



Con Edison Announces Agreement to Sell Telecom Unit to FiberNet

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NEW YORK, Dec. 13 /PRNewswire-FirstCall/ -- Consolidated Edison, Inc. (Con Edison) announced today that it has signed an agreement to sell 100 percent of its wholly owned subsidiary, Consolidated Edison Communications Holding Company, Inc., to FiberNet Telecom Group, Inc. (Nasdaq: FTGX) for approximately \$37 million in cash.

Con Edison Communications builds and operates its own fiber optic network providing managed data transport services, custom networks, local and long-distance voice services and Internet services. The company serves Fortune 500 corporations, local and long-distance carriers, small and medium businesses, and Internet, cable, wireless and video companies.

"We are very pleased that FiberNet has agreed to acquire Con Edison Communications," said Stephen B. Bram, Con Edison Group President, Energy and Communications. "FiberNet has an excellent reputation as a reliable network operator and for maintaining a high level of customer service. These attributes were extremely important to Con Edison as we considered the sale of the business."

Following a comprehensive strategic review, Con Edison concluded that the business would have more value and serve its customers more effectively if it were further developed within a broader telecom business environment.

"This acquisition expands and diversifies our business into the global enterprise arena. The complementary aspects of our capabilities will allow us to benefit from significant synergies and cost savings, improving our profitability and marketplace strength," said Michael Liss, FiberNet President and CEO. He added, "With our full-service platform of products and services, we are ideally positioned to offer both enterprise and carrier customers end-to-end managed network services with unmatched customer service and performance."

The sale is expected to close following review or approval by the City of New York, the NYS Public Service Commission and various federal, state and local regulators.

Morgan Stanley acted as the principal financial advisor to Con Edison on the transaction. Telesto LLC also provided financial advice and counsel.

Consolidated Edison, Inc. (NYSE: ED) is one of the nation's largest investor-owned energy companies, with \$10 billion in annual revenues and \$22 billion in assets. The company provides a wide range of energy-related products and services to its customers through its six subsidiaries: Consolidated Edison Company of New York, Inc., a regulated utility providing electric, gas and steam service in New York City and Westchester County, New York; Orange and Rockland Utilities, Inc., a regulated utility serving customers in a 1,350 square mile area in southeastern New York state and adjacent sections of northern New Jersey and northeastern Pennsylvania; Con Edison Solutions, a retail energy services company; Con Edison Energy, a wholesale energy supply company; Con Edison Development, a company that owns and operates generating plants and participates in other infrastructure projects; and Con Edison Communications, a telecommunications infrastructure company and service provider. For additional financial, operations and customer service information, visit Consolidated Edison, Inc.'s Web site at <http://www.conedison.com>.

FiberNet Telecom Group, Inc. deploys, owns and operates fiber-optic networks in the two gateway markets of New York/New Jersey and Los Angeles, designed to provide comprehensive broadband connectivity to other telecommunications service providers and enterprise customers for data, voice and video transmissions. FiberNet's networks provide an advanced, high bandwidth, fiber-optic solution to support the demand for network capacity and to facilitate the interconnection of multiple carriers' and customers' networks. For additional information on FiberNet, visit the Company's website at <http://www.ftgx.com>.

This press release contains forward-looking statements of future expectations. Actual results might differ materially from those projected because of factors such as those identified in reports the company has filed with the Securities and Exchange Commission.

SOURCE Consolidated Edison, Inc. -0- 12/13/2004 /CONTACT: Michael Clendenin of Consolidated Edison, Inc., +1-212-460-4111/ /Web site: <http://www.coned.com> / (ED FTGX)