

Con Edison, Inc.

November 10-12, 2013

Edison Electric Institute  
Finance Conference





## 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.

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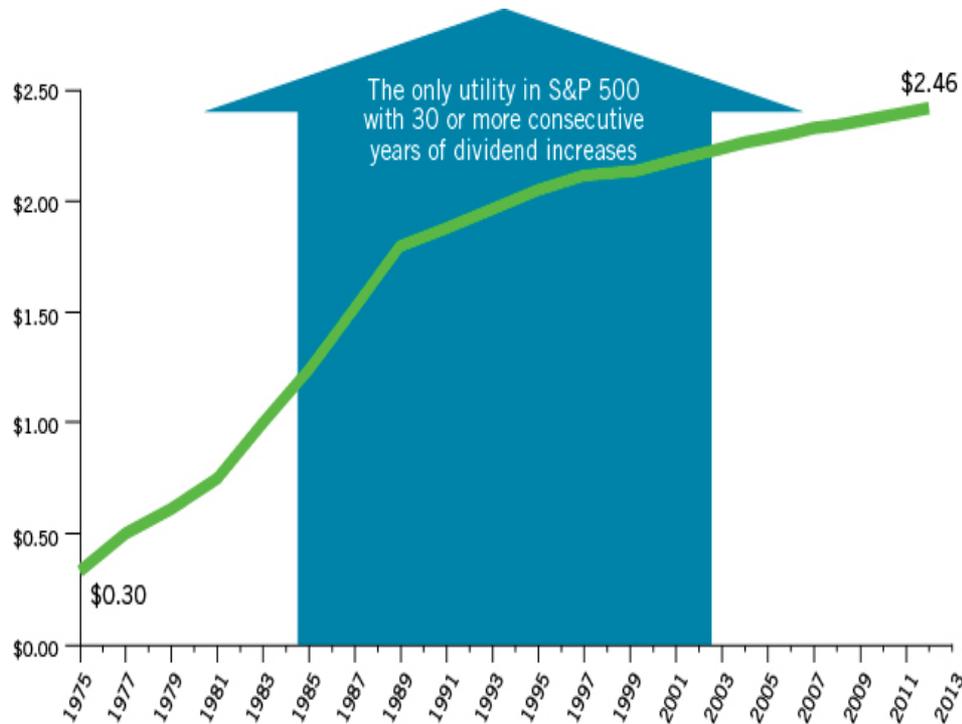


## Consolidated Edison, Inc. Investment Thesis

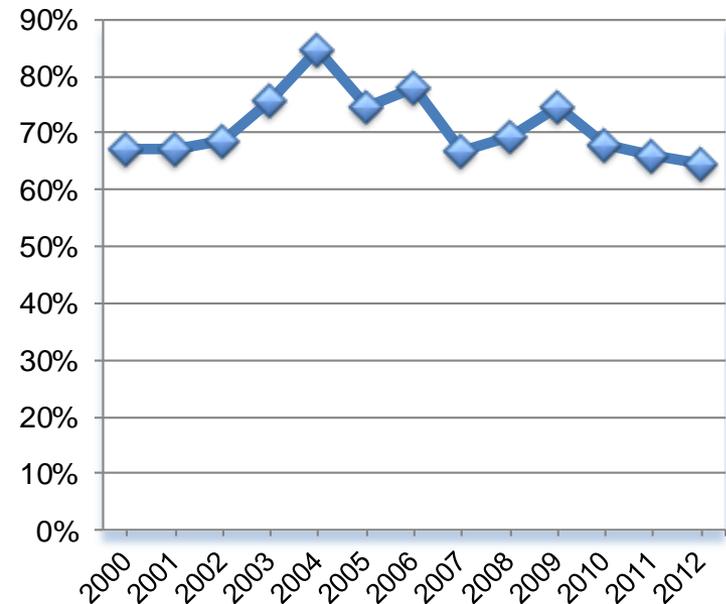
- The largest of the few publicly-traded, T&D-focused utility companies
  - Limited commodity exposure
- Reduced regulatory lag
  - Forward-looking test years
  - Timely recovery of most fuel and commodity costs
  - Revenue decoupling mechanism in NY (electric and gas)
  - Adjustment mechanisms for several major uncontrollable expenses (e.g. pension)
- Significant dividend record
  - 39 consecutive years of dividend increases; 3<sup>rd</sup> longest in electric utility industry
  - 4.2% yield is 3<sup>rd</sup> 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, stable balance sheet and conservatively managed liquidity

# A Compelling Dividend Record: 39 Consecutive Years of Dividend Increases

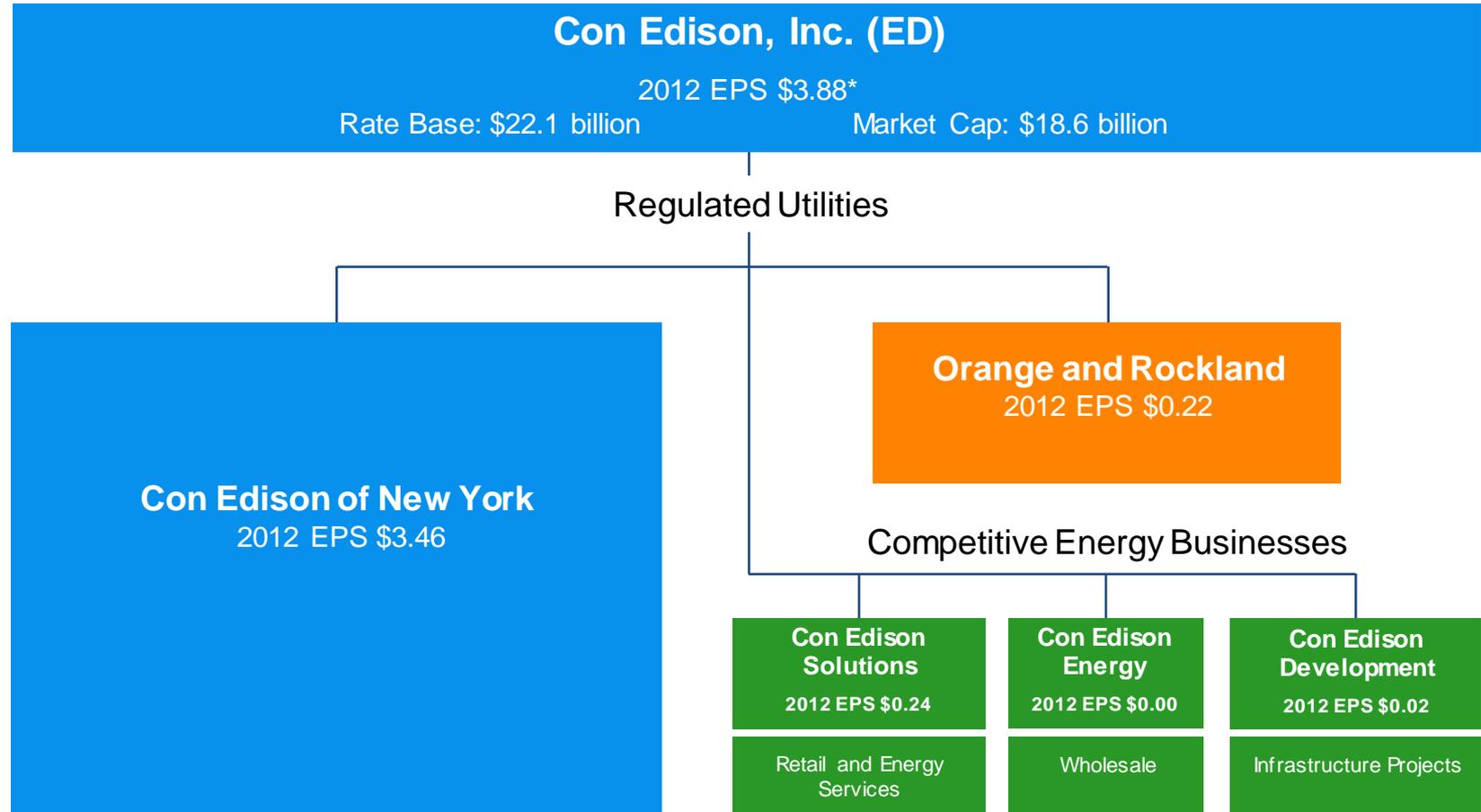
Annualized Dividend 1975 - 2013



Dividend Payout Ratio



# 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.

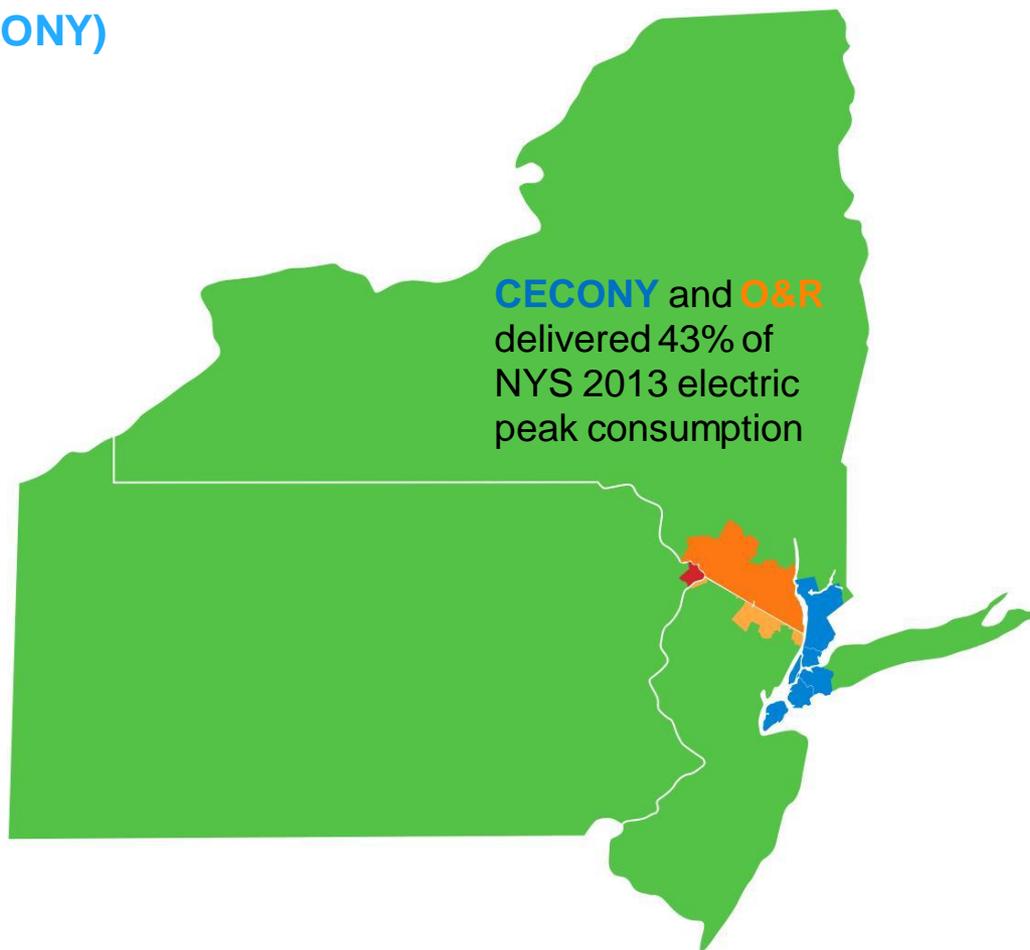
# Regulated Utilities are the Core of Con Edison, Inc.

## Con Edison of New York (CECONY)

- 3.3 million electric customers
- 1.1 million gas customers
- 1,717 steam customers
- 702 MW of regulated generation
- Delivered 40% of NYS 2013 electric peak consumption

## Orange and Rockland (O&R)

- 303,000 electric customers
- 131,000 gas customers
- Delivered 3.4% of NYS 2013 electric peak consumption



# New York City Economy Continues to Show Resilience

- 60,700 jobs added in NYC during first six months of 2013 – highest rate of growth for any six-month period since 2000
- NYC is becoming a high-tech hub with job growth and two science campuses under development
- Tourism is NYC's fifth largest industry with a record-breaking 52 million tourists in 2012



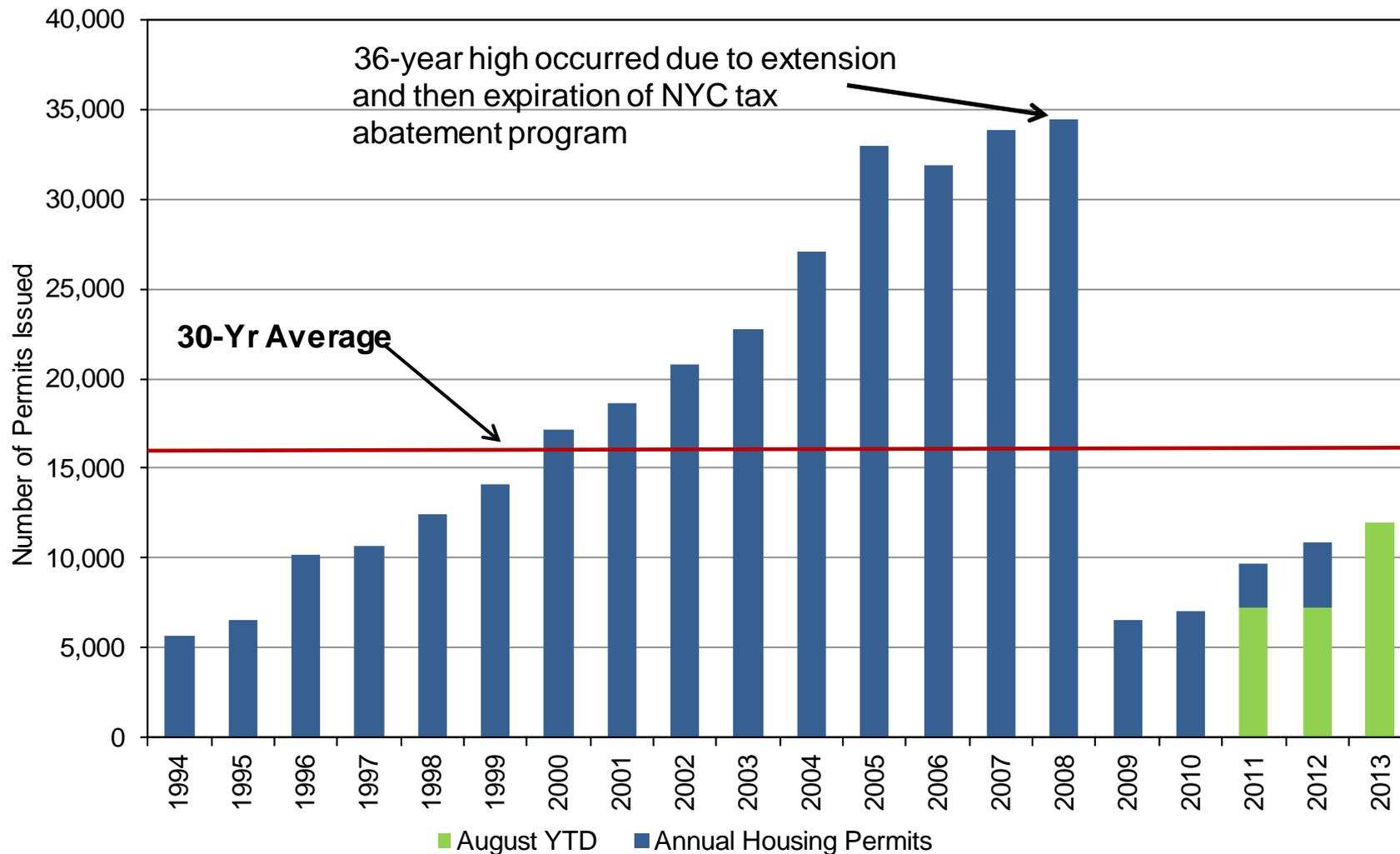
With projects underway like One World Trade Center, nearly half the nation's office space under construction is in NYC



In December, ground was broken on a 26-acre, \$15 billion Hudson Yards development

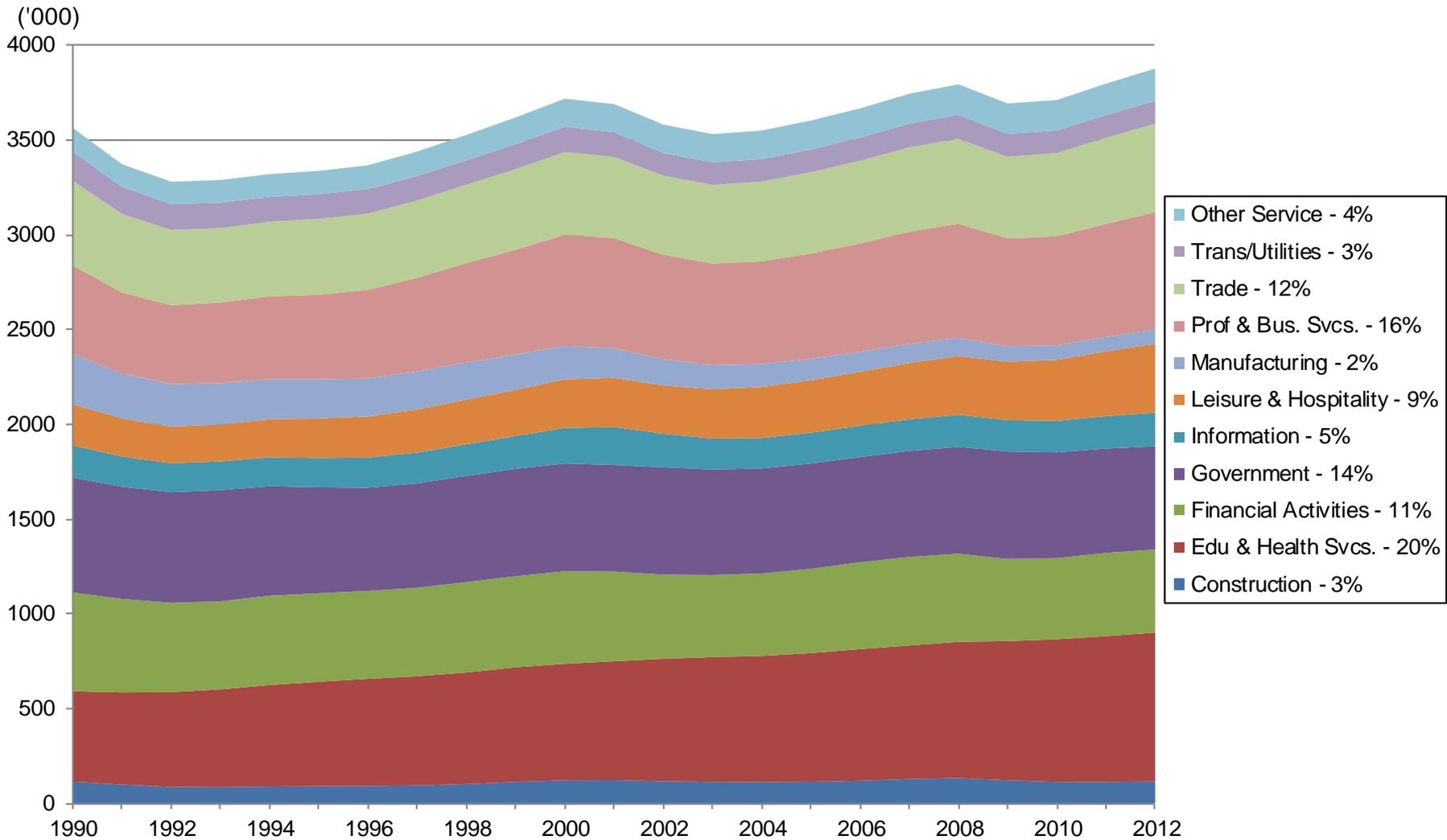
- Municipal projects like the 2<sup>nd</sup> Avenue Subway and the 7-Line Extension to the Jacobs Javits Center will help to serve NYC's growing population
- Barclays Center – home of the Nets and Islanders - officially opened in September 2012 in Downtown Brooklyn

# CECONY Residential Building Permits



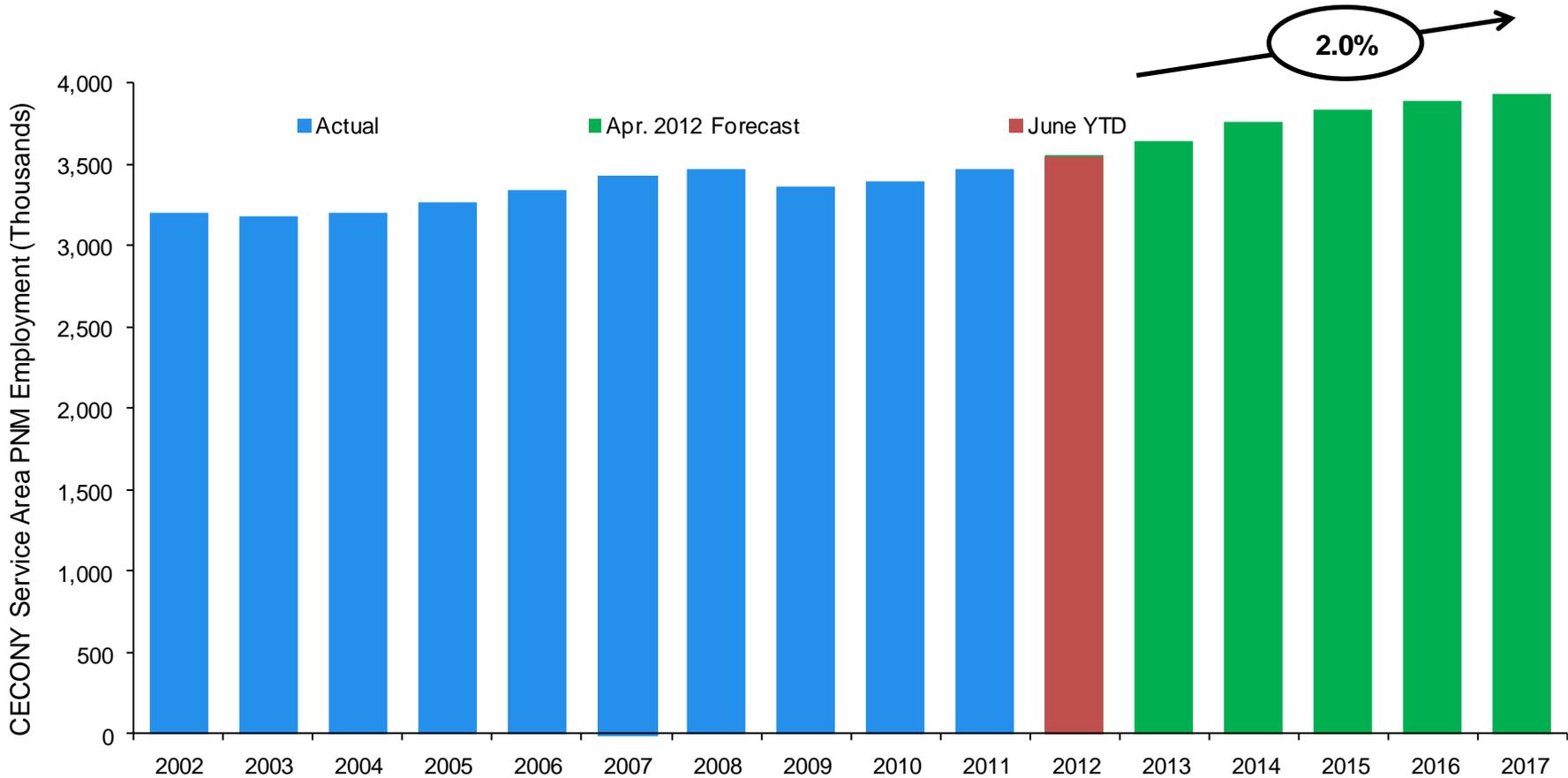
Source: Bernstein Research, Consolidated Edison Company of New York

# New York City Employment By Sector



Source: New York State Department of Labor

# Employment Growth in CECONY Service Area



Source: NYS Dept of Labor (Bureau of Labor Statistics) and Moody's Economy.com

# Composition of Rate Base

(as of September 30, 2013)

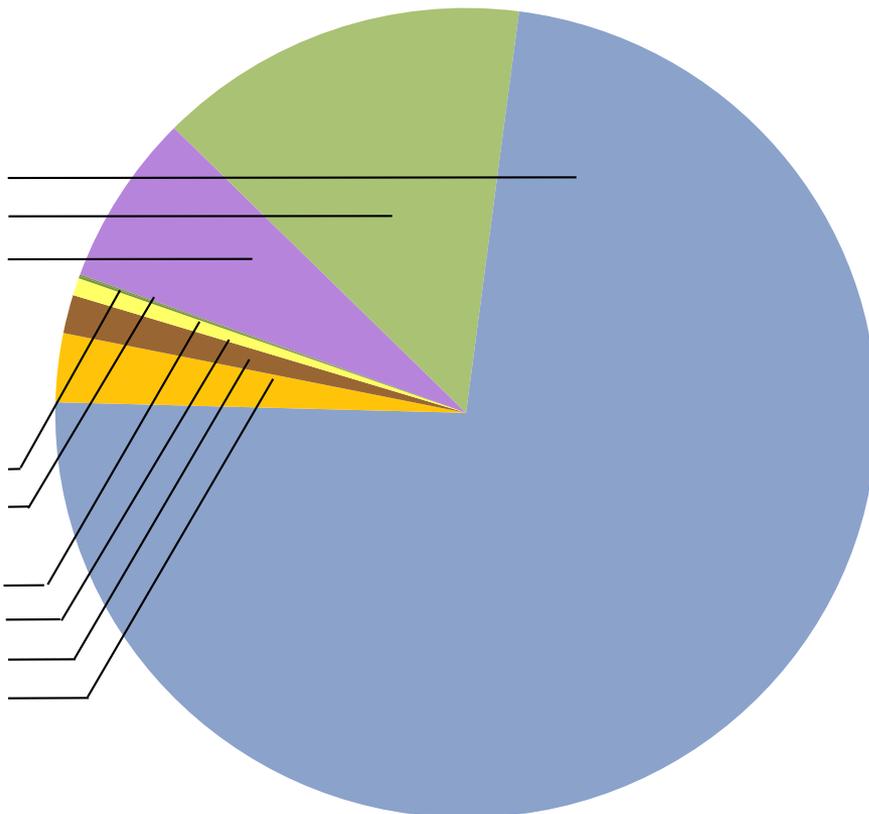
## Rate Base\* (\$ millions)

### Con Edison of New York

Electric	(NY)	\$ 16,433	
Gas	(NY)	\$ 3,380	
Steam	(NY)	\$ 1,501	
<b>Total CECONY</b>		<b>\$ 21,314</b>	

### Orange and Rockland

Pike Gas	(PA)	\$ 2	
Pike Electric	(PA)	\$ 13	
Rockland Electric	(NJ)		
(distribution)		\$ 171	
(transmission)		\$ 20	
O&R Gas	(NY)	\$ 351	
O&R Electric	(NY)	\$ 630	
<b>Total O&amp;R</b>		<b>\$ 1,187</b>	

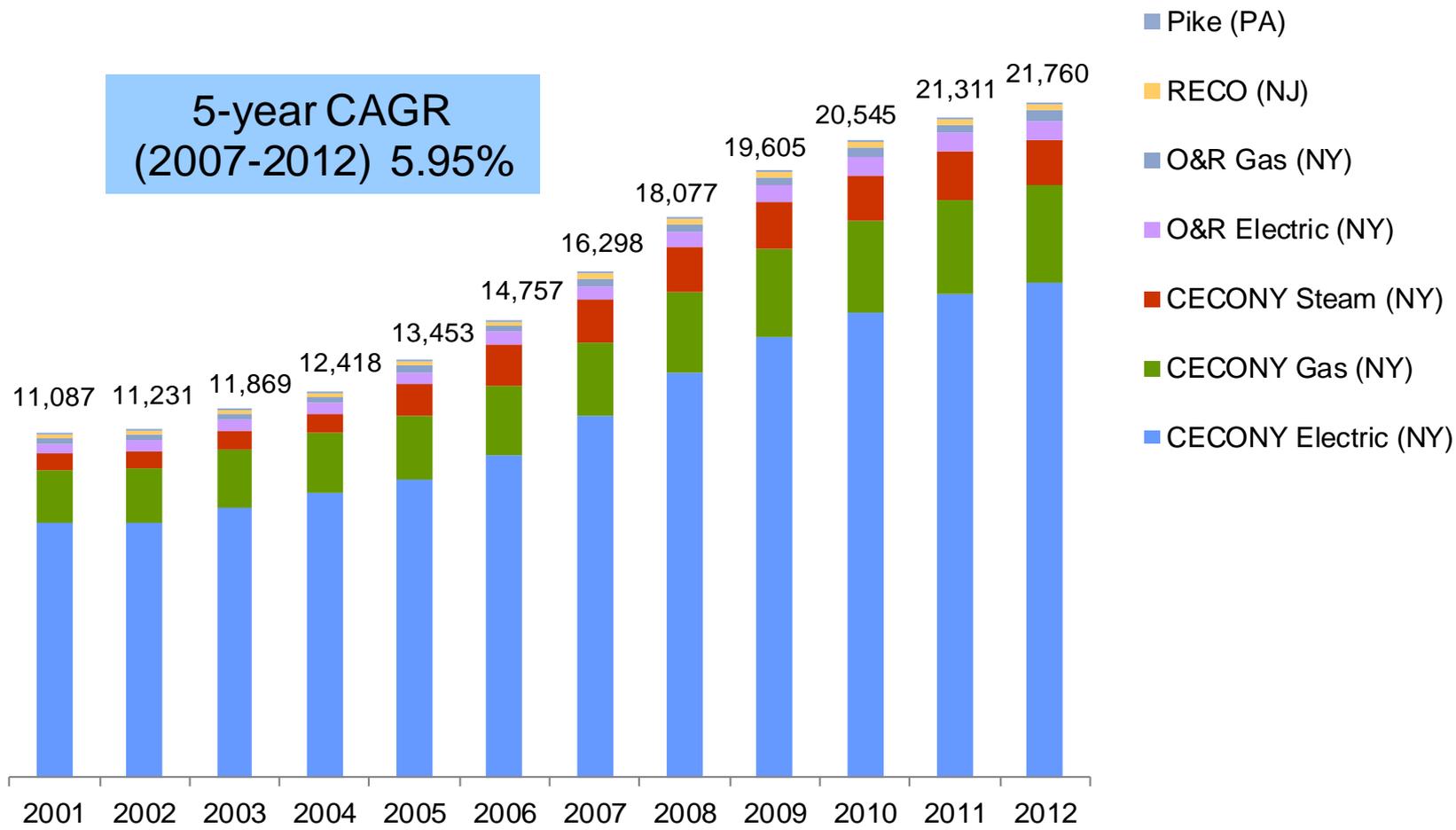


**Total Rate Base \$22,501**

\* Average rate base for 12 months ending 9/30/2013

# Consolidated Edison, Inc. Rate Base Growth

(\$ millions)



# Rates of Return and Equity Ratio

(for twelve months ended September 30, 2013)

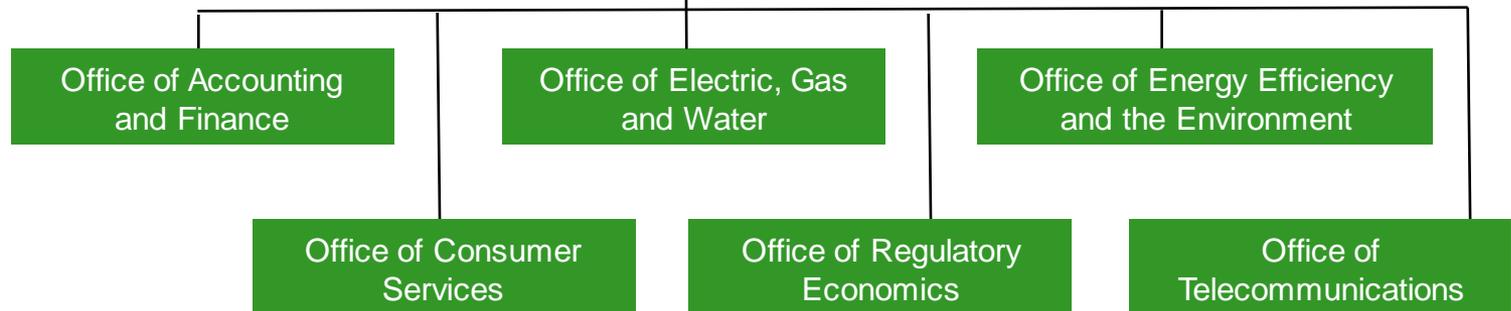
	Regulated Basis		SEC Basis (excludes MTM and LIFO impact)
	Allowed	Actual	
<b>CECONY</b>			
Electric	10.15%	8.91%	
Gas	9.6%	10.28%	
Steam	9.6%	10.63%	
Overall - CECONY	10.0%*	9.24%	9.66%
<i>CECONY Equity Ratio</i>	48.0%	51.09%	
<b>O&amp;R</b>			
Electric	9.4%	10.91%	
Gas	10.4%	9.98%	
RECO	10.3%	9.85%	
Overall – O&R	9.8%*	10.37%	11.25%
<i>O&amp;R Equity Ratio</i>	48.0%	50.12%	
Competitive Energy Businesses			7.37%
CEI			9.64%
* Weighted by rate base			

# New York Public Service Commission (NY PSC)

## Commissioners



## PSC Staff



- Annual budget: \$80 million; Staffing: 460 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 (most)
  - Pensions and Other Post-employment Benefits
  - Property taxes (partial)
  - Environmental clean-up costs
  - Interest on long-term borrowing
- Revenue decoupling
- Performance penalties
- Formulaic approach to setting ROE's

# NY PSC's Formulaic Approach to ROE

## Recent Rate Decisions in New York

Date	Company	ROE	Term	Date	Company	ROE	Term
07/06	Central Hudson	9.60%	3 years	06/10	Central Hudson	10.00%	3 years
08/06	NYSEG	9.55%	1 year	09/10	CECONY Gas	9.60%	3 years
09/06	CECONY Steam	9.80%	2 years	09/10	CECONY Steam	9.60%	3 years
10/06	O&R Gas	9.80%	3 years	09/10	Energy East (RGE/NYSEG)	10.00%	40 months
08/07	Keyspan Gas	9.80%	5 years	06/11	Niagara Mohawk Electric	9.30%	2 years
09/07	CECONY Gas	9.70%	3 years	06/11	O&R Electric	9.20%	1 year
10/07	O&R Electric	9.10%	1 year	04/12	Corning Gas	9.50%	3 years
12/07	National Fuel Gas	9.10%	1 year	06/12	O&R Electric	9.40%	1 <sup>st</sup> year
03/08	CECONY Electric	9.10%	1 year			9.50%	2 <sup>nd</sup> year
06/08	O&R Electric	9.40%	3 years			9.60%	3 <sup>rd</sup> year
09/08	CECONY Steam	9.30%	2 years	04/13	Niagara Mohawk Electric and Gas	9.30%	3 years
04/09	CECONY Electric	10.00%	1 year	06/13	Keyspan Gas	9.40%	2 years
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				
3/10	CECONY Electric	10.15%	3 years				

Rate of return on equity



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

# NY PSC Staff's Discounted Cash Flow Model

- The Staff employs a dividend discount model.

$$\text{Value} = \frac{D_1}{(1+R)} + \frac{D_2}{(1+R)^2} + \frac{D_3}{(1+R)^3} + \dots$$

- Solving for an equity return, R, where:
  - $D_1$  through  $D_4$  = Value Line estimates
  - $D_5$  through  $D_\infty$  = Value Line estimates based on future earnings retention and share growth
  - Value = average of prior three monthly high and low proxy group stock prices

# NY PSC Staff's Capital Asset Pricing Model

- Staff solves for an equity return, R

$$R = R_{UST} + (R_{MKT} - R_{UST}) * \beta$$

- Where:
  - $R_{UST}$  is the risk-free return: average of prior three monthly yields for 10-year and 30-year Treasuries
  - $R_{MKT}$  is the market rate of return: BofA Merrill Lynch's monthly *Quantitative Profiles* report (three month average)
  - $\beta$  is the risk of the individual share relative to that of the market: Value Line estimate for peer group

# Summary of Rate Plans

	Effective Period	Rate Base	Rate Increases	Amortization of Credits/Debits	Other Significant Revenue Sources	Authorized ROE	Earnings Sharing Terms (a) (Shareholders/Customers)
<b>Con Edison of New York</b>							
<b>Electric(b)</b>	Apr. 2010 – Mar. 2013	Yr. 1 - \$14.9 b Yr. 2 - \$16.0 b Yr. 3 - \$16.8 b	Yr. 1 - \$420.4 m Yr. 2 - \$420.4 m Yr. 3 - \$286.9 m (c)	\$(75.3) m over 3 yrs	\$120 m of annual TCC revenues	10.15%	Yr. 1: 11.15% -12.149%: 50/50 12.5% - 13.149%: 25/75 >13.15% :10/90 (d)
<b>Gas (b)</b>	Oct. 2010 – Sept. 2013	Yr. 1 - \$3.0 b Yr. 2 - \$3.2 b Yr. 3 - \$3.4 b	Yr. 1 - \$47.1 m Yr. 2 - \$47.9 m Yr. 3 - \$46.7 m	\$(53.1) m over 3 yrs	\$58 m non-firm revenues – 100% > \$58 m: 25%	9.60%	Yr. 1: 10.35% - 11.59%: 40/60 11.60% -12.59% : 25/75 >12.60 :10/90 (e)
<b>Steam (b)</b>	Oct. 2010 – Sept. 2013	Yr. 1 - \$1.6 b Yr. 2 - \$1.6 b Yr. 3 - \$1.6 b	Yr. 1 - \$49.5 m Yr. 2 - \$49.5 m Yr. 3 - \$17.8 m (f)	\$(20.1) m over 3 yrs	---	9.60%	Yr. 1: 10.35% - 11.59%: 40/60 11.60% -12.59% : 25/75 >12.60 :10/90 (e)
<b>Orange and Rockland</b>							
<b>Electric</b>	Jul. 2012 – Jun. 2015	Yr. 1 - \$671 m Yr. 2 - \$708 m Yr. 3 - \$759 m	Yr. 1 - \$19.4 m Yr. 2 - \$8.8 m Yr. 3 - \$15.2 m	\$32 m over 3 yrs	---	9.40% 9.50% 9.60%	Yr. 1: 10.21% - 11.20%:50/50 11.21% - 12.20%: 75/25 >12.20%: 90/10 (g)
<b>Gas</b>	Nov. 2009 – Oct. 2012	Yr. 1 - \$280 m Yr. 2 - \$296 m Yr. 3 - \$309 m	Yr. 1 - \$9.0 m Yr. 2 - \$9.0 m Yr. 3 - \$4.6 m (h)	\$2.1 m over 3 yrs	---	10.40%	Yr.1: 11.4% – 12.4%: 50/50 12.4% – 14%: 35/65 >14%: 10/90
<b>RECO</b>	May 2010– Apr. 2011	Yr. 1 - \$149 m	Yr. 1 - \$9.8 m	\$1.3 m	---	10.30%	none

(continued)

## Summary of Rate Plans — Footnotes

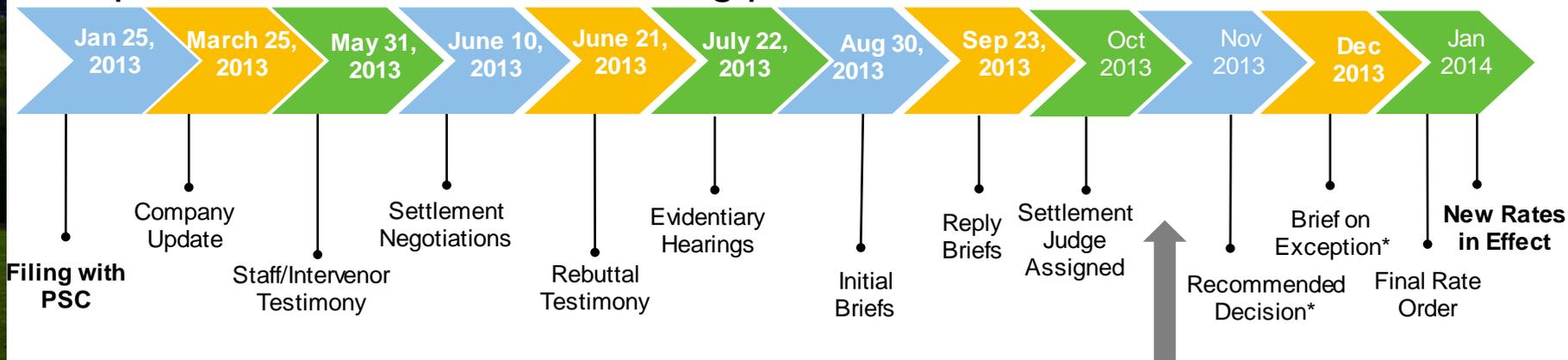
*(continued)*

- (a) Subject to limitation for cost reconciliation described in Note B to the financial statements in Item 8.
- (b) Pursuant to NYSPSC orders, a portion of the company's revenues is being collected subject to refund. See "Other Regulatory Matters" in note B to the financial statements in item 8.
- (c) Temporary increase of \$133.5 million scheduled to go into effect April 1, 2012 was eliminated by the application of available credits of \$133.5 million (see Case 12-E-0008).
- (d) In Yr. 2 and 3, 10.65% - 12.149%: 40/60, 12.15% - 13.149%: 25/75, and >13.15%: 10/90
- (e) In Yr. 2 and 3, 10.10% - 11.59%: 40/60, 11.60% - 12.59%: 25/75, and >12.60%: 10/90
- (f) The rate plan provides for a one-time surcharge of \$31.7 million in Year 3
- (g) in Yr. 2, 10.31% - 11.30%: 50/50, 11.31% - 12.30%: 25/75, and >12.30%: 10/90. In Yr. 3, 10.41% - 11.40%: 50/50, 11.41% - 12.40%: 25/75, and >12.40%: 10/90
- (h) The rate plan provides for a one-time surcharge of \$4.3 million in Year 3

# 2013 Electric, Gas and Steam Rate Filings

(13-E-0030, 13-G-0031, 13-S-0032)

- 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
- In October, the PSC extended rate setting process for an additional month to give parties time for potential settlement discussions. The extension is subject to a “make whole” provision
- Updated timeline for rate setting process:



Current Stage

\*Timeline for Recommended Decision and Brief on Exception is illustrative

## Key Provisions of 2013 Electric, Steam and Gas Rate Filing

- Proposing programs intended to reduce service outages from major storms, as well as improve the storm recovery process
  - plans for \$1 billion of storm hardening capital expenditures through 2016 (electric: \$800 million; gas: \$100 million; steam \$100 million)
  - surcharge mechanism for future hardening programs.
- Proposing additional operating and capital programs, including programs to address new cyber security standards
- Proposing to recover deferred storm charges over three years (including \$243 million of response and restoration O&M costs for Sandy)
- Requesting the implementation of a storm reserve for the gas and steam systems
- Continuing the current provisions for true up of costs of pension and OPEBs, long-term debt, storms (electric), the impact of new laws, and environmental site investigation and remediation
- Continuing the revenue decoupling mechanism for electric and gas services
- Proposing implementation of weather normalization of revenues for steam
- Continuing provisions for recovery of cost of purchased power, gas, steam and fuel
- Requesting full reconciliation of property taxes and municipal infrastructure support costs

## Comparison of Company and Staff Positions (\$ millions)

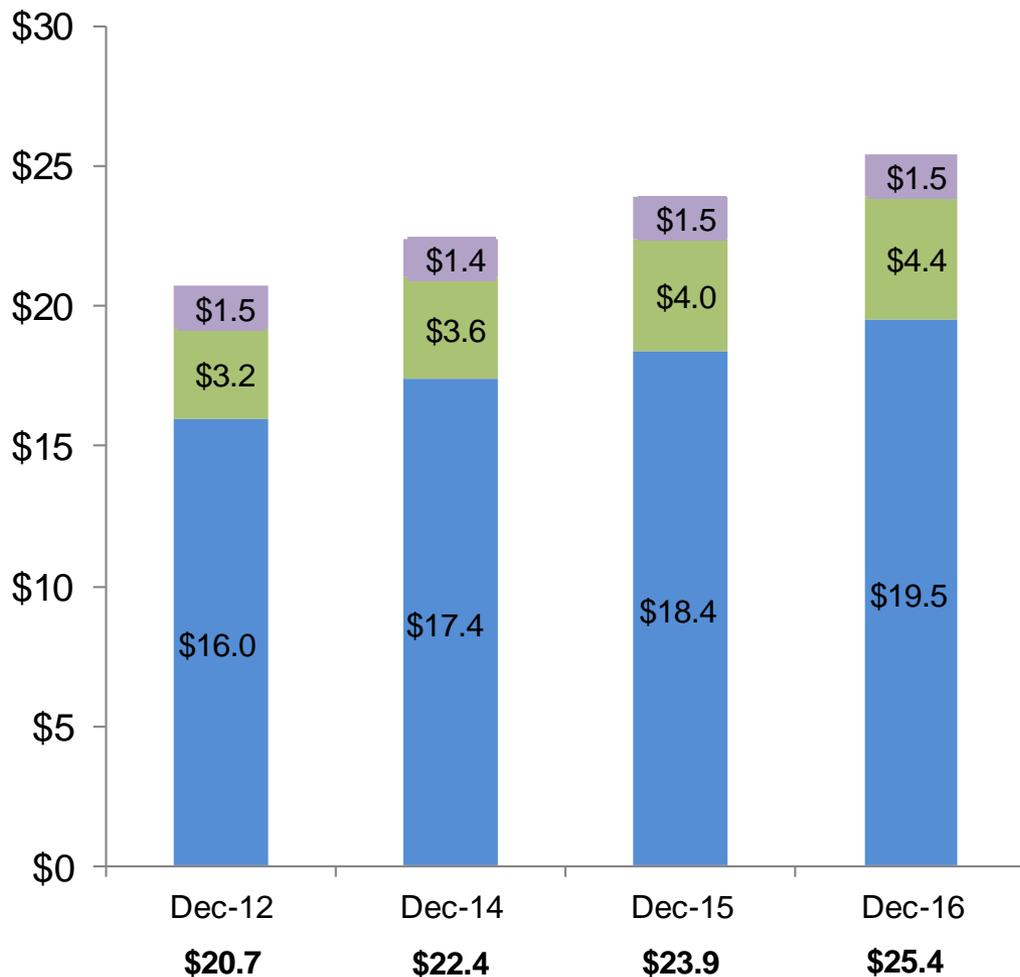
	Electric	Gas	Steam	Total	% of Difference
<b>Company's Proposal (September Briefs)</b>	<b>418</b>	<b>27</b>	<b>8</b>	<b>453</b>	
Staff Proposal Differs as Follows:					
ROE/Capital Structure	(248)	(50)	(21)	(319)	46%
O&M	(121)	(25)	(7)	(153)	22%
Depreciation	(108)	(21)	(3)	(132)	19%
Sales Revenues	(32)	(7)	-	(39)	6%
Rate Base (SRIP, Cap Ex)	(21)	(14)	-	(20)	3%
Income Taxes	(16)	(5)		(21)	3%
Other	(18)	-	13	(5)	1%
<b>Staff's Proposal (August Briefs)</b>	<b>(146)</b>	<b>(95)</b>	<b>(10)</b>	<b>(251)</b>	

Proposed	CECONY	Staff
ROE	10.1%	8.7%
Equity ratio	50.0%	48.0%

## Con Edison of New York

# Rate Base Actual and Proposed\*

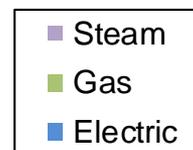
Average rate base for 12 months (\$ billions)



\*Based on January 25<sup>th</sup> filing

## Proposed Capital Expenditure (\$ millions)

Year	Electric	Gas	Steam	Total
2014	\$1,496	\$497	\$84	\$2,077
2015	1,650	545	96	2,291
2016	1,576	549	99	2,224



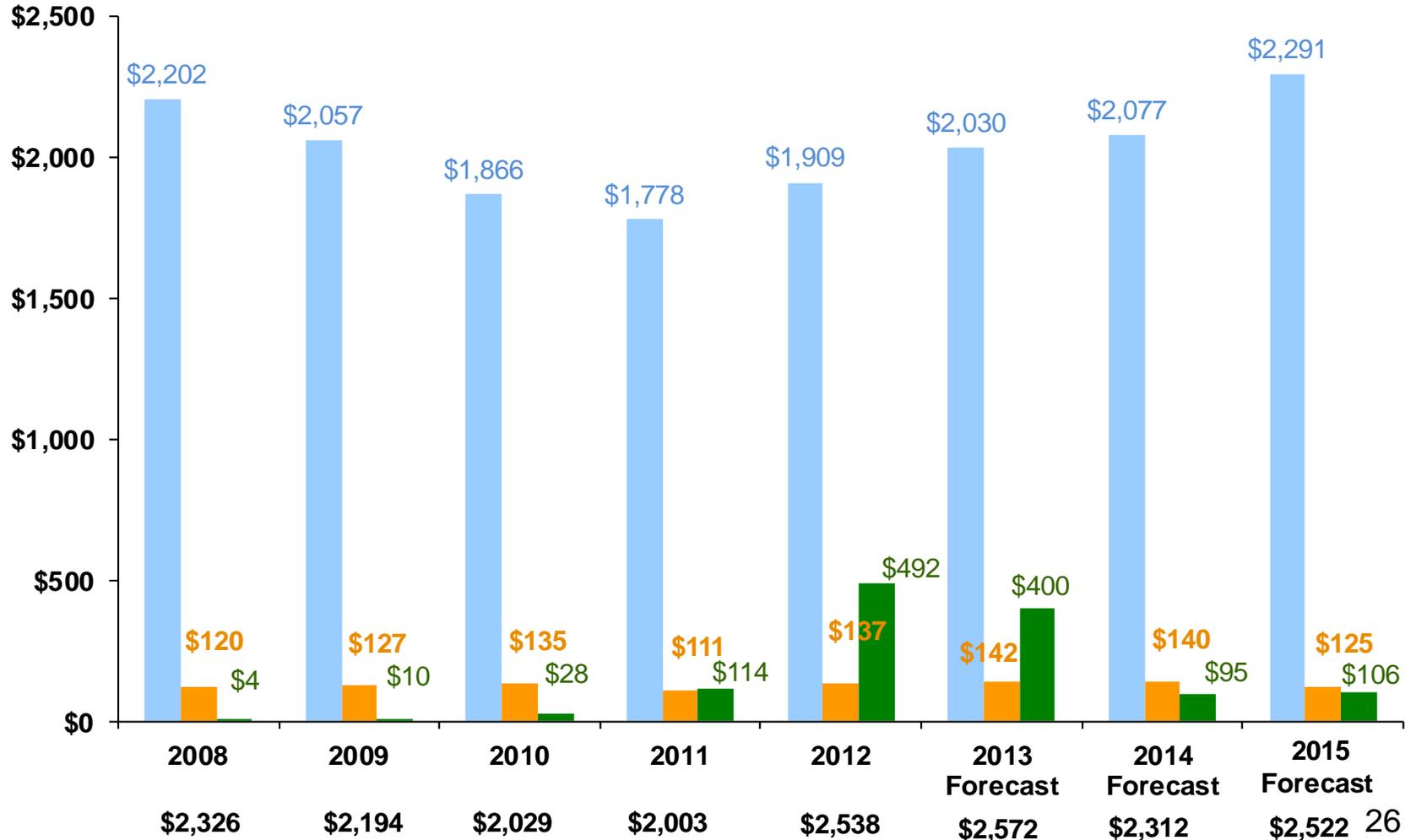
# Storm Hardening Proposed Investment

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

# Capital Expenditures

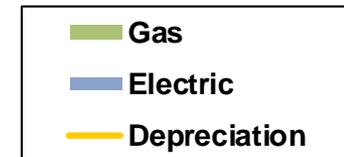
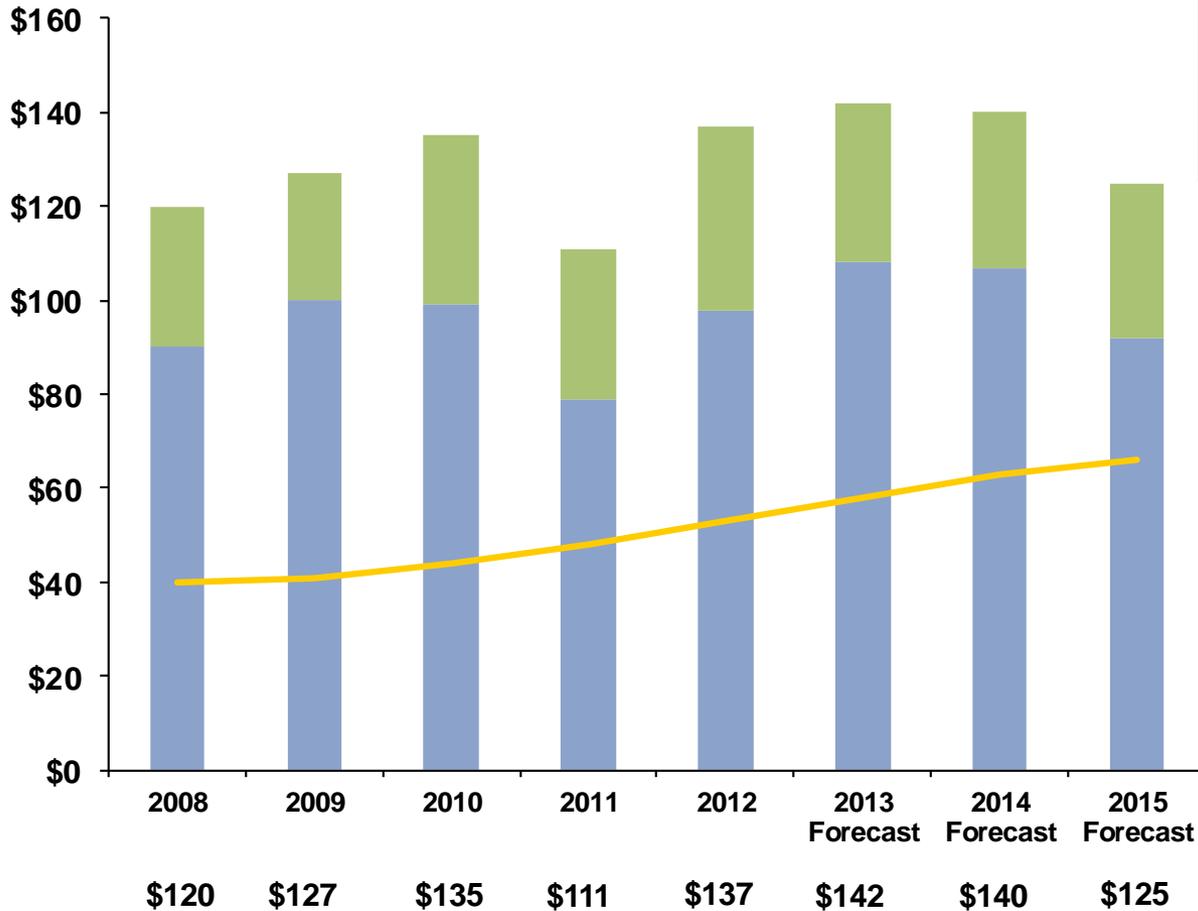
(\$ millions)

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



# Orange and Rockland Infrastructure Investment (\$ millions)

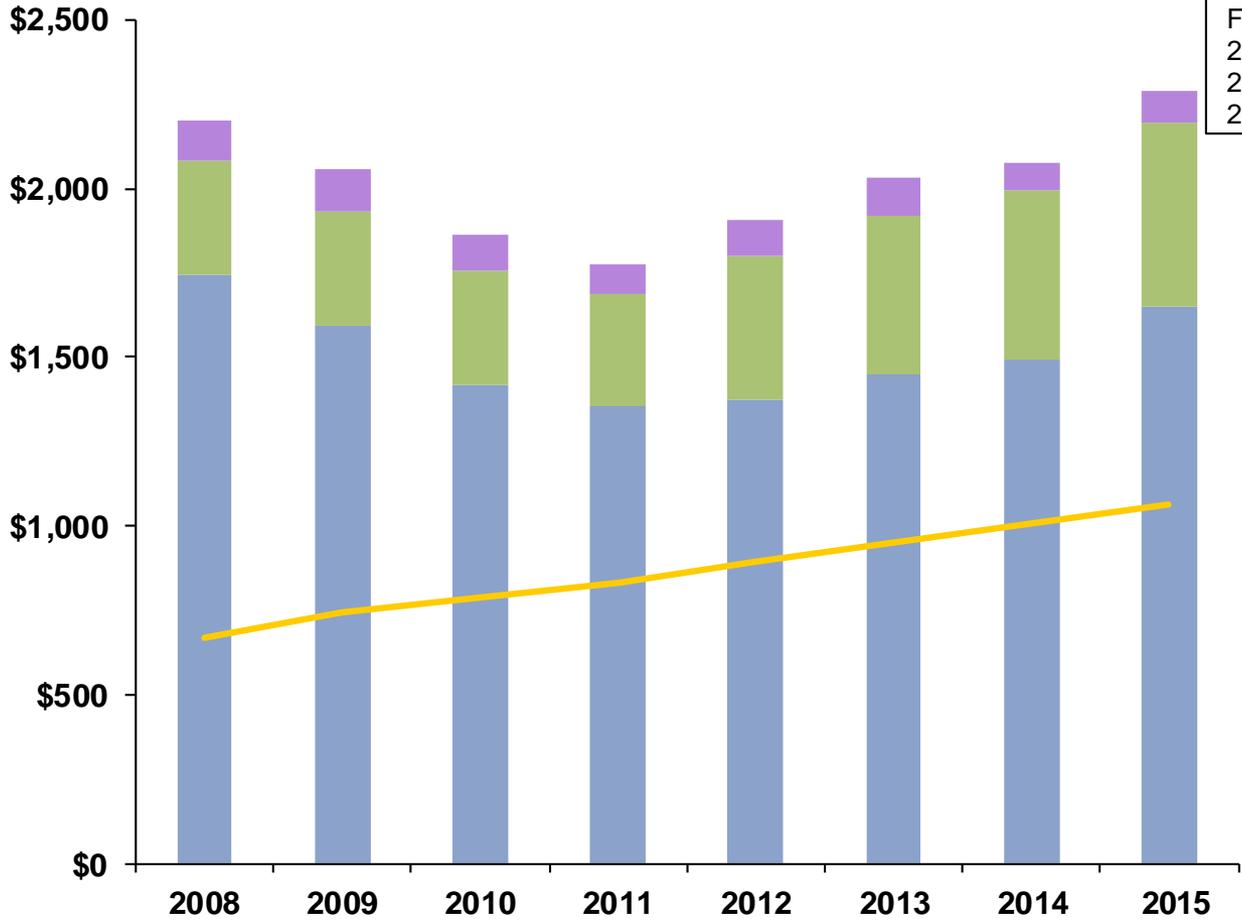
	Electric	Gas	Depreciation
Actual			
2008	88	32	40
2009	85	42	42
2010	99	36	44
2011	79	32	48
2012	98	39	53
Forecast			
2013	108	34	58
2014	107	33	63
2015	92	33	66



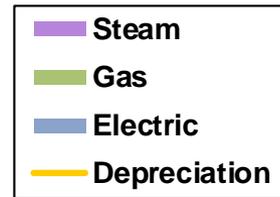
# Con Edison of New York

## Infrastructure Investment

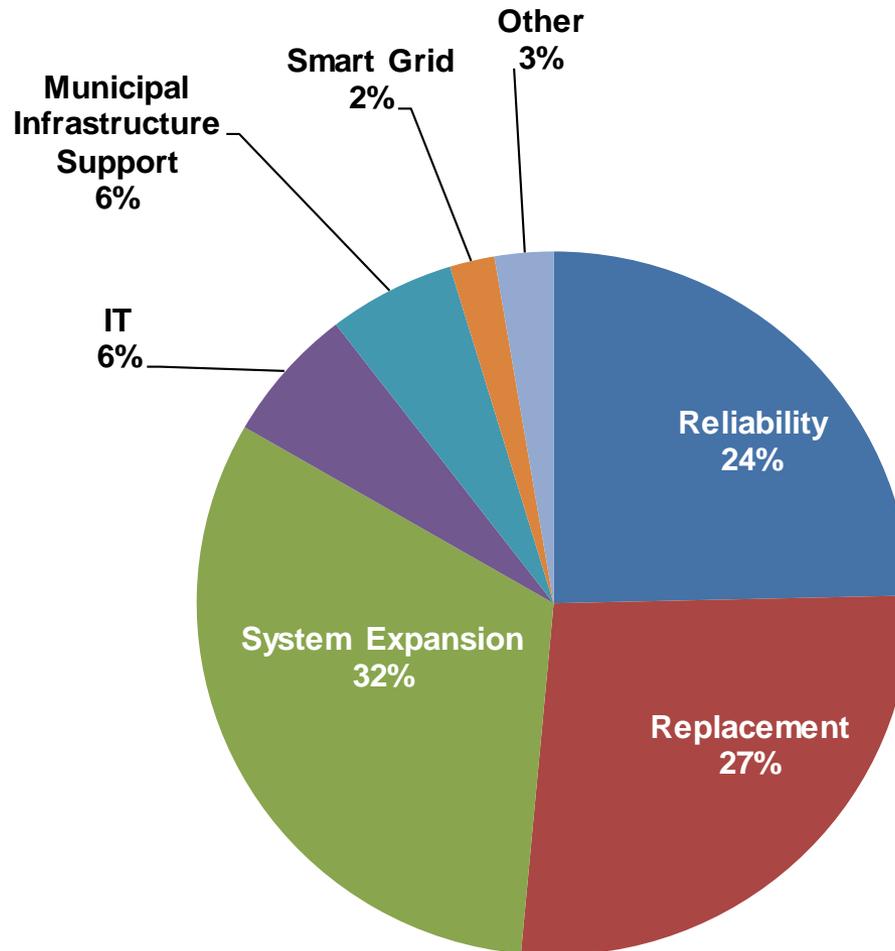
(\$ millions)



	Electric	Gas	Steam	Depreciation
Actual				
2008	1,743	338	121	672
2009	1,596	339	122	744
2010	1,421	334	111	787
2011	1,354	335	89	829
2012	1,375	426	108	894
Forecast				
2013	1,447	473	110	949
2014	1,496	497	84	1,007
2015	1,650	545	96	1,064



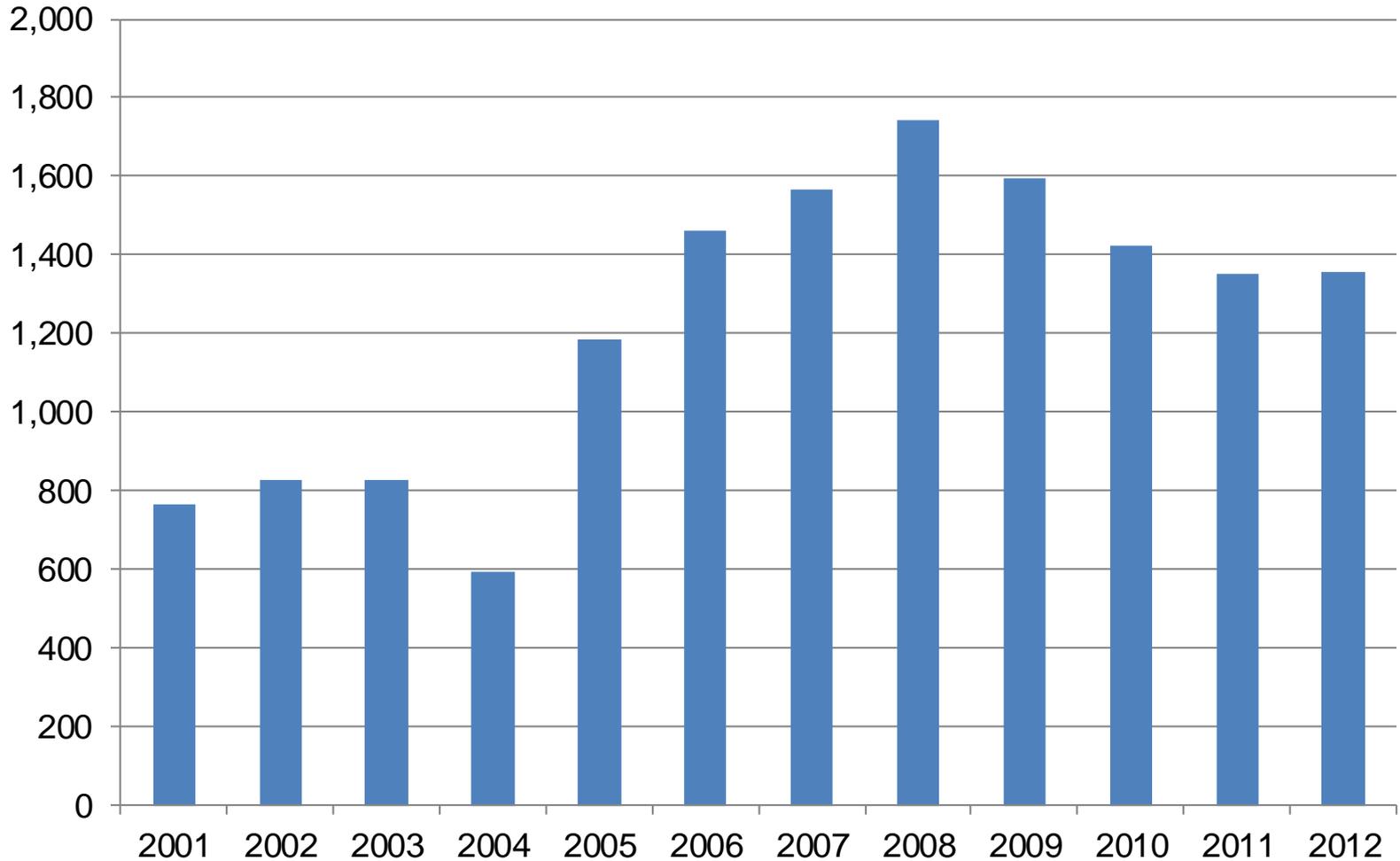
# Breakdown of 2013 Electric Delivery Capital Investment



Con Edison of New York

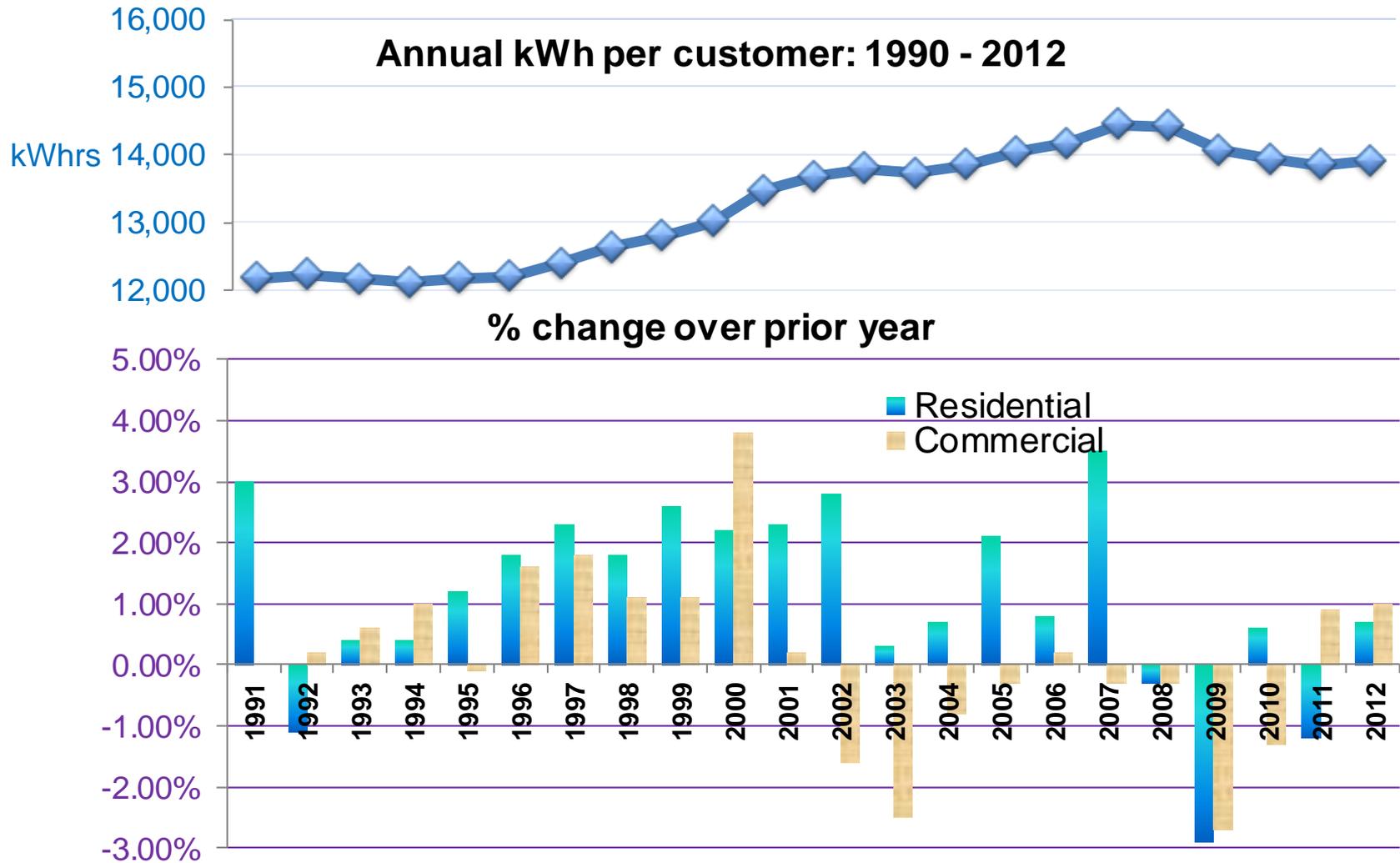
# Electric Delivery Infrastructure Annual Capital Investment

(\$ millions)

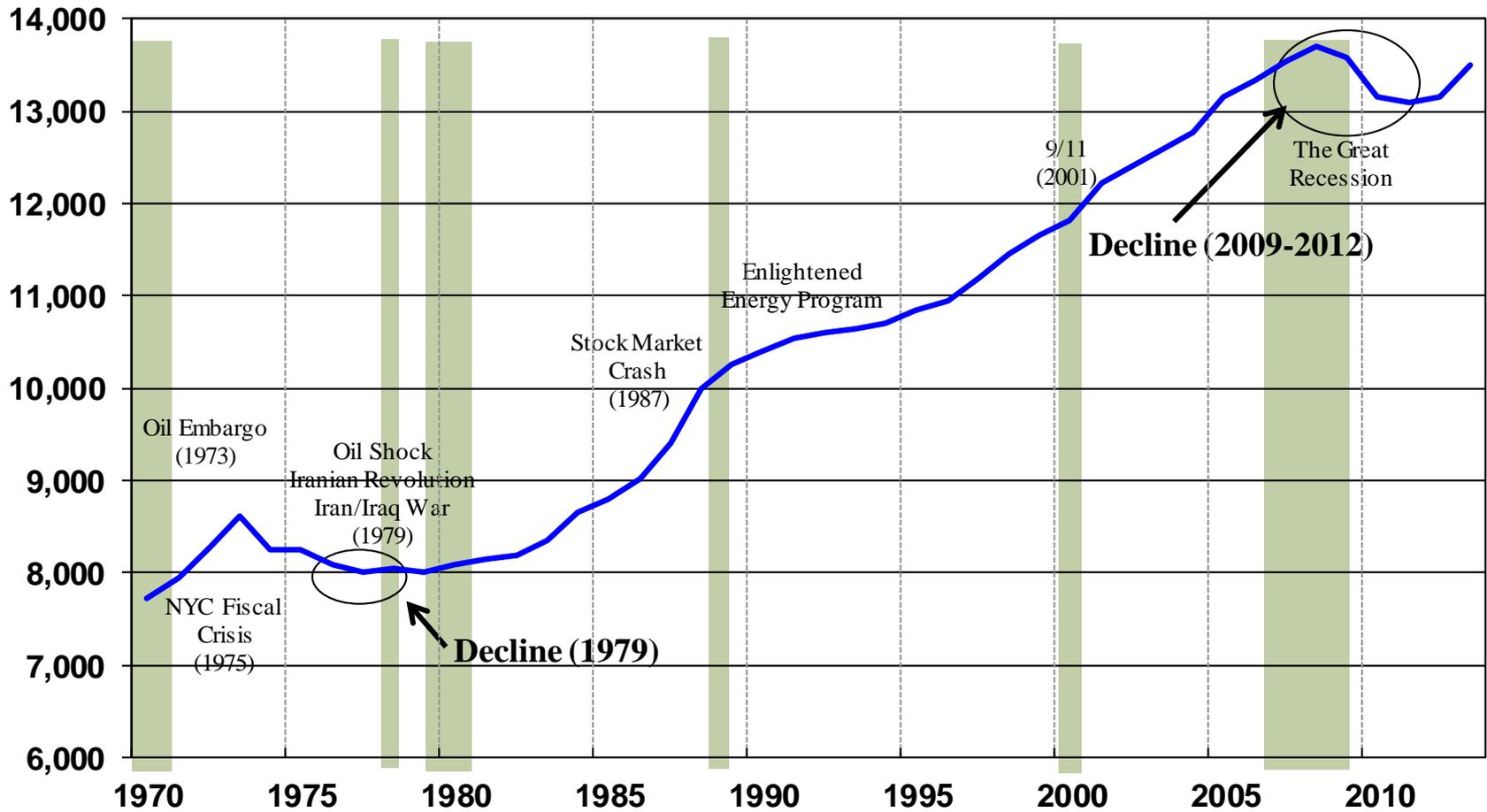


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# Average Normalized Electricity Use per Customer



# Historical Electricity Peak Demand\*

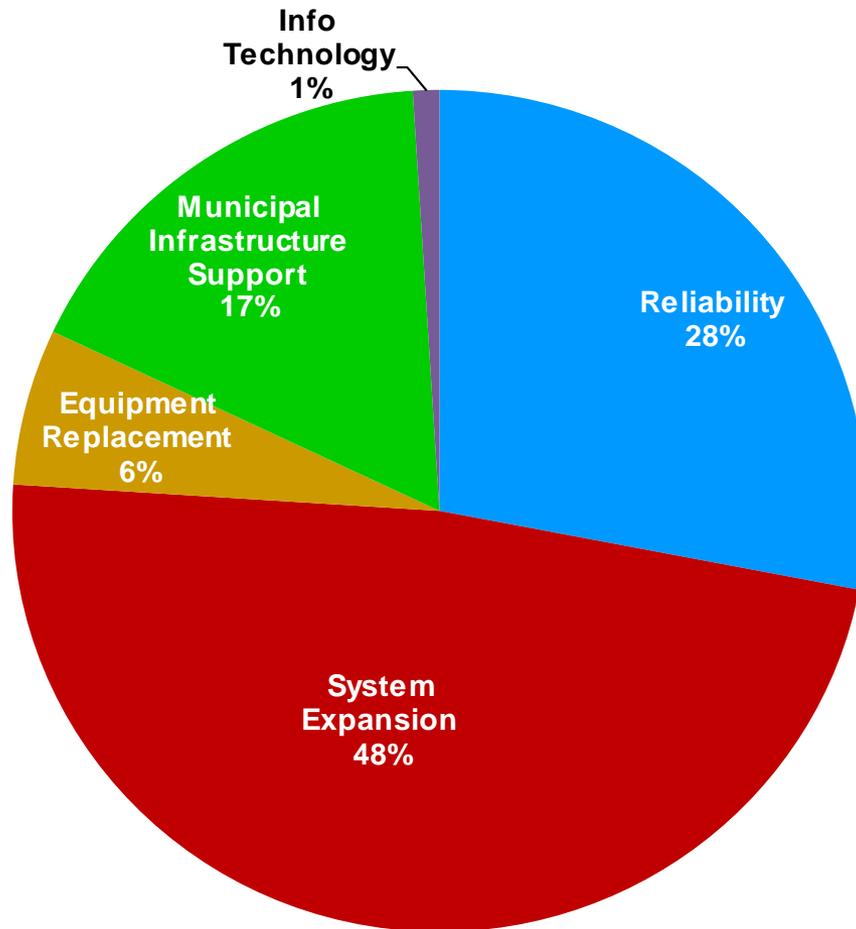


\*Design Weather Conditions

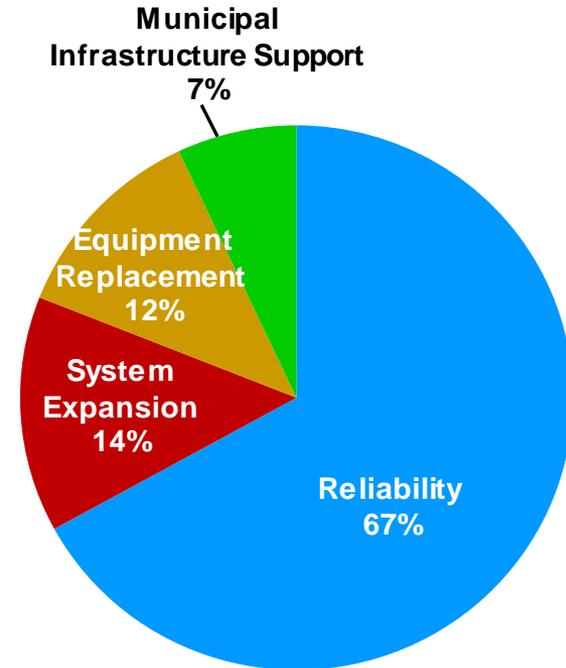
## 5-Year Annualized Growth Rates in Peak Usage

	5-Year Historical 2002-2007 (Pre-Recession)	Current 5-Year Forecast (2013-2018)
<b>CECONY</b>		
Electric	1.8%	1.4%
Gas	1.0%	3.8%
Steam	(0.8)%	(0.6)%
<b>O&amp;R</b>		
Electric	2.6%	0.9%
Gas	(0.8)%	0.7%

# Breakdown of 2013 Gas Distribution Capital Investment



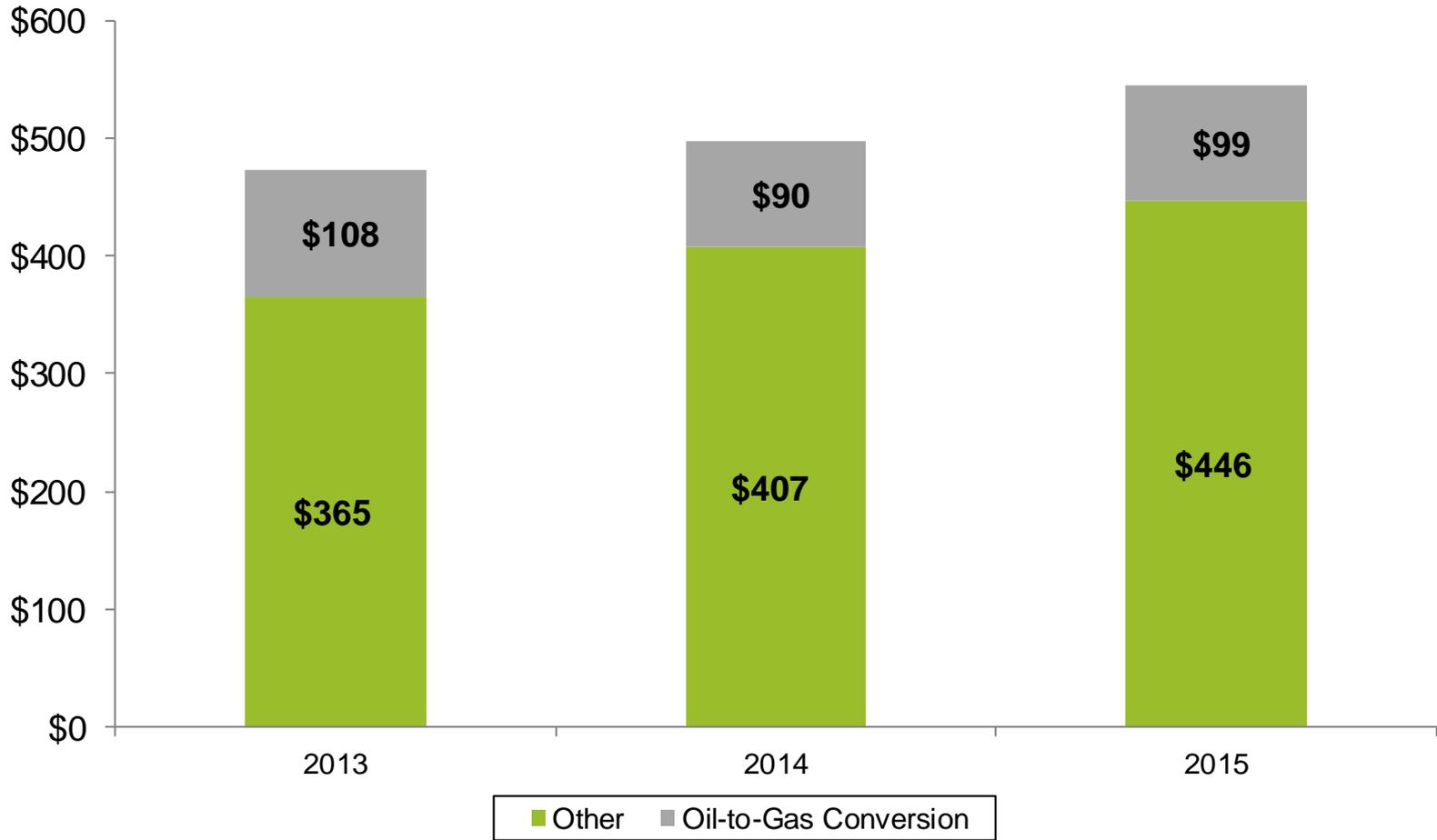
Con Edison of New York



Orange and Rockland

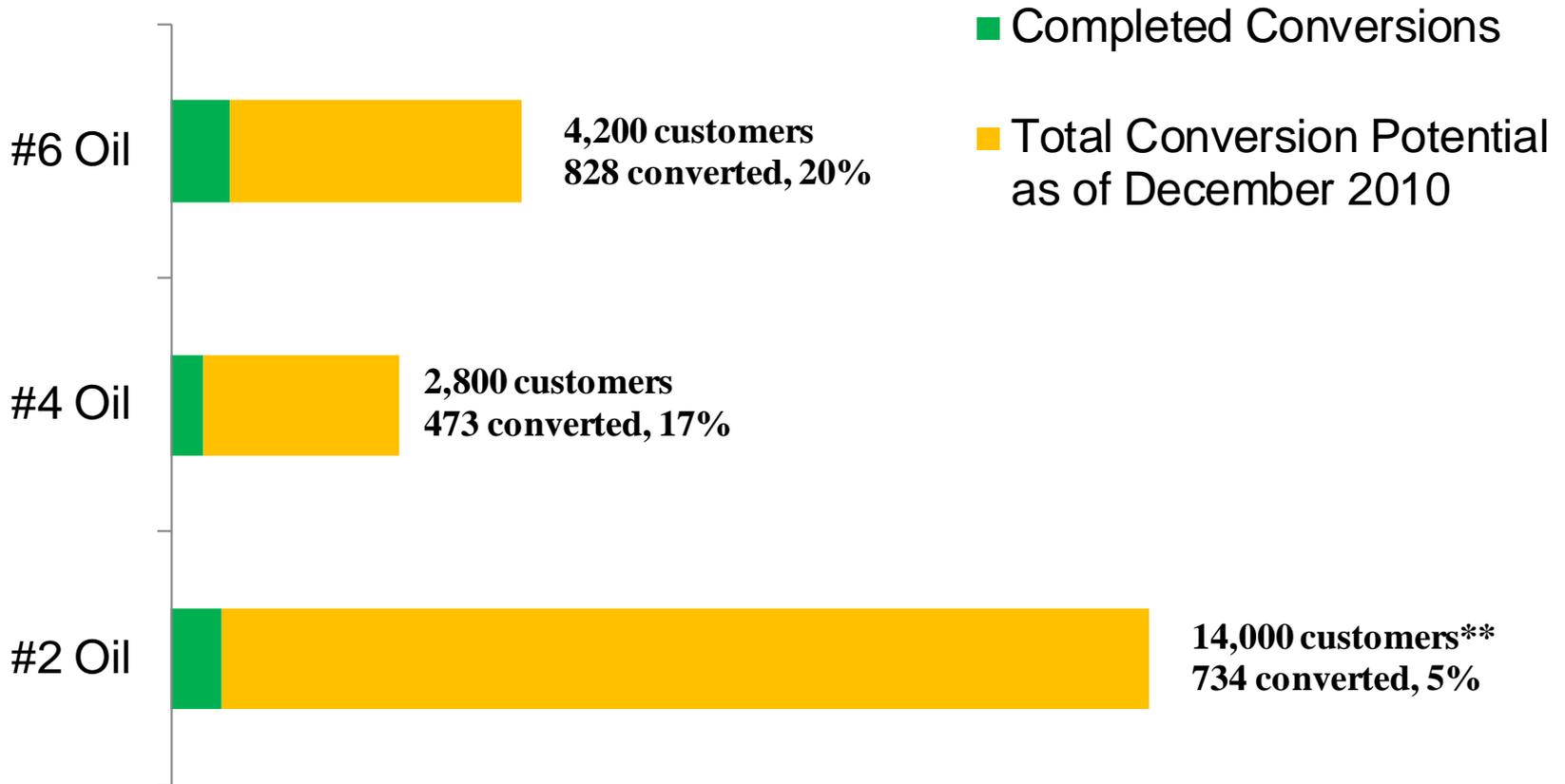
# Gas Infrastructure Investment Forecast

(\$ millions)



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

January 2011 to September 2013



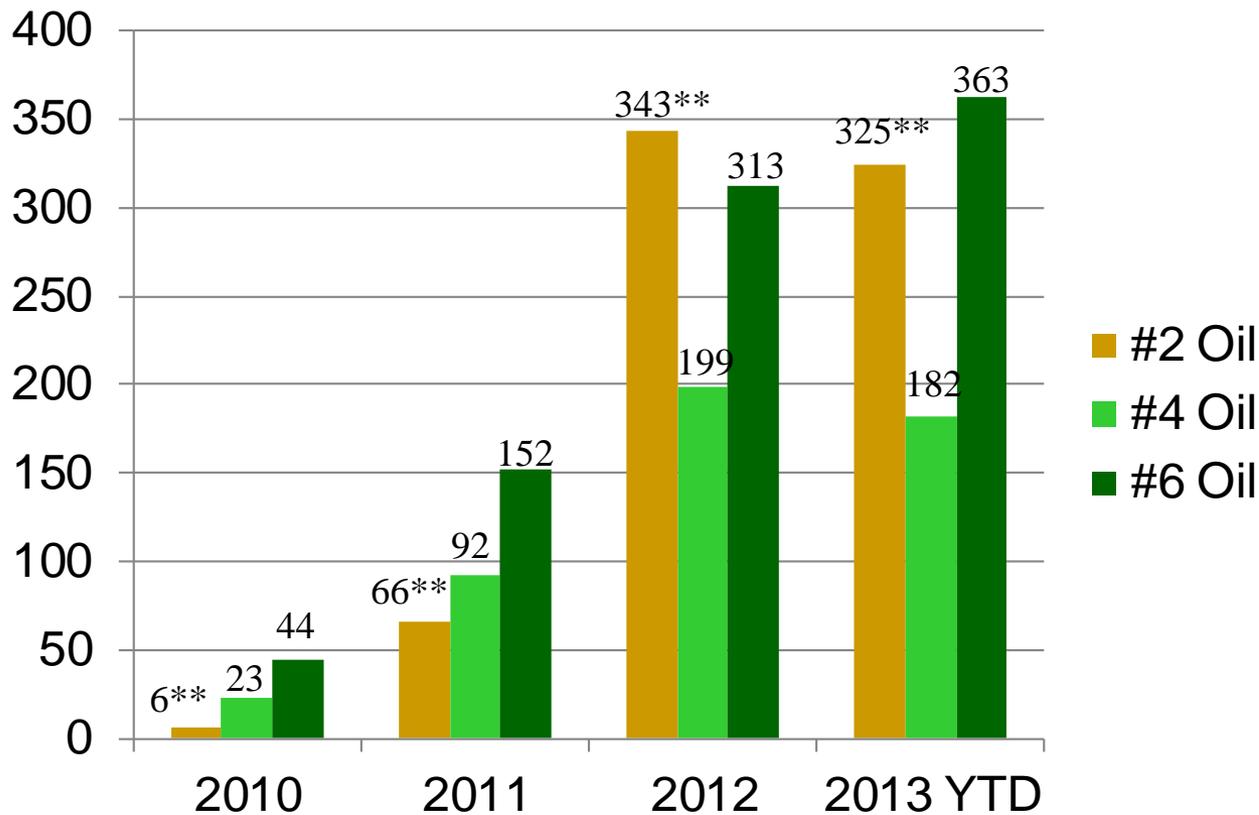
\* Multi-family buildings include 5 or more families

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

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

2013 figures through September 30

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



# **NY Public Service Commission Response to NY Energy Highway Blueprint: New & Upgraded AC Transmission**

**Proceeding to examine proposals for AC transmission upgrades to address congestion on the transmission system between Utica and NYC (12-T-0502)**

- Transmission projects proposed by NY Transco, NextEra, Boundless Energy and North American Transmission Corp.
- NY Transco filed a statement of intent proposing to build five projects valued at \$1.3 billion. Expected in-service time is between 2016 and 2019. For more information visit <http://www.nytransco.com/>
- PSC is conducting a single Article VII process to consider the proposed projects. NYTOs submitted application materials for the projects on October 1<sup>st</sup>



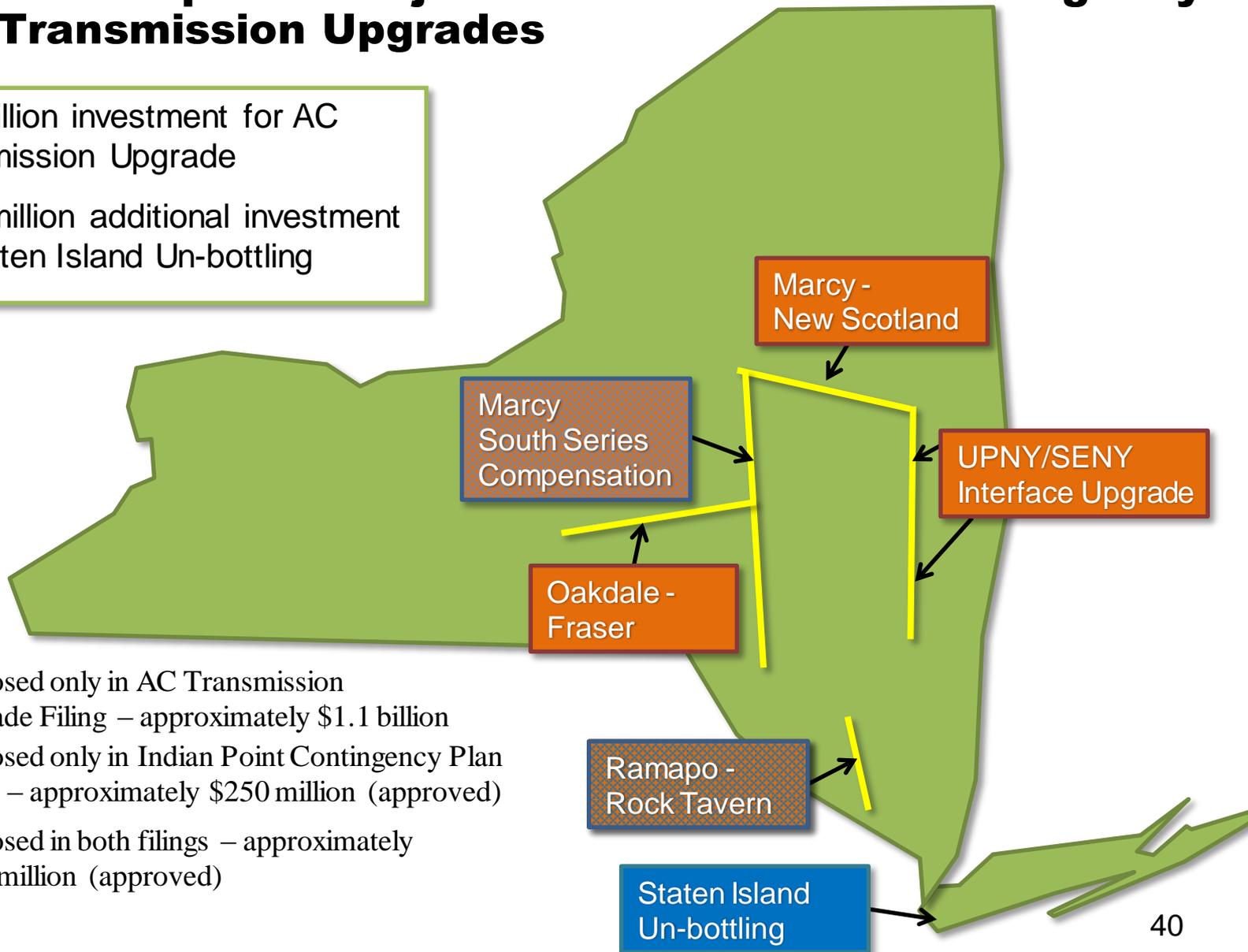
# NY Public Service Commission Response to NY Energy Highway Blueprint: Indian Point Contingency

## Proceeding soliciting Indian Point Contingency Plan (12-E-0503)

- Filed by ConEd and NYPA on February 1, 2013
- The plan included two parallel solution paths: a) Transmission Owner Transmission Solutions (TOTS) - three transmission projects (NY Transco projects) and b) an RFP process initiated by NYPA to consider generation and/or transmission alternatives proposed by developers
- In November, the PSC made the following decisions:
  - **Approved construction of the TOTS projects:** Ramapo-Rock Tavern, Staten Island Unbottling and Marcy South Series Compensation. The PSC supports FERC tariff cost recovery and cost allocation methodology proposed by NY Transco for the projects. Total cost of the TOTS projects is approximately \$450 million
  - **Approved investment in demand response and energy efficiency programs** to achieve 100 MW of demand reduction, plus a 25 MW of Combined Heat and Power (CHP) program
  - **Decided to defer a decision on the NYPA RFP** because of future market changes that could encourage market solutions including return to service of mothballed/retired generation
- The expected in-service date for approved TOTS projects and demand management programs is prior to summer 2016

# NY Transco Proposed Projects for Indian Point Contingency and AC Transmission Upgrades

- \$1.3 billion investment for AC Transmission Upgrade
- \$250 million additional investment for Staten Island Un-bottling

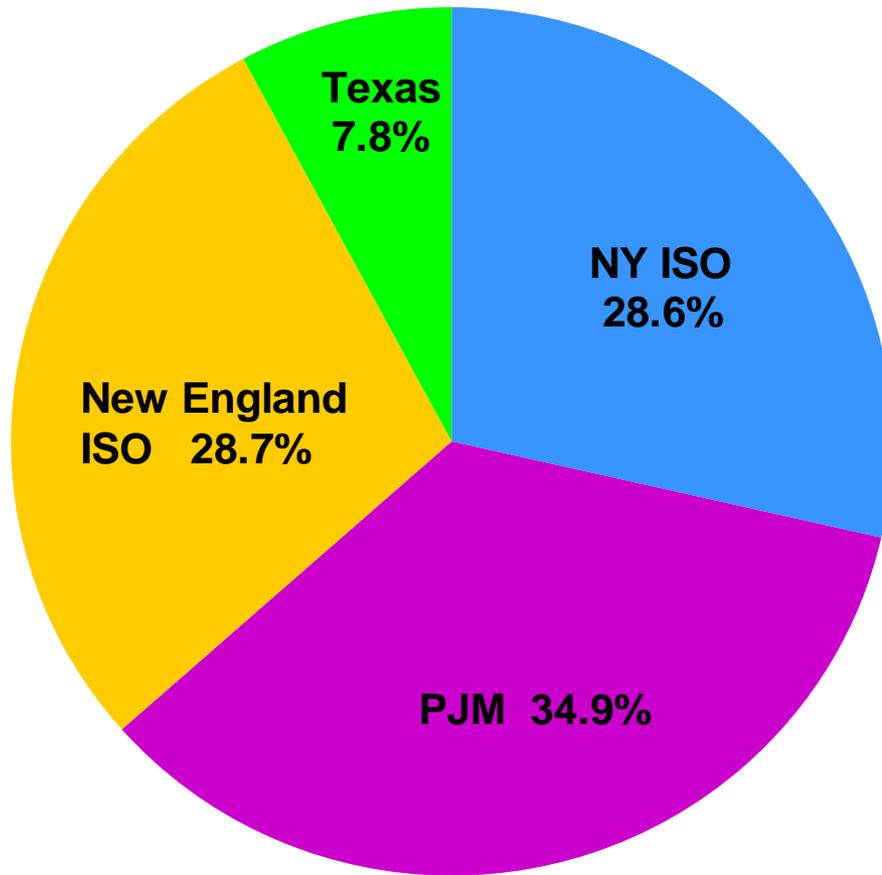


# Con Edison Development Solar Investment Portfolio

Project	Location	MW (AC)	PPA Offtaker	PPA Term	SREC Term	Actual / Expected In-service Date
<b>Operating - Projects &gt; 3MW</b>						
Pilesgrove	NJ	9	N/A	N/A	3 years	3Q11
Flemington	NJ	8	N/A	N/A	3 years	4Q11
Frenchtown II	NJ	3	N/A	N/A	3 years	4Q11
Frenchtown I	NJ	3	N/A	N/A	3 years	1Q12
PA Solar	PA	10	N/A	N/A	5 years	4Q12
Shrewsbury	MA	3	Customer	20 years	5 years	4Q12
Groveland	MA	3	Customer	20 years	5 years	4Q12
Alpaugh 50	CA	50	PG&E	25 years	part of PPA	4Q12
Alpaugh North	CA	20	PG&E	25 years	part of PPA	4Q12
Mesquite Solar 1	AZ	75	PG&E	20 years	part of PPA	3Q13 *
Copper Mountain Solar 2 Phase 1	NV	46	PG&E	25 years	part of PPA	3Q13 *
White River	CA	20	PG&E	25 years	part of PPA	2Q13
Corcoran	CA	20	PG&E	25 years	part of PPA	3Q13
<b>Total MW Operating</b>		<b>270</b>				
<b>Construction/Development - Projects &gt; 3MW</b>						
Frenchtown III	NJ	8	N/A	N/A	3 years	1Q14
Copper Mountain Solar 2 Phase 2	NV	29	PG&E	25 years	part of PPA	2015
<b>Total MW Construction/Development</b>		<b>37</b>				
<b>Projects of Less Than 3 MW</b>		<b>14</b>				
<b>Total MW</b>		<b>321</b>				

\* Time of acquisition

# Retail Electric Commodity Sales Volumes by Region

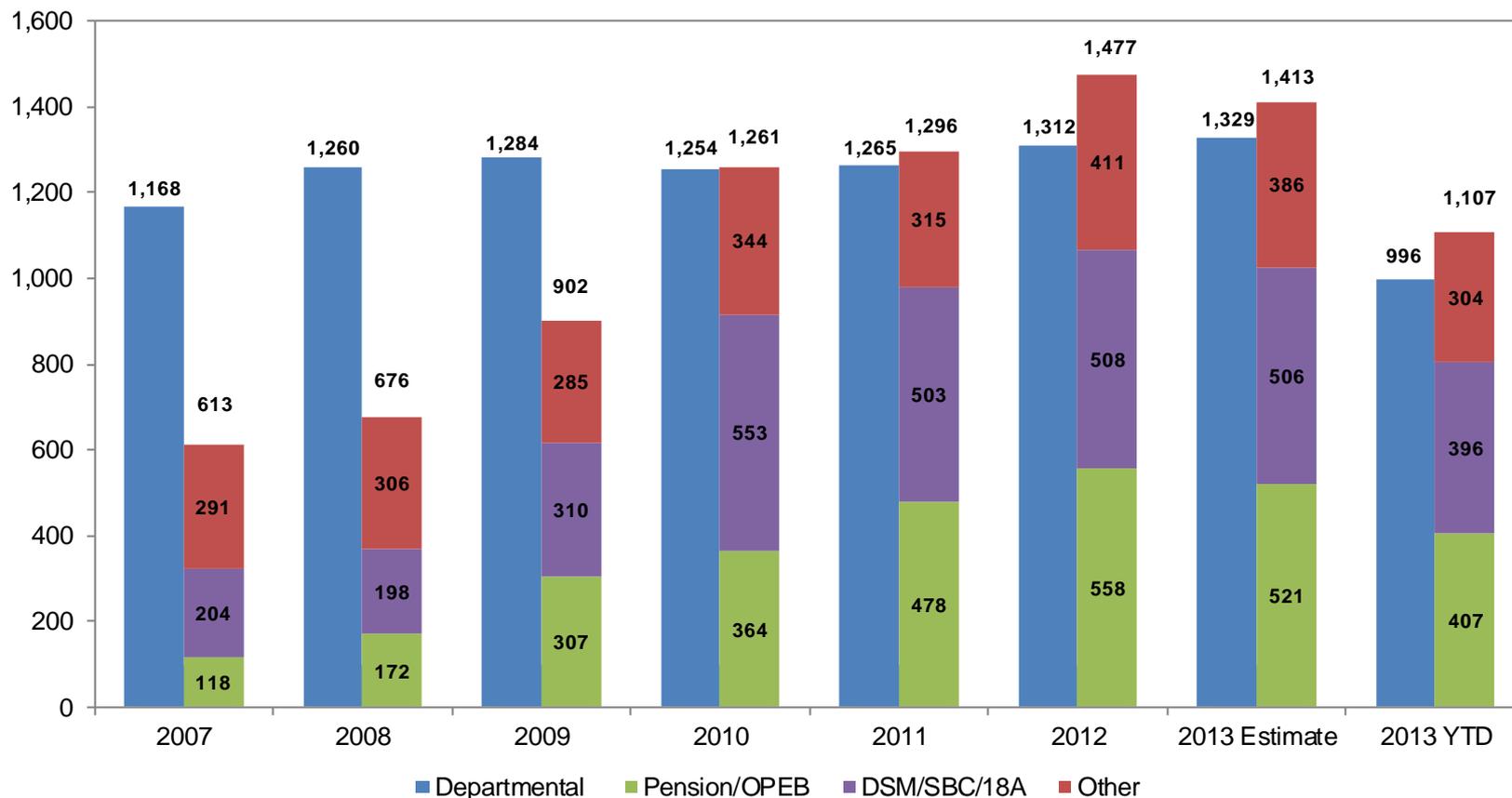


2012 Sales Volumes  
13,840 million kWhrs

2012 breakdown of volumes by customer class: 91% Commercial & Industrial; 9% Mass Market

# Departmental and Other Expenses

(\$ millions)



\* Includes Demand Side Management, System Benefit Charges and 18A assessment. 2013 YTD as of 9/30/2013.

# 3Q13 Ongoing Earnings Per Share Results

	Qtr. Ended 9/30/2013	Qtr. Ended 9/30/2012	Variance
<b>CECONY</b>			
Rate Plans			\$ (0.02)
Weather Impact on Steam O&M			\$ (0.01)
Depreciation, Property Taxes and Other Tax Matters			\$ 0.08
Other			\$ (0.05)
<b>Total CECONY</b>	<b>\$ 1.37</b>	<b>\$ 1.33</b>	<b>\$ 0.04</b>
<b>O&amp;R</b>	0.07	0.08	(0.01)
<b>CED *</b>	0.02	-	0.02
<b>CEE *</b>	0.01	0.01	-
<b>CES *</b>	0.01	0.04	(0.03)
<b>Parent</b>	-	(0.02)	0.02
<b>Total Ongoing CEI</b>	<b>\$ 1.48</b>	<b>\$ 1.44</b>	<b>\$ 0.04</b>

\*For the three months ended September 30, the earnings exclude a LIFO income of \$0.09 and an after-tax net mark-to-market gain of \$0.01 a share in 2013, and an after-tax net mark-to-market gain of \$0.06 a share in 2012.

# Reconciliation of 3<sup>rd</sup> Quarter 2013 and 3<sup>rd</sup> Quarter 2012 Earnings Per Share

3 months ending Sept. 30, 2013	CECONY	O&R	Con Edison Development	Con Edison Energy	Con Edison Solutions	Parent	Total
Reported EPS – GAAP basis	\$1.37	\$0.07	\$0.11	\$0.01	\$0.02	\$-	\$1.58
Mark-to-Market losses/(gains)	-	-	-	-	(0.01)	-	(0.01)
Lease In/Lease Out transactions	-	-	(0.09)	-	-	-	(0.09)
Ongoing operations	\$1.37	\$0.07	\$0.02	\$0.01	\$0.01	\$-	\$1.48

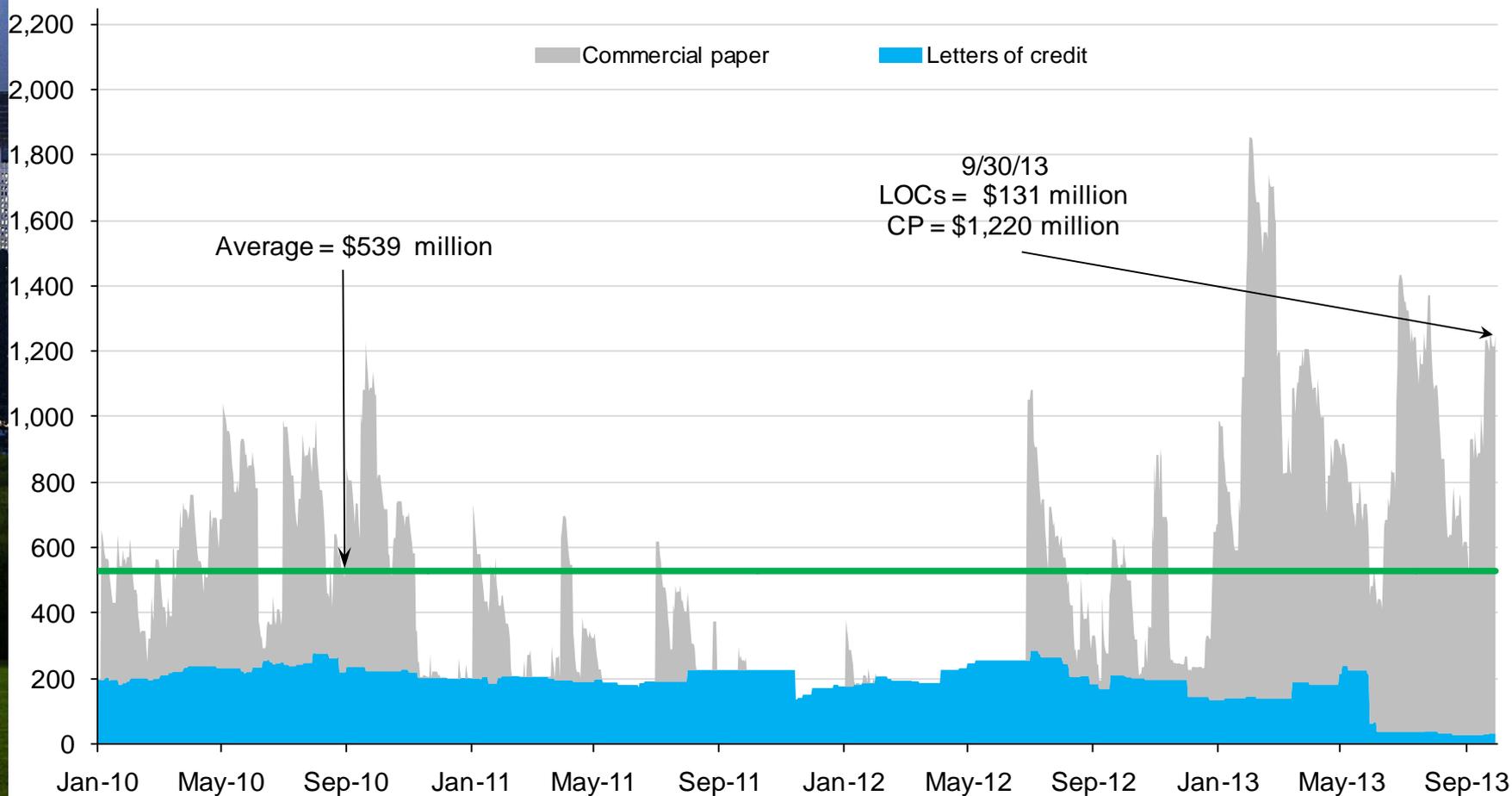
3 months ending Sept. 30, 2012	CECONY	O&R	Con Edison Development	Con Edison Energy	Con Edison Solutions	Parent	Total
Reported EPS – GAAP basis	\$1.33	\$0.08	\$-	\$0.01	\$0.10	\$(0.02)	\$1.50
Mark-to-Market losses/(gains)	-	-	-	-	(0.06)	-	(0.06)
Ongoing operations	\$1.33	\$0.08	\$-	\$0.01	\$0.04	\$(0.02)	\$1.44

# Reconciliation of 2012 and 2011 Earnings Per Share

2012	CECONY	O&R	Con Edison Development	Con Edison Energy	Con Edison Solutions	Parent	Total
Reported EPS – GAAP basis	\$3.46	\$0.22	\$0.02	\$-	\$0.24	\$(0.06)	\$3.88
Mark-to-Market losses/(gains)	-	-	-	0.01	(0.14)	-	(0.13)
Ongoing operations	\$3.46	\$0.22	\$0.02	\$0.01	\$0.10	\$(0.06)	\$3.75
2011	CECONY	O&R	Con Edison Development	Con Edison Energy	Con Edison Solutions	Parent	Total
Reported EPS – GAAP basis	\$3.34	\$0.18	\$0.01	\$0.03	\$0.07	\$(0.04)	\$3.59
Mark-to-Market losses/(gains)	-	-	-	(0.03)	0.08	-	0.05
Ongoing operations	\$3.34	\$0.18	\$0.01	\$-	\$0.15	\$(0.04)	\$3.64

# Liquidity Adequacy

\$2,250 million CEI Consolidated revolving credit facility



# Financing Needs – 2013 Debt and Equity Guidance

- Plan for 2013: Issue up to \$1.0 to \$1.5 billion of long-term debt including maturing securities, primarily at CECONY
- Activity so far: In February, CECONY issued \$700 million of 30-year debentures with a 3.95% coupon
- No equity issuance
- Project finance for California solar projects: in April, a subsidiary of ConEd Development issued \$219 million of non-recourse, senior notes with a 4.78% coupon

## Schedule of Debt Maturities

(\$ millions)	2013	2014	2015	2016	2017
Con Edison, Inc. – parent company	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
Con Edison of New York	700	475	350	650	-
Orange and Rockland	3	4	143	79	4
Competitive energy businesses	3	5	5	6	7
<b>Total</b>	<b>\$ 708</b>	<b>\$ 486</b>	<b>\$ 500</b>	<b>\$ 737</b>	<b>\$ 13</b>

### 2013

- CECONY \$500 million debenture matured in February, 4.875%
- CECONY \$200 million debenture matured in June, 3.85%

### 2014

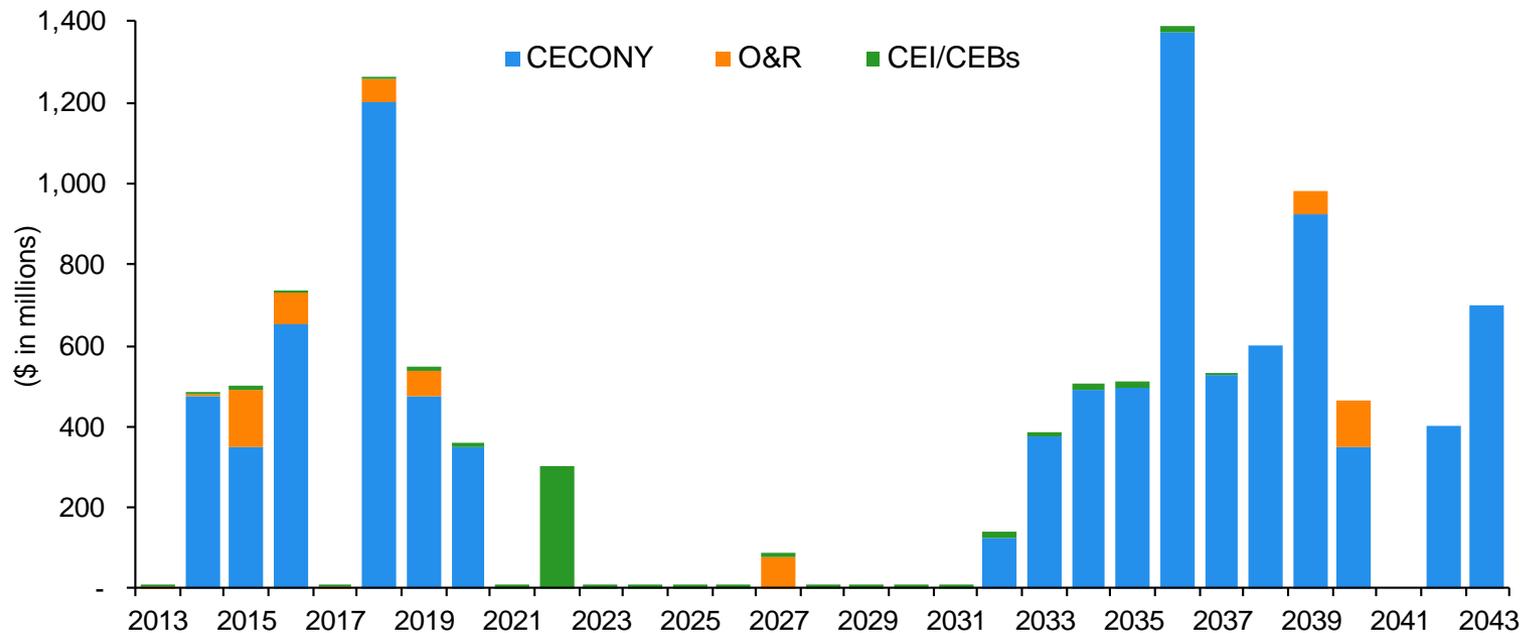
- CECONY \$200 million debenture maturing in February, 4.7%
- CECONY \$275 million debenture maturing in April, 5.55%

# Debt Maturity Profile

As of September 30, 2013

## Debt by Entity

CECONY:	\$9,841	89.7%
O&R:	605	5.5%
CEI/CEBs:	530	4.8%
<b>Total</b>	<b>\$10,976</b>	<b>100%</b>



# Capital Structure — Sept. 30, 2013

(\$ millions)

Con Edison, Inc.			
Debt	\$10,976	47%	
Equity	12,166	53	
<b>Total</b>	<b>\$23,142</b>	<b>100%</b>	

Con Edison of New York			
Debt	\$9,841	48%	
Equity	10,838	52	
<b>Total</b>	<b>\$20,679</b>	<b>100%</b>	

Orange and Rockland			
Debt	\$605	50%	
Equity	601	50	
<b>Total</b>	<b>\$1,206</b>	<b>100%</b>	

Competitive and Parent			
Debt	\$530	42%	
Equity	727	58	
<b>Total</b>	<b>\$1,257</b>	<b>100%</b>	

**Credit ratings:** **CEI:** BBB+ (S&P), Baa1 (Moody's) and BBB+ (Fitch); **CECONY:** A- (S&P), A3 (Moody's) and A- (Fitch); **O&R:** A- (S&P), Baa1 (Moody's) and A- (Fitch).

Amounts shown exclude notes payable and include the current portion of long-term debt