



## Con Edison Announces Agreement to Sell Generation Projects to North American Energy Alliance

December 10, 2007

NEW YORK, NY, Dec 10, 2007 (MARKET WIRE via COMTEX News Network) -- Consolidated Edison, Inc. (Con Edison) (NYSE: ED) announced today that its wholly-owned subsidiary, Consolidated Edison Development (CED), has agreed to sell 1,706 megawatts (MW) of generation projects to North American Energy Alliance, LLC, a new entity jointly owned and controlled by AllCapital and IFM for \$1.477 billion in cash, subject to closing adjustments. The sale is subject to federal and state regulatory approvals and other closing conditions. The sale is expected to be completed in two stages during the first half of 2008.

Con Edison estimates that the sale will result in a pre-tax gain of approximately \$572 million, net of transaction expenses. The sale is expected to provide cash proceeds, net of repayment of project debt, taxes and transaction expenses, of approximately \$667 million. Con Edison expects to use proceeds to repay debt and the remaining proceeds will be invested in its businesses.

"We are pleased that North American Energy Alliance, LLC has agreed to acquire our competitive generation projects," said Kevin Burke, chairman, president and CEO of Con Edison. "Following our comprehensive review of strategic options for those projects, we concluded that Con Edison could achieve more value from the projects through a sale than from continued operation. We will continue our disciplined approach of seeking growth opportunities in our other competitive energy businesses."

CED's interests being sold are in five domestic generation projects located in the New England Power Pool ("ISO NE") and the Pennsylvania-Jersey-Maryland Interconnection ("PJM"). The projects are positioned across the dispatch curve, with a mix of base load, intermediate and peaking capabilities. The projects are comprised of merchant plants except for the Lakewood facility, which has a contract to supply capacity and energy to Jersey Central Power and Light Co. The interests being sold are in the following projects:

- Newington in Newington, New Hampshire
- CEEMI in West Springfield and other locations in Massachusetts
- Lakewood in Lakewood, New Jersey
- Ocean Peaking Power in Lakewood, New Jersey
- Rock Springs in Rising Sun, Maryland

### About North American Energy Alliance, LLC

North American Energy Alliance, LLC is a new entity jointly owned and controlled by AllCapital (US) LLC ("AllCapital"), the wholly-owned U.S. subsidiary of the ASX-listed Allco Finance Group (ASX: AFG), together with Industry Funds Management Pty Ltd (acting on behalf of the IFM International Infrastructure Fund).

### About Allco Finance Group/AllCapital

Allco Finance Group ("Allco") is a fully integrated global financial services business, listed on the Australian Securities Exchange (ASX: AFG) specializing in asset origination, funds creation and funds management. Allco is a global fund manager of alternative assets in its core asset classes of aviation, rail, shipping, infrastructure, property, private equity and financial assets.

AllCapital currently has over 60 employees located in offices in New York, San Francisco and Omaha. AllCapital's focus is on the core asset classes of infrastructure, predominantly energy assets; real estate, with government leased real estate portfolios in the U.S.; and rail, in the operating lease business.

Major energy infrastructure projects led by AllCapital include the development of the Tehachapi Wind Project in southern California which is backed by a 1,500MW Power Purchase Agreement with Southern California Edison.

### About IFM

Industry Funds Management Pty Ltd ("IFM") is an investment management company specializing in the management of private investment products across infrastructure, private equity, private debt and listed equity portfolios. IFM currently manages over A\$14.5 billion in its related products and services.

IFM has been an investor in infrastructure assets since 1995 and has completed 45 transactions in that 12 year period. Within the United States, IFM International Infrastructure has a direct investment in Duquesne Light Holdings and the Colonial Pipeline Company. IFM is owned by Industry Super Holdings Pty Ltd, the holding company for the Members Equity group of companies, which in turn is owned by 40 major Australian not-for-profit pension funds.

Morgan Stanley & Co. Incorporated served as financial advisor to Con Edison in this transaction.

Consolidated Edison, Inc. is one of the nation's largest investor-owned energy companies, with approximately \$12 billion in annual revenues and \$28 billion in assets. The company provides a wide range of energy-related products and services to its customers through the following 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 supply and services

company; Con Edison Energy, a wholesale energy supply company; and Con Edison Development, a company that owns and operates generating plants and participates in other infrastructure projects. For additional financial, operations and customer service information, visit Consolidated Edison, Inc.'s Web site at [www.conedison.com](http://www.conedison.com).

This press release contains forward-looking statements that reflect expectations and not facts. Actual results may differ materially from those expectations because of factors such as those identified in reports the company has filed with the Securities and Exchange Commission.

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