.03)
Net mark-to-market losses (net of tax)	—	—	0.08	—	—	0.08
Adjusted EPS – Non-GAAP basis	\$1.73	\$0.11	\$0.06	\$0.08	\$(0.02)	\$1.96

Six months ended June 30, 2018

	CECONY	O&R	CEBs	CET	Other ^(c)	Total
Reported EPS – GAAP basis	\$1.73	\$0.10	\$0.10	\$0.07	\$(0.02)	\$1.98
Net mark-to-market losses (pre-tax)	—	—	0.01	—	—	0.01
Income taxes (b)	—	—	—	—	—	—
Net mark-to-market losses (net of tax)	—	—	0.01	—	—	0.01
Adjusted EPS – Non-GAAP basis	\$1.73	\$0.10	\$0.11	\$0.07	\$(0.02)	\$1.99

- The amount of income taxes was calculated using a combined federal and state income tax rate of 24% for the six months ended June 30, 2019.
- The amount of income taxes was calculated using a combined federal and state income tax rate of 25% for the six months ended June 30, 2019 and a combined federal and state income tax rate of 28% for the six months ended June 30, 2018.
- Includes parent company and consolidation adjustments.

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

12 Months Ending December 31,

	2015	2016	2017	2018 ^(d)	2019 ^{(a)(d)}
Reported EPS – GAAP basis	\$4.07	\$4.15	\$4.97	\$4.43	\$4.23
Income tax effect of the TCJA	—	—	(0.85)	0.14	0.14
HLBV effects of the Clean Energy Businesses (pre-tax)	—	—	—	—	0.15
Income taxes (c)	—	—	—	—	(0.04)
HLBV effects of the Clean Energy Businesses (net of tax)	—	—	—	—	0.11
Gain on acquisition of Sempra Solar Holdings, LLC, net of transaction costs (pre-tax) (b)	—	—	—	(0.36)	(0.34)
Income taxes (c)	—	—	—	0.10	0.09
Gain on acquisition of Sempra Solar Holdings, LLC, net of transaction costs (net of tax)	—	—	—	(0.26)	(0.25)
Gain on sale of the CEBs' retail electric supply business (pre-tax)	—	(0.32)	—	—	—
Income taxes (c)	—	0.13	—	—	—
Gain on sale of the CEBs' retail electric supply business (net of tax)	—	(0.19)	—	—	—
Goodwill impairment related to the CEBs' energy service business (pre-tax)	—	0.07	—	—	—
Income taxes (c)	—	(0.03)	—	—	—
Goodwill impairment related to the CEBs' energy service business (net of tax)	—	0.04	—	—	—
Impairment of assets held for sale (pre-tax)	0.02	—	—	—	—
Income taxes (c)	(0.01)	—	—	—	—
Impairment of assets held for sale (net of tax)	0.01	—	—	—	—
Net mark-to-market effects of the CEBs (pre-tax)	—	(0.02)	—	0.03	0.12
Income taxes (c)	—	0.01	—	(0.01)	(0.03)
Net mark-to-market effects of the CEBs (net of tax)	—	(0.01)	—	0.02	0.09
Adjusted EPS – Non-GAAP basis	\$4.08	\$3.99	\$4.12	\$4.33	\$4.32

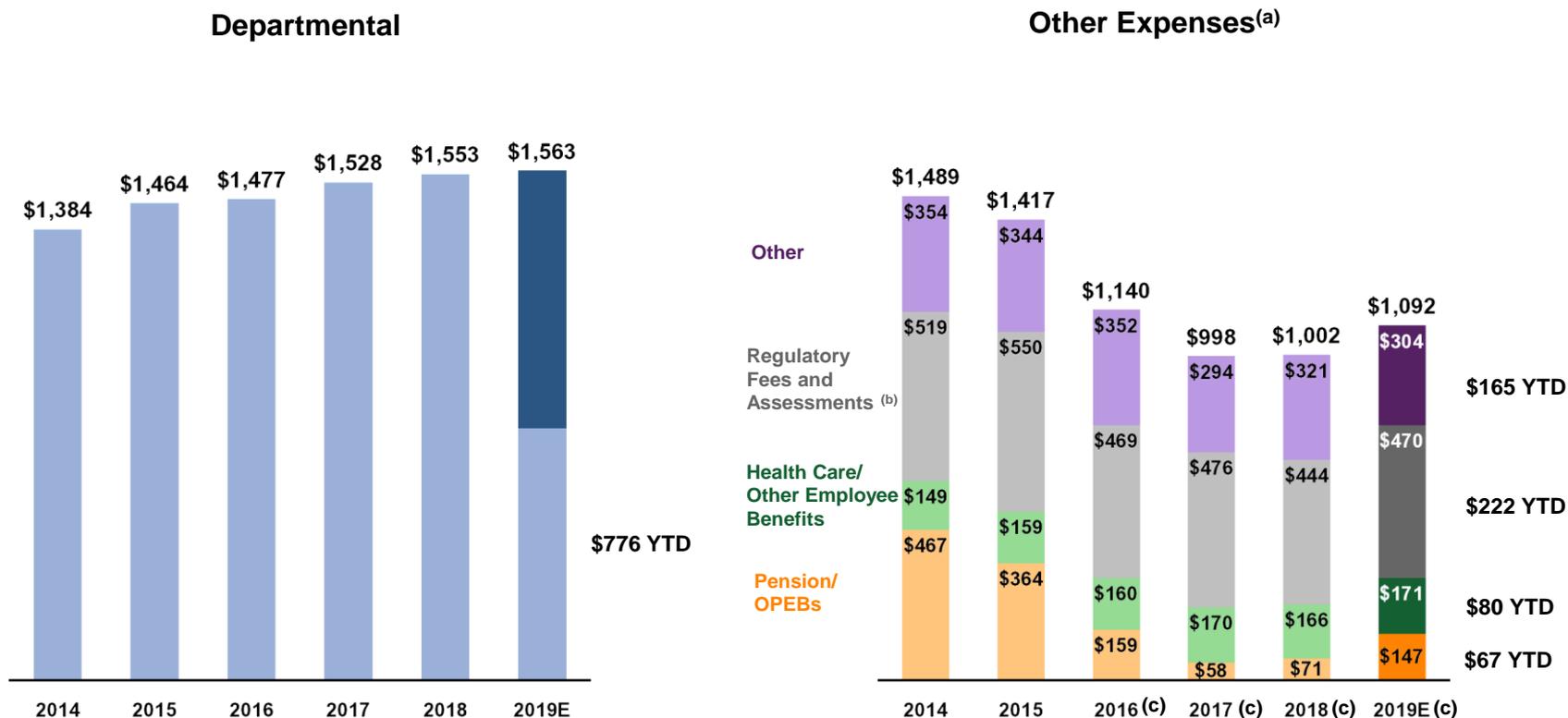
a. Represents 12-month trailing EPS ending June 30, 2019.

b. Gain recognized with respect to jointly owned renewable electric production projects on completion of the acquisition.

c. The amount of income taxes was calculated using applicable combined federal and state income tax rates for the twelve months ended June 30, 2019 and the years 2015 – 2018.

d. Federal income tax rate lowered to 21% from 35% upon enactment of the TCJA on December 22, 2017.

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 Accounting Standards Update 2017-07. See page 28-29 of the 2Q 2019 Form 10-Q.

Utilities' Rate Adjustments for Tax Cuts and Jobs Act of 2017 (TCJA)^(a)

New York State Public Service Commission Order in Case 17-M-0815 – Proceeding on Motion of the Commission on Changes in Law that May Affect Rates (August 9, 2018)

CECONY Electric

- Customer credit started on **January 1, 2019** and includes:
 - annual ongoing tax savings of \$259 million
- 2018 tax savings (\$311 million) and protected and unprotected portions of net regulatory liability for excess deferred income taxes (\$1,679 million and \$810 million, respectively) is being addressed in the rate case the company initiated in January 2019 (Case 19-E-0065)
 - in the rate case, the company has proposed pass back of the 2018 tax savings over a three-year period (\$104 annually), the protected portion over the life of the assets (\$46 million annually) and the unprotected portion of the net regulatory liability over five years (\$157 million annually)

CECONY Gas

- Customer credit of \$113 million started on **January 1, 2019** and includes:
 - annual ongoing tax savings of \$74 million
 - pass back of 2018 tax savings (\$90 million) over a three-year period – \$30 million annually
 - pass back of protected and unprotected portions of net regulatory liability for excess deferred income taxes (\$693 million and \$111 million, respectively) over the life of the assets – \$9 million annually (amortization period for unprotected deferred tax balance is being addressed in the rate case the company initiated in January 2019) (Case 19-G-0066)
 - in the rate case, the company has proposed pass back of the remaining 2018 tax savings over a two-year period (\$30 annually), the protected portion over the life of the assets (\$13 million annually) and the unprotected portion of the net regulatory liability over five years (\$22 million annually)

CECONY Steam

- Customer credit of \$25 million started on **October 1, 2018** and includes:
 - annual ongoing tax savings of \$14 million
 - pass back of January – September 2018 tax savings (\$15 million) over a three-year period – \$5 million annually
 - pass back of protected and unprotected portions of net regulatory liability for excess deferred income taxes (\$169 million and \$16 million, respectively) over the life of the assets – \$6 million annually (amortization period for unprotected balance will be reviewed in the next rate case filing)

a. See Note B – Regulatory Matters/Other Regulatory Matters on pages 23 – 25 and Note J – Income Taxes on pages 35 – 36 in the 2Q 2019 Form 10-Q.

Utilities' Rate Adjustments for Tax Cuts and Jobs Act of 2017 (TCJA) (cont'd)^(a)

O&R Electric and Gas

- O&R, pursuant to the November 2018 joint proposal (Case 18-E-0067; 18-G-0068), is reflecting its TCJA net benefits as follows:
 - annual ongoing savings of \$18 million
 - pass back of 2018 savings (\$22 million) over a three-year period – \$7 million annually
 - pass back of protected portion of net regulatory liability for excess deferred income taxes (\$122 million) over remaining lives of the related assets and the unprotected portion (\$30 million) over a fifteen-year period - \$4 million annually

Rockland Electric Company (RECO)

- NJBPU Docket No. AX1801001 – In the Matter of the Board's Consideration of the 2017 Tax Cuts and Jobs Act
 - \$2.9 million rate decrease started on April 1, 2018
 - customers were paid \$1 million in July 2018 for January to March 2018 tax savings
 - pass back of protected portion of net regulatory liability for excess deferred income taxes (\$14 million) over remaining lives of the related assets and the unprotected portion (\$10 million) over a three-year period – \$3 million annually
- FERC Docket No. EL18-111-000
 - In November 2018, the Federal Energy Regulatory Commission (FERC) issued an order directing RECO to refund \$0.6 million to its transmission customers and reducing its annual transmission revenue requirement by an immaterial amount to reflect the TCJA.

a. See Note B – Regulatory Matters/Other Regulatory Matters on pages 23 – 25 and Note J – Income Taxes on pages 35 – 36 in the 2Q 2019 Form 10-Q.