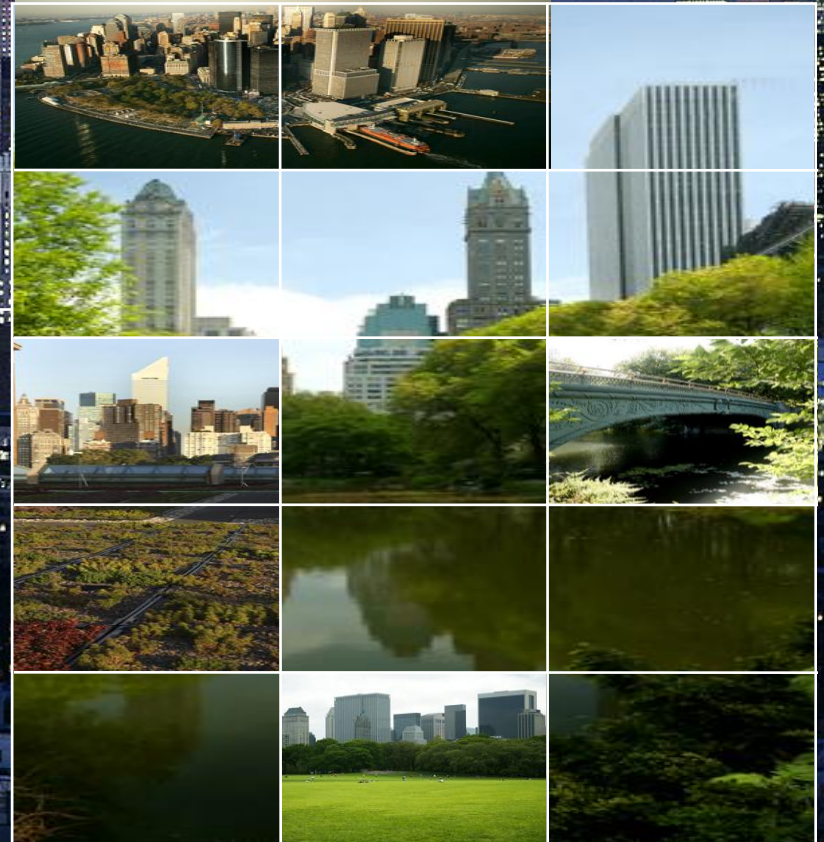


Con Edison, Inc.

May 14, 2012

Deutsche Bank Clean Tech,  
Utilities & Power 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

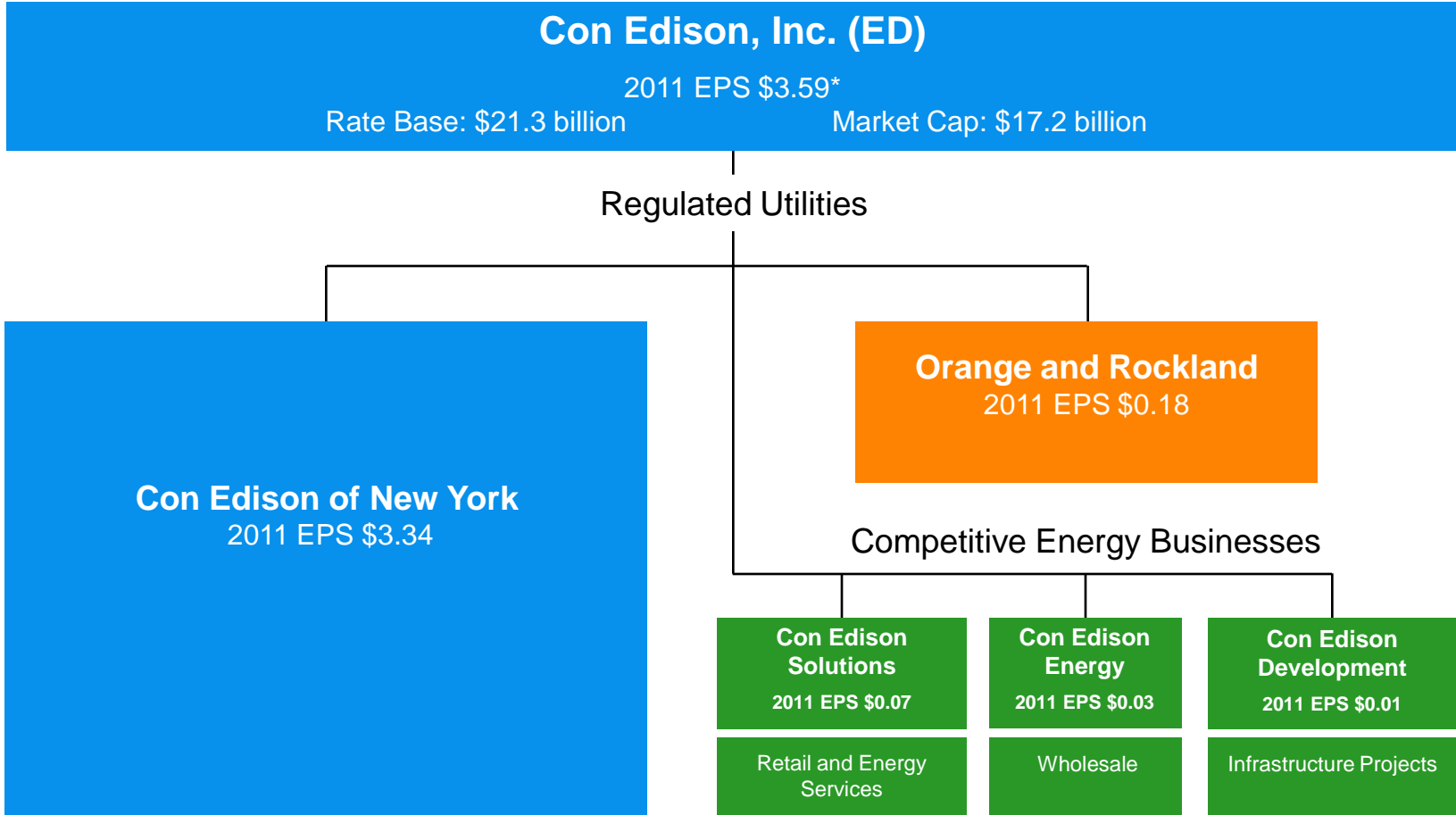
This presentation contains a financial measure, earnings from ongoing operations, not determined in accordance with Generally Accepted Accounting Principles (GAAP). Earnings from ongoing operations should not be considered as an alternative to net income. Management uses this non-GAAP measure to facilitate 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 in the presentation and the appendix.

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[www.conEdison.com](http://www.conEdison.com)

# Regulated Transmission and Distribution Focused

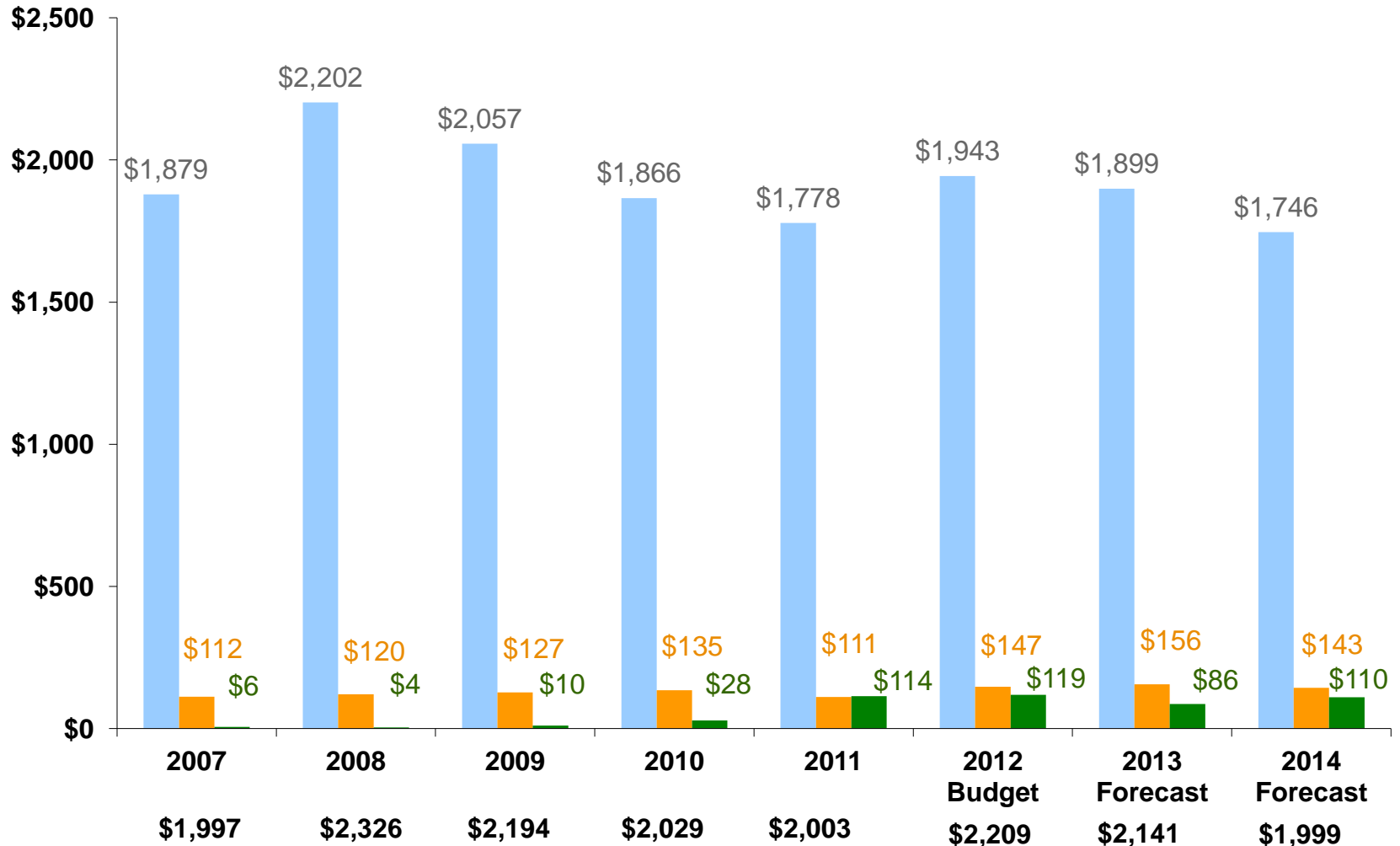


\*Total reflects parent company expenses and consolidation adjustments amounting to (0.04) per share.

# Capital Expenditures

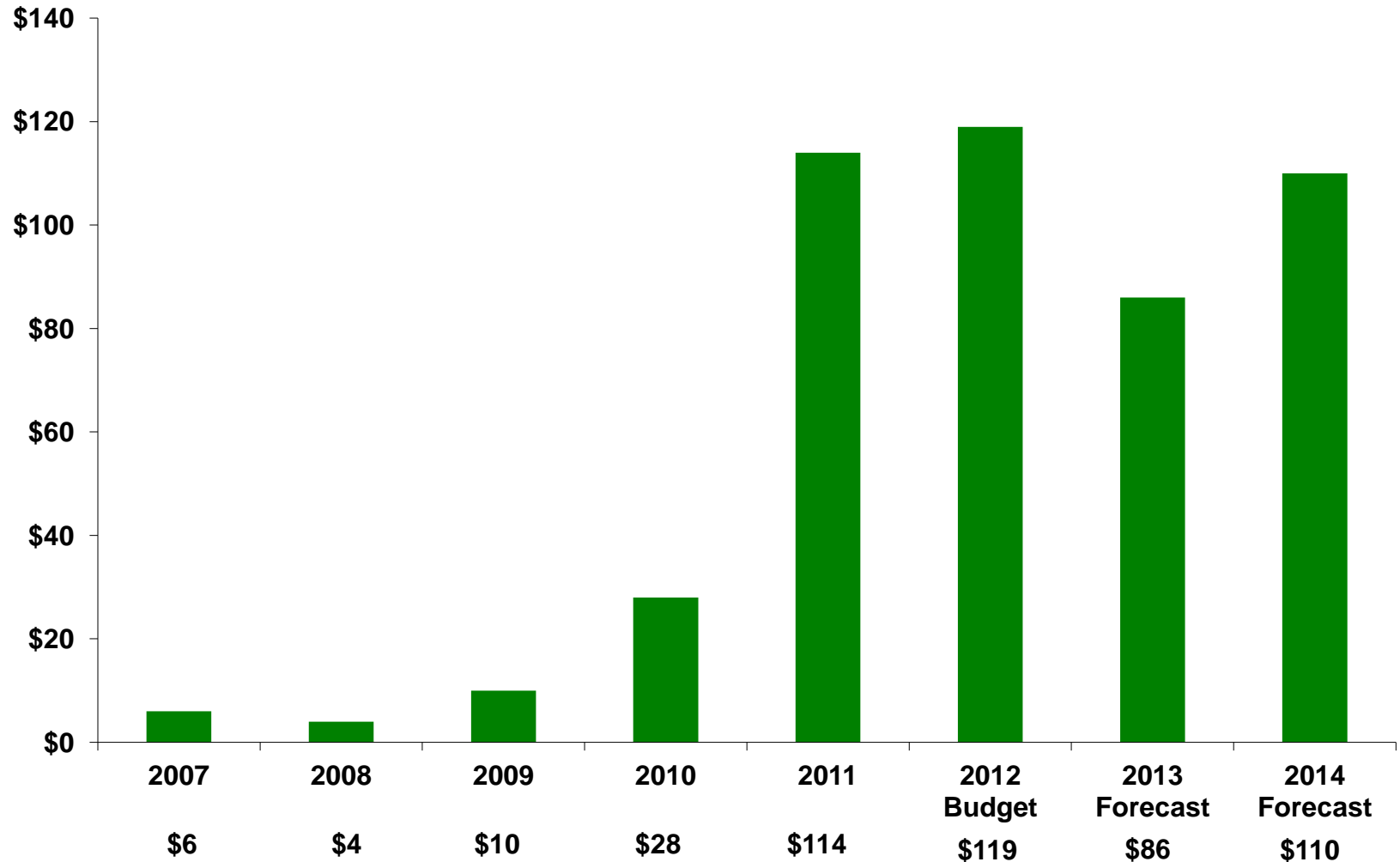
(\$ millions)

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



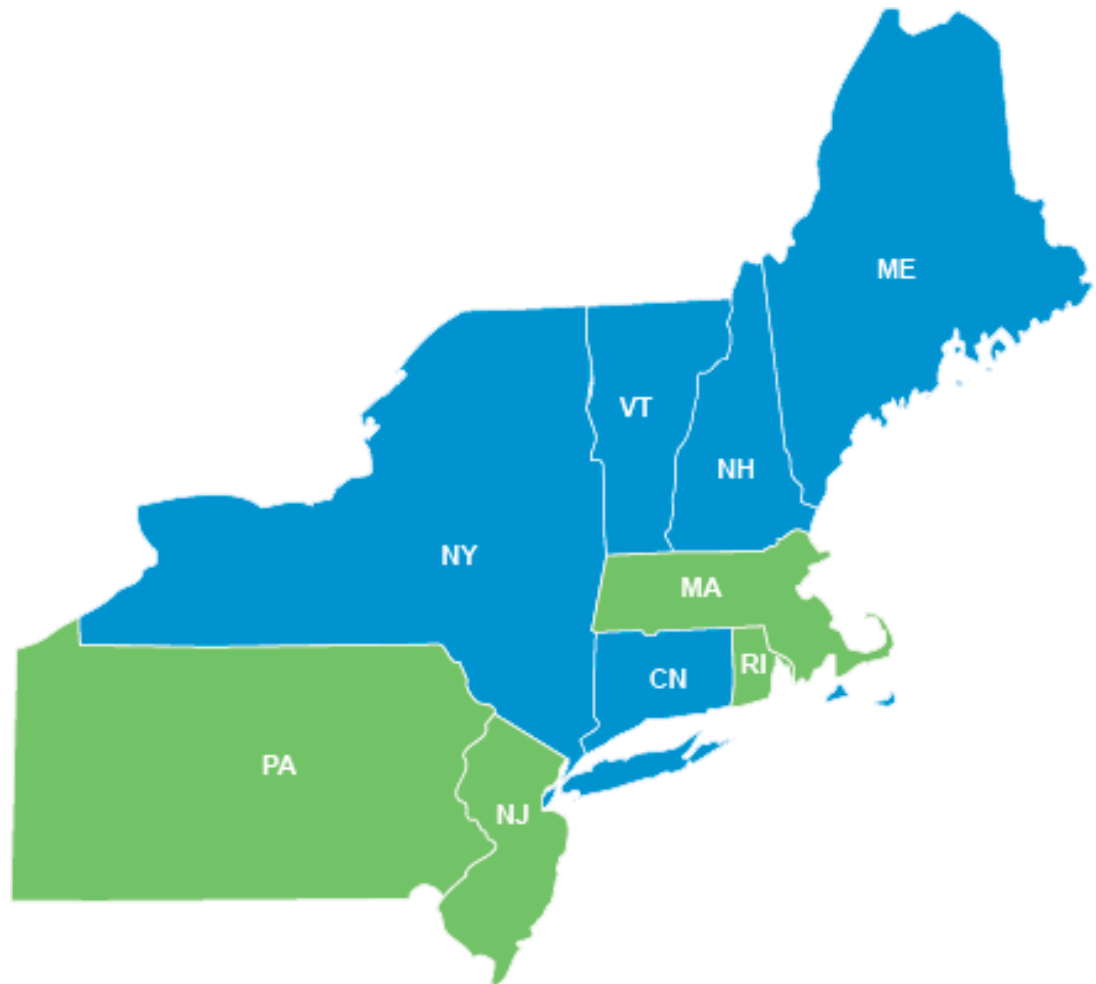
# Competitive Energy Businesses Capital Expenditures

(\$ millions)



## Competitive Businesses: Solar Initiatives

- New Jersey
  - Massachusetts
  - Pennsylvania
  - Rhode Island
- 
- 30 MW owned and in-service on March 31, 2012
  - 14 MW in construction



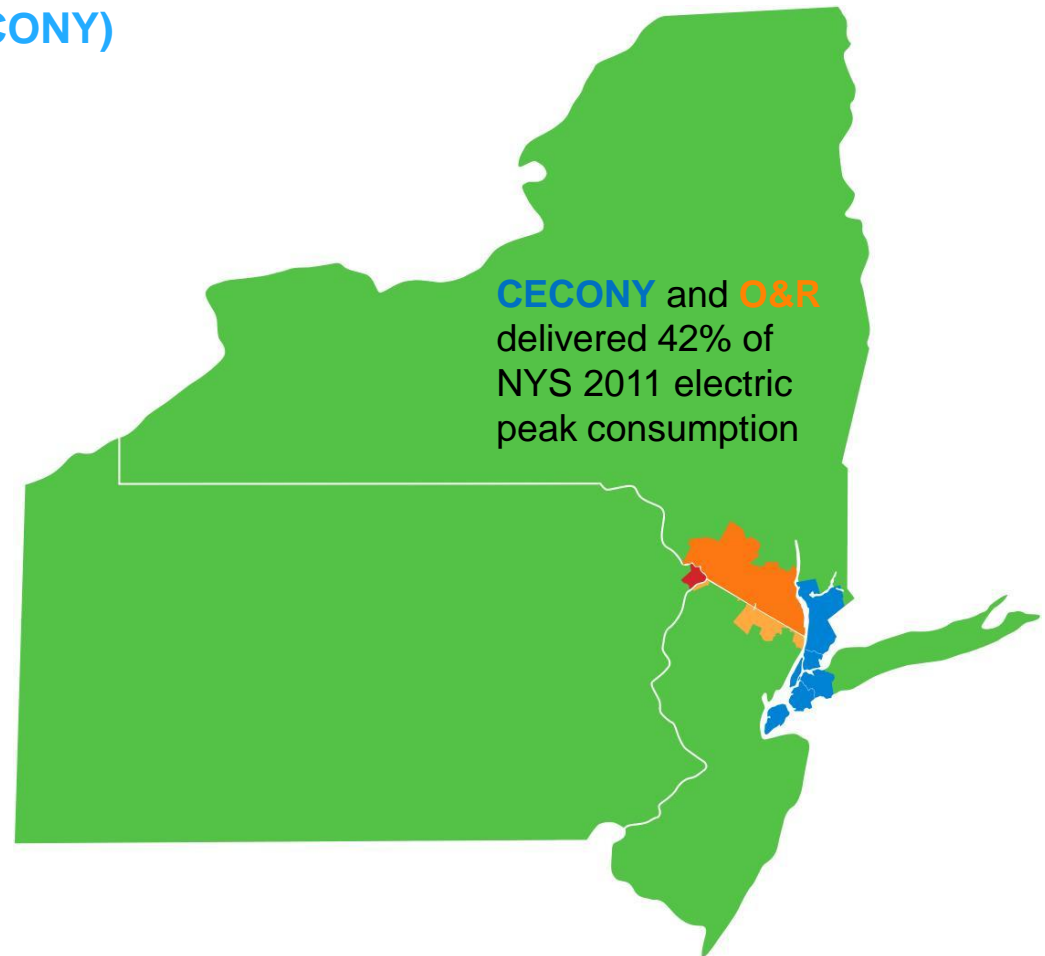
# Regulated Utilities are the Core of Con Edison, Inc.

## Con Edison of New York (CECONY)

- 3.3 million electric customers
- 1.1 million gas customers
- 1,735 steam customers
- 709 MW of regulated generation
- Delivered 39% of NYS 2011 electric peak consumption

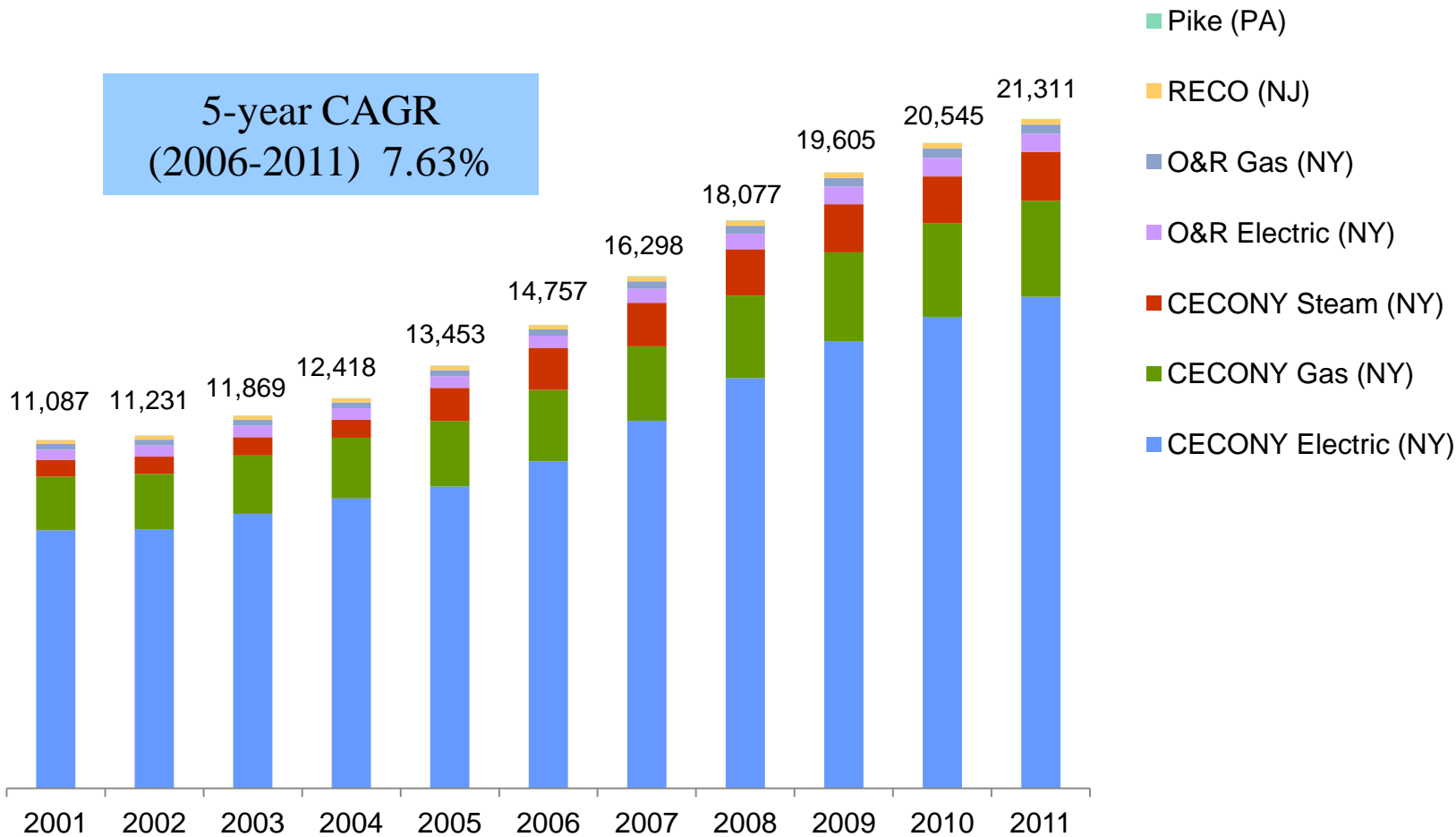
## Orange and Rockland (O&R)

- 300,000 electric customers
- 129,000 gas customers
- Delivered 3.4% of NYS 2011 electric peak consumption



# Consolidated Edison, Inc. Rate Base Growth

(\$ millions)





# Clean Air Goals and Low Gas Prices Influence Oil-to-Gas Conversions

## New York City Clean Air Imperatives

- Reduce greenhouse gas emissions by 30% below 2005 levels by 2030
- Focused on building codes
- Phase out of #6 heating oil by 2015 and #4 heating oil by 2030

## Price Advantage of Delivered Natural Gas Versus Oil\*

- 40-50% discount to #2 oil
- 35-45% discount to #4 oil
- 20-30% discount to #6 oil

\*Forecasted range of 2013 burner-tip fuel cost differential for residential and commercial customers.

## Statistics & Breakdown of Potential Conversions

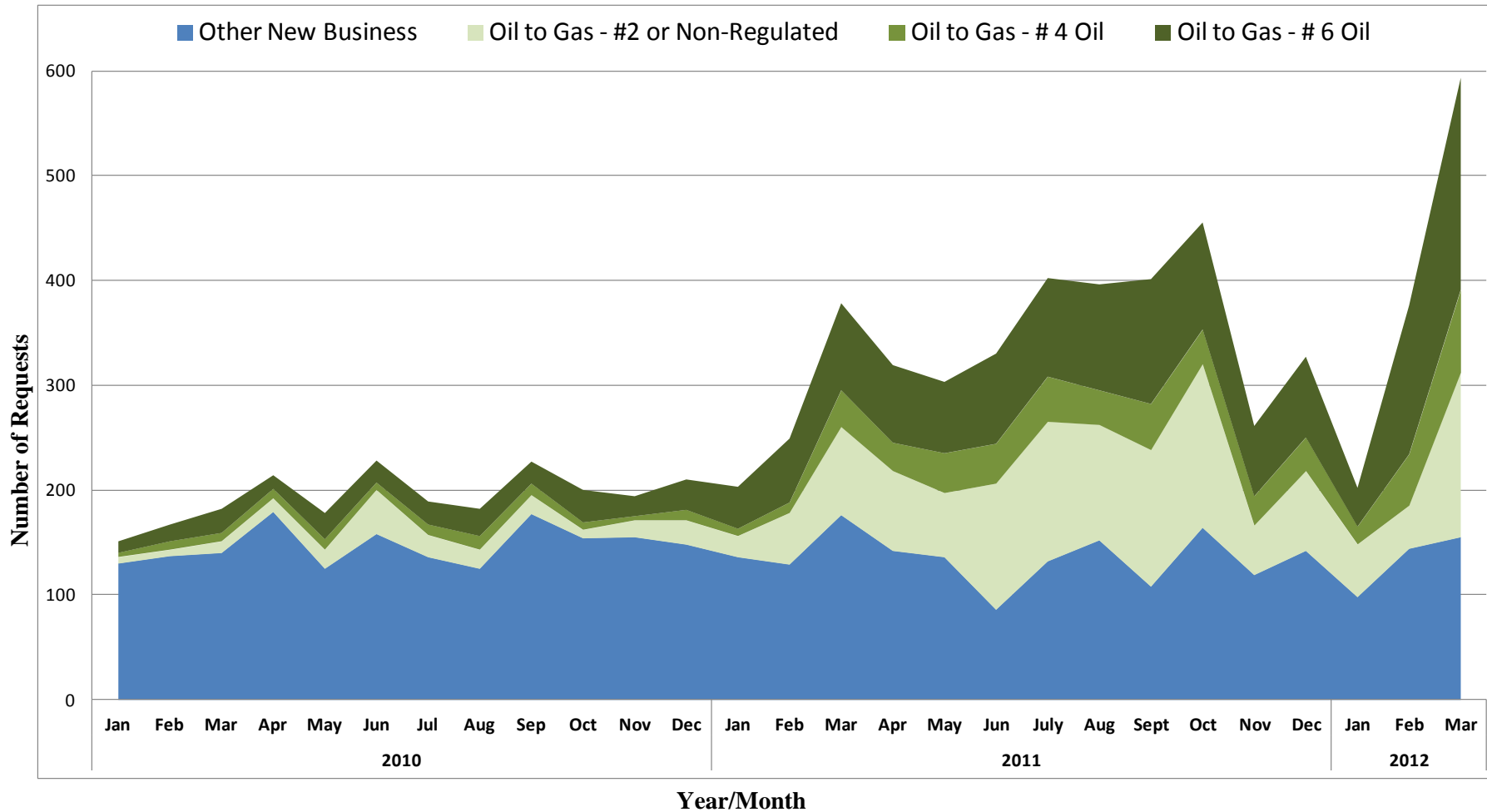
- There are 9,147 boilers burning #4 or #6 heating oil in NYC
- 7,039, or 77%, are located in the CECONY service area

Borough	Buildings
Manhattan	3,945
Bronx	2,373
Queens	721
<b>Grand Total</b>	<b>7,039</b>

- 14,300 multi-family and commercial buildings\* in the CECONY's New York City service area burn #2 heating oil

\* Includes buildings with #2 oil burners rated 350,000 BTUs or higher. Multi-family buildings include 5 or more families.

# Rising Monthly New Gas Business Service Requests\* January 2010 to March 2012

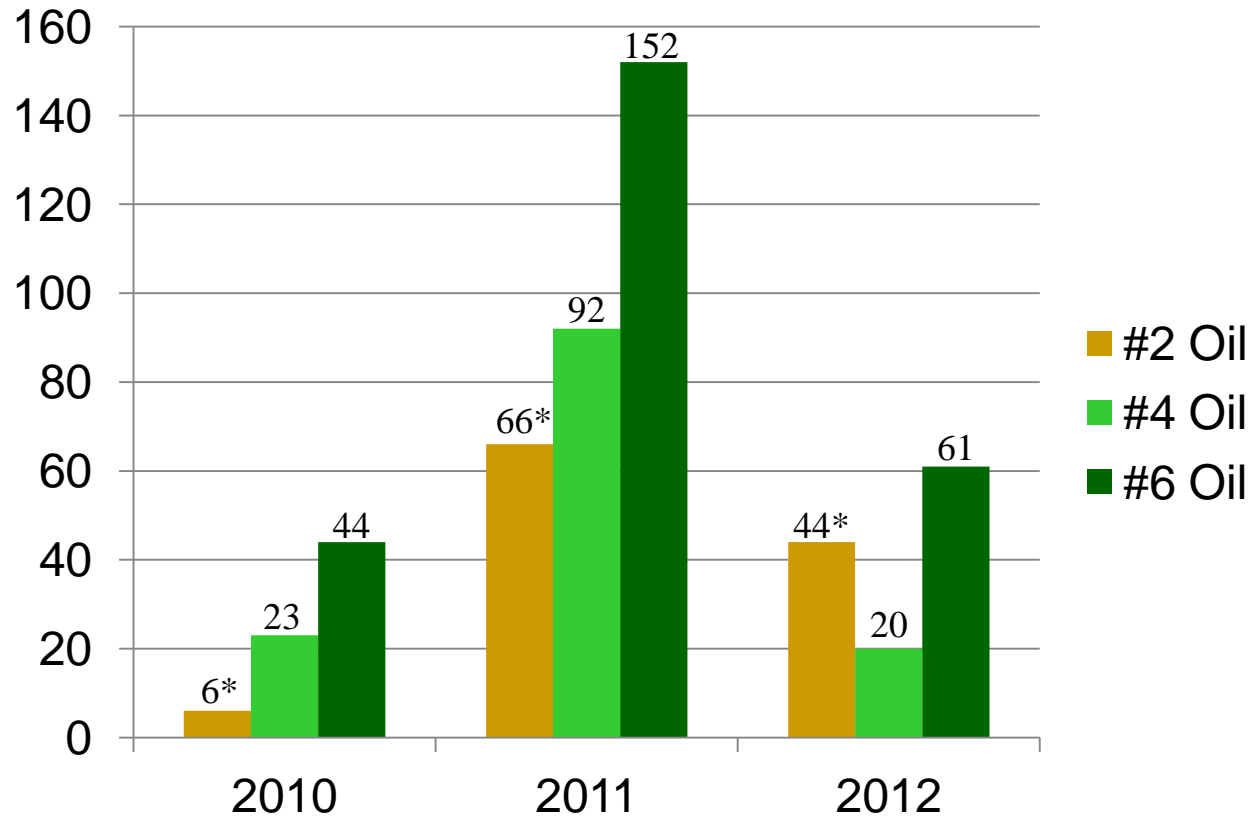


\* For #2 oil, includes requests from buildings with #2 oil burners rated 350,000 BTUs or higher.

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

2012 figures through March 31

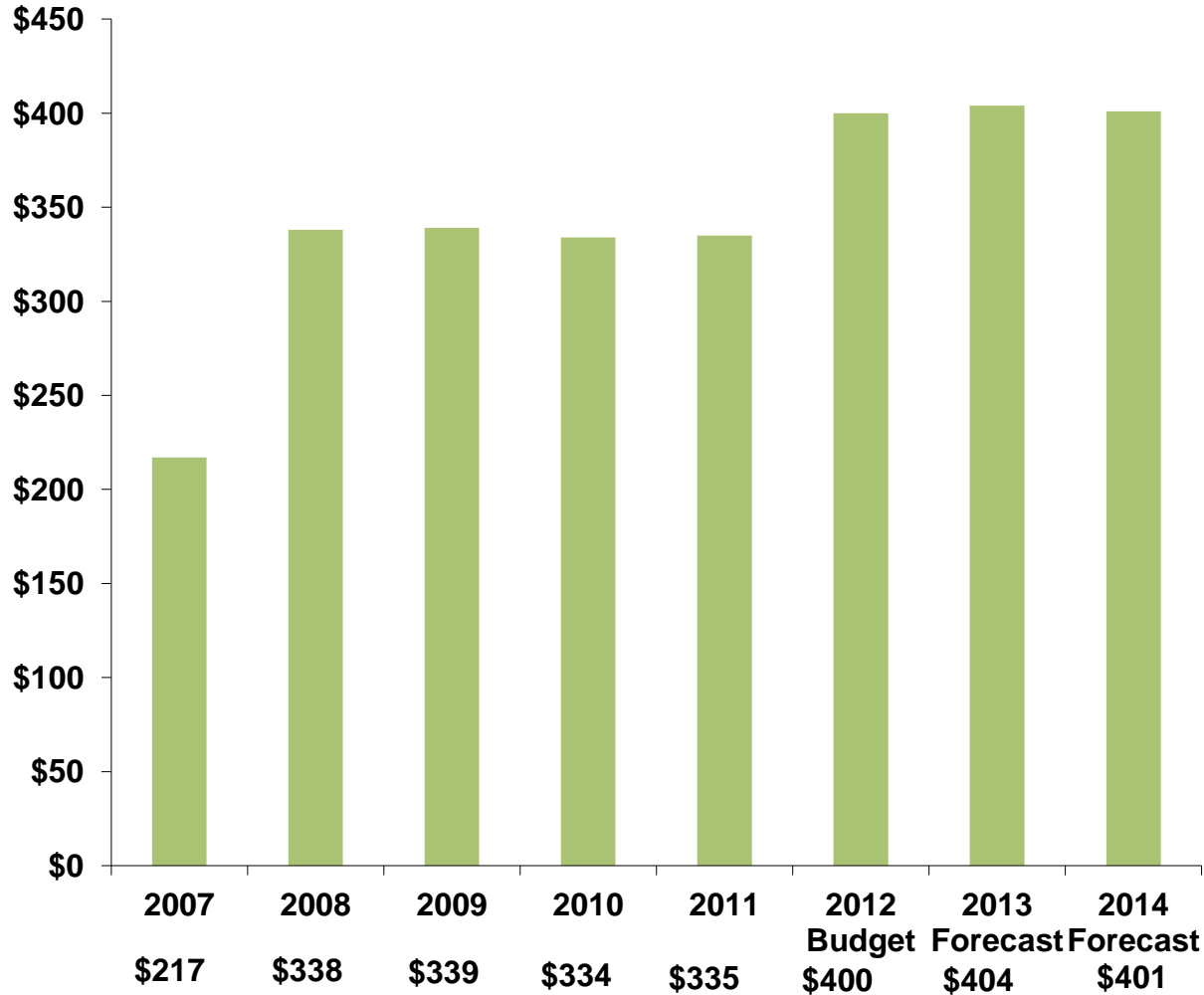
Number of gas service installations



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

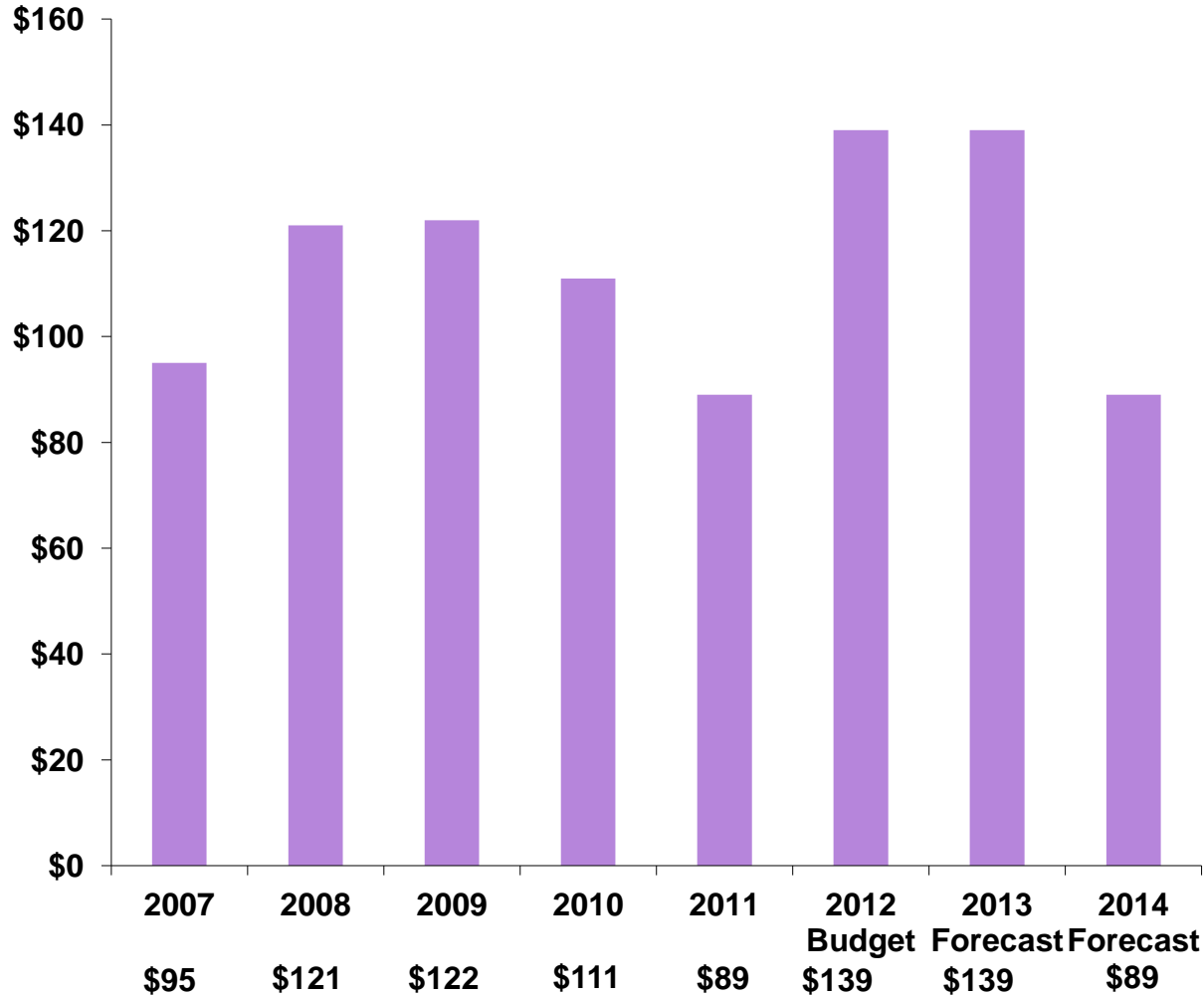
# Gas Infrastructure Investment

(\$ millions)



# Steam Infrastructure Investment

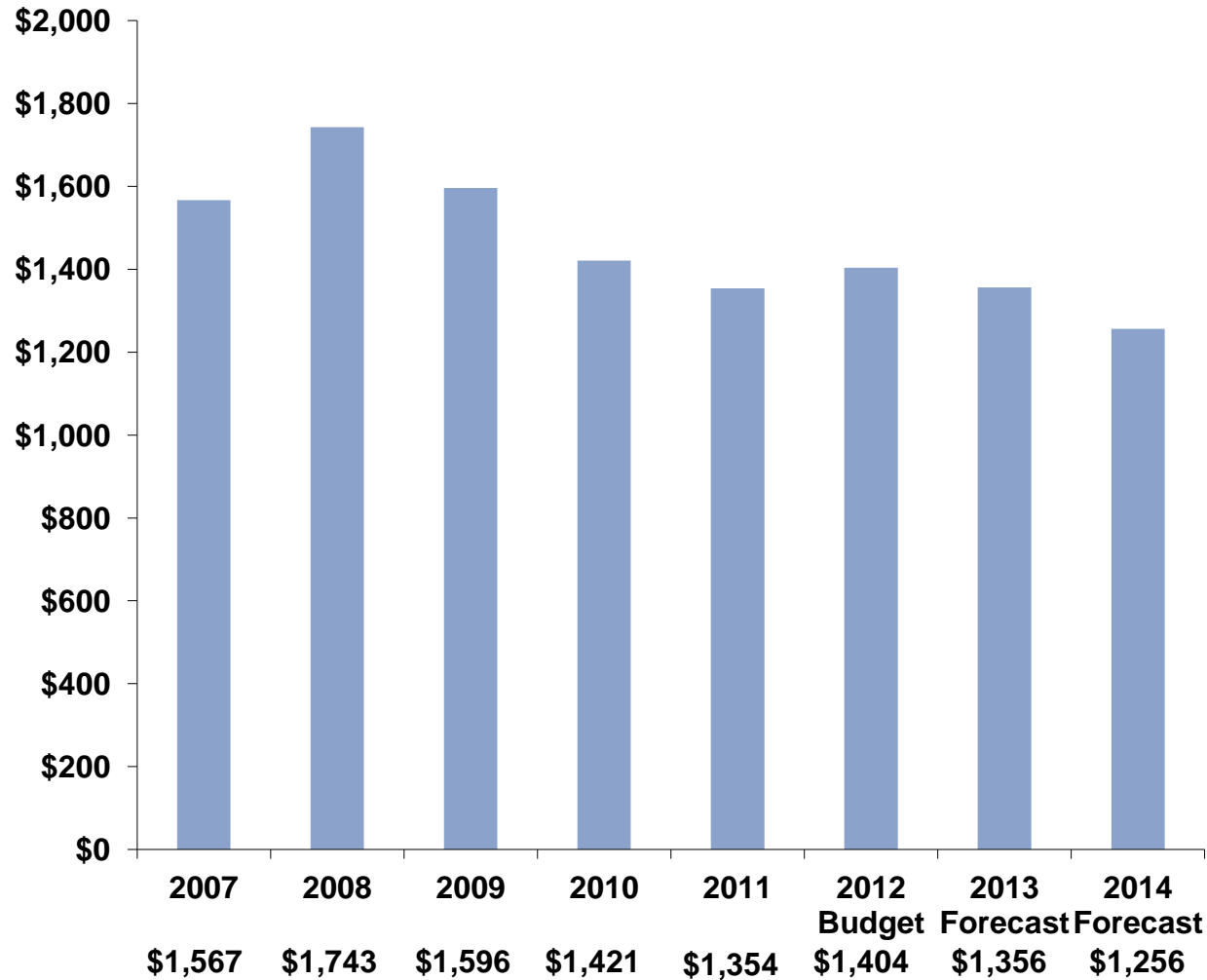
(\$ millions)



## Con Edison of New York

# Electric Infrastructure Investment

(\$ millions)





# New York State Energy Highway Task Force

## Goals

- Reduce constraints and expand supply options
- Provide long-term reliability
- Encourage renewables
- Promote economic development

## Task Force members

- NY Power Authority
- NY Department of Environmental Conservation
- NY Economic Development Council
- NY Public Service Commission
- NYS Energy Research & Development Authority





# STARS – System Transmission Assessment and Reliability Study

## Scope

- Rebuild and rehabilitate end-of-life infrastructure
- Expand and modernize system

## NY transmission-owner membership

- Con Edison/ Orange & Rockland
- National Grid
- NY State Electric & Gas/ Rochester Gas & Electric (Iberdrola)
- Central Hudson (CH Energy)
- Long Island Power Authority
- NY Power Authority



# STARS Phase II Study Report

## Findings

- \$2.5 billion in upgrades and new projects identified in New York State
  - Projects could reduce congestion
  - Provide economic benefits
  - Further State's public policy goals, including renewable energy



## **NYS Energy Highway & STARS Timetable**

- January 2012: Gov. Cuomo State of the State Address announced Energy Highway initiative
- April 2012: Request for Information issued
- April 30, 2012: STARS Phase II Study Report released
- May 30, 2012: RFI responses due
- State Task Force action plan expected by end of summer 2012