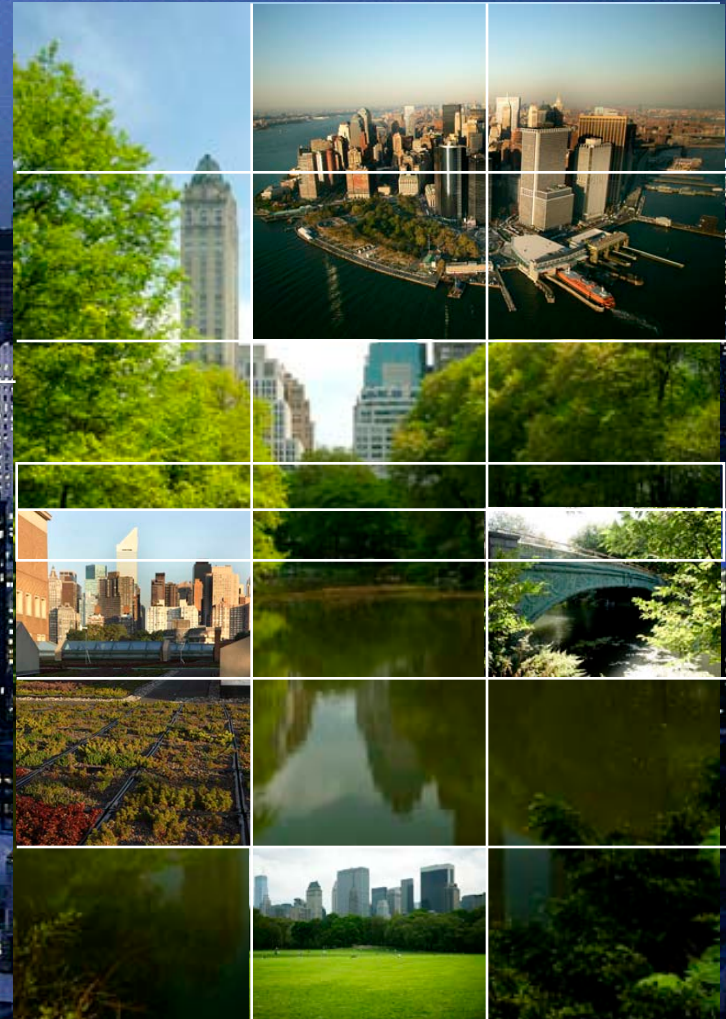


# Con Edison, Inc.

November 11-13, 2012

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 in the appendix of this presentation.

---

For more information, contact: Jan Childress, Director, Investor Relations

Tel.: 212-460-6611      Email: [childressj@coned.com](mailto:childressj@coned.com)

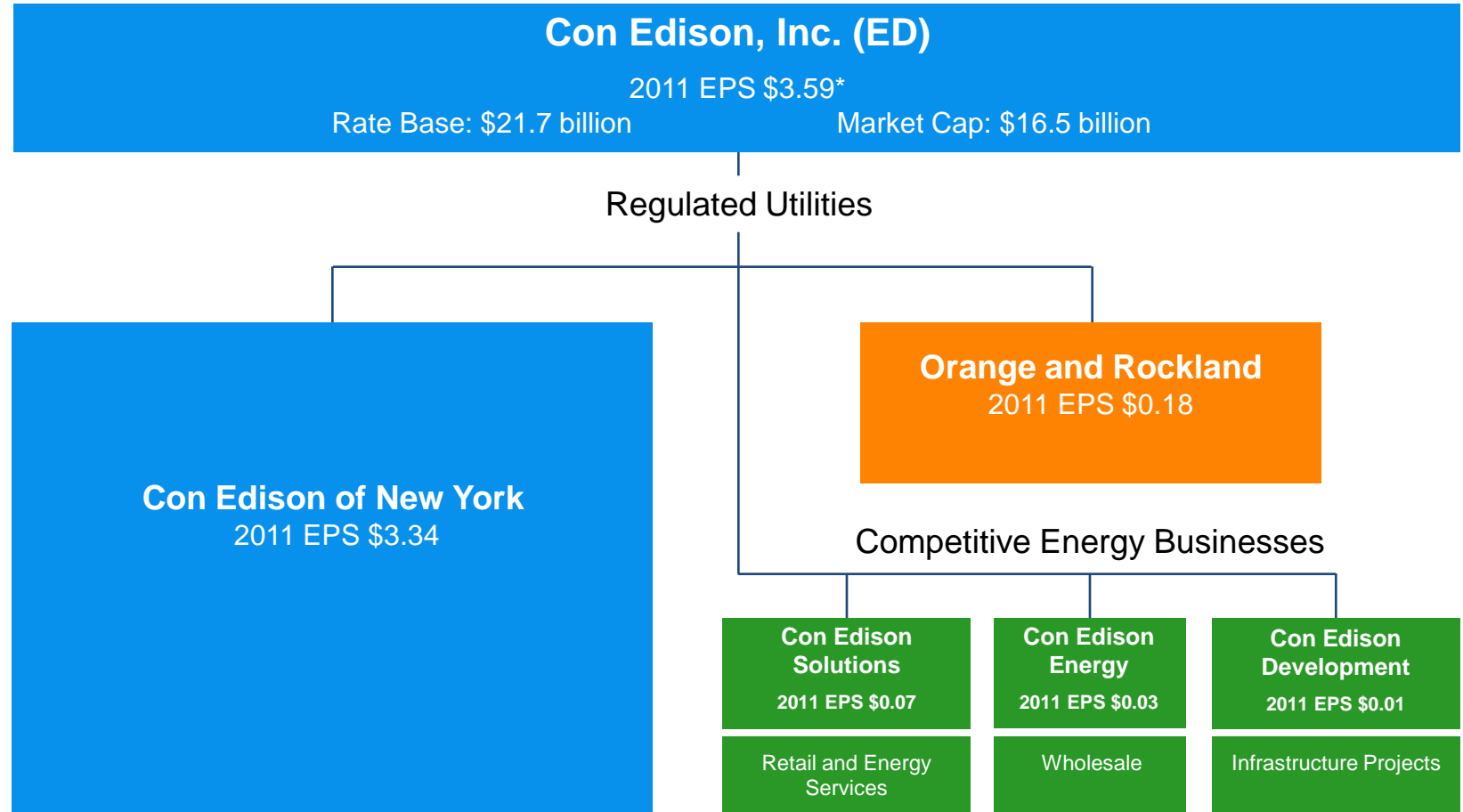
Ivana Ergovic, Manager, Investor Relations

Tel.: 212-460-3431      Email: [ergovici@coned.com](mailto:ergovici@coned.com)

[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.

# Solar Investment Portfolio

Project	Location	MW (AC)	PPA Offtaker	PPA Term	SREC Term	Actual / Expected In-service Date
<b>Operating - Projects &gt; 3MW</b>						
Shrewsbury	MA	3	Customer	20 years	1 year	4Q12
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
<b>Total MW Operating</b>		<b>36</b>				
<b>Construction/Development - Projects &gt; 3MW</b>						
Groveland	MA	3	Customer	20 years	1 year	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
White River	CA	20	PG&E	25 years	part of PPA	3Q13
Corcoran	CA	20	PG&E	25 years	part of PPA	4Q13
Little Quittacas	MA	4	Customer	20 years	Market based	1Q13
<b>Total MW Construction/Development</b>		<b>117</b>				
<b>Projects of Less Than 3 MW</b>		<b>17</b>				
<b>Total MW</b>		<b>170</b>				

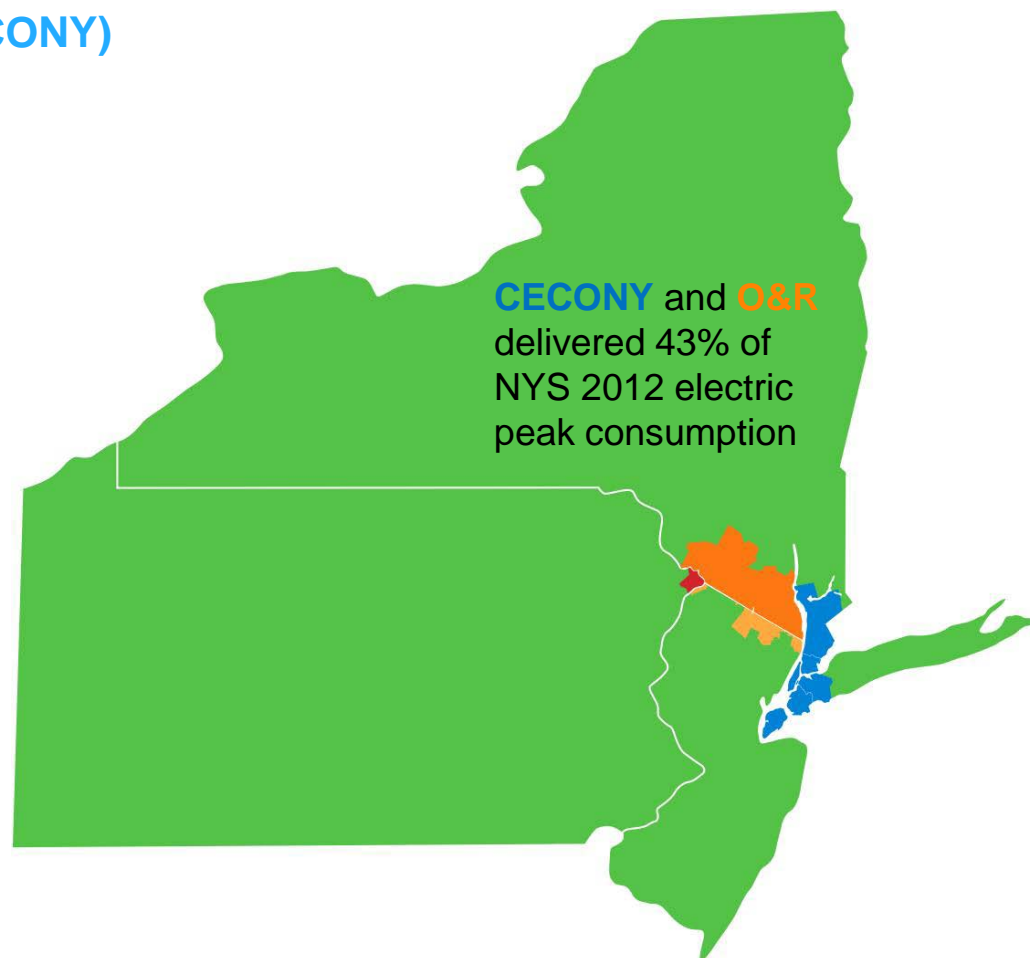
# Regulated Utilities are the Core of Con Edison, Inc.

## Con Edison of New York (CECONY)

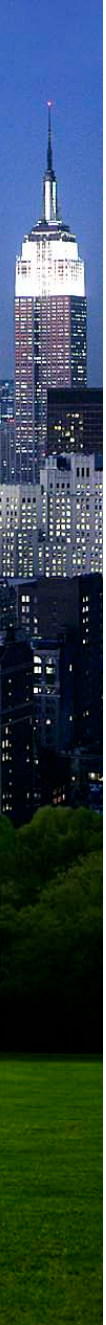
- 3.3 million electric customers
- 1.1 million gas customers
- 1,735 steam customers
- 709 MW of regulated generation
- Delivered 40% of NYS 2012 electric peak consumption

## Orange and Rockland (O&R)

- 300,000 electric customers
- 129,000 gas customers
- Delivered 3.4% of NYS 2012 electric peak consumption



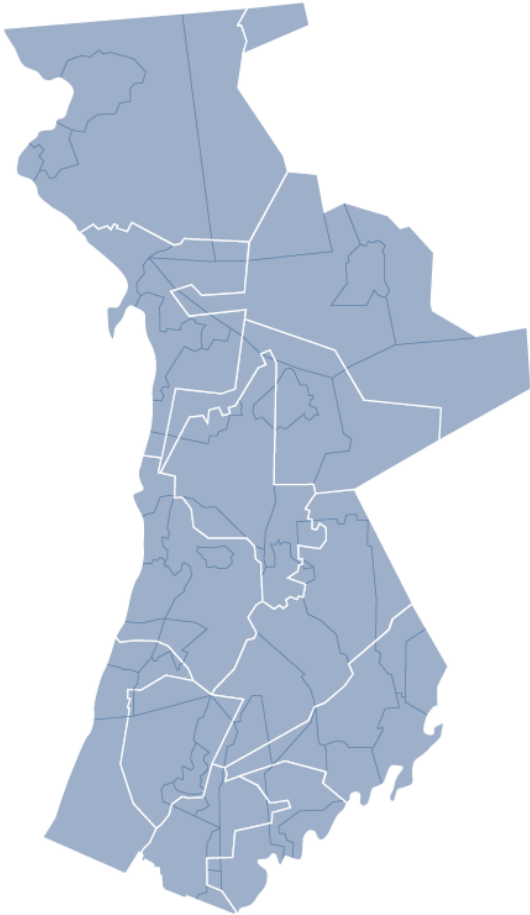
# CECONY Electric Network Maps



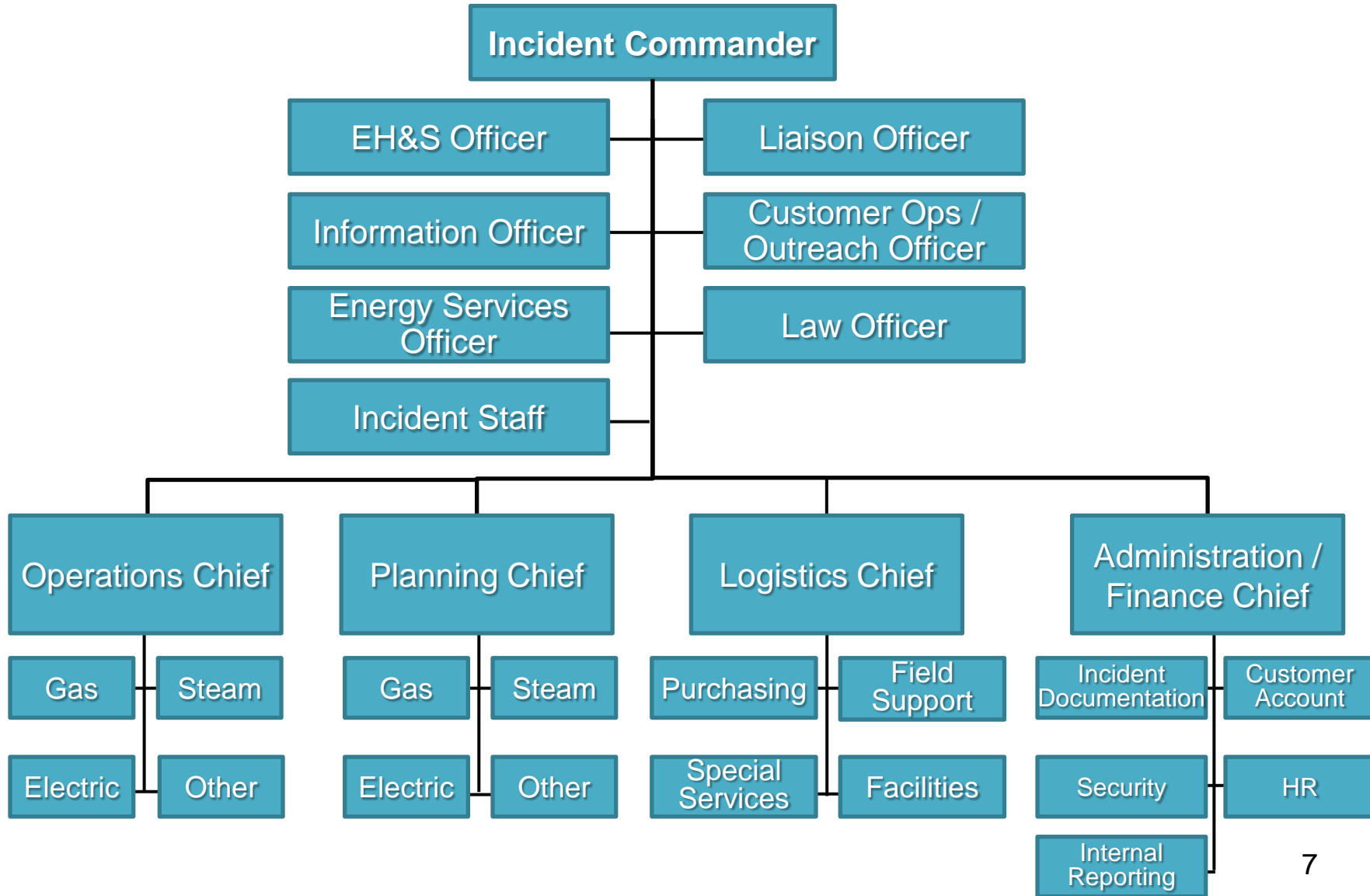
## New York City



## Westchester County



# Corporate Emergency – Incident Command System





# Storm Preparation

- Enterprise Risk Management formalized in 2004 with severe storms identified as one of Company's top risk exposures
- Coastal Storm Plan produced in October 2006
- Tabletop drills in May 2007 and November 2010
- Lessons from Tropical Storm Irene (August 2011) incorporated into Coastal Storm Plan
- Corporate Emergency Response Center activated and fully staffed ahead of Hurricane Sandy with field staff standing ready across utility service areas
- Pre-emptive actions taken for Hurricane Sandy
  - Steam system and two steam plants closed in flood-prone areas
  - Electric networks in low-lying zones de-energized: three networks in Manhattan and one in Brooklyn
  - Approximately 1,800 mutual aid assistance and contractor personnel secured





## Hurricane Sandy Compared to Other Storms

- Hurricane Sandy was the most damaging storm to ever hit the New York area
- It was the largest tropical cyclone ever observed in the Atlantic Ocean
  - The diameter of tropical-storm-force winds extended 1,000 miles
- The storm inundated New York Harbor and Long Island Sound
  - A storm tide reaching 14.1' at the Battery, eclipsing the previous record of 11.2' set during an 1821 hurricane, and 9.5' for Irene
- The storm also generated very strong winds across the region for over 30 hours.
  - Sustained winds reached 64 mph at La Guardia Airport in northern Queens
  - Winds gusted between 70 and 80 mph across our service area
- Outage levels five times higher than during Irene, which represented our previous peak number of outages due to a single storm

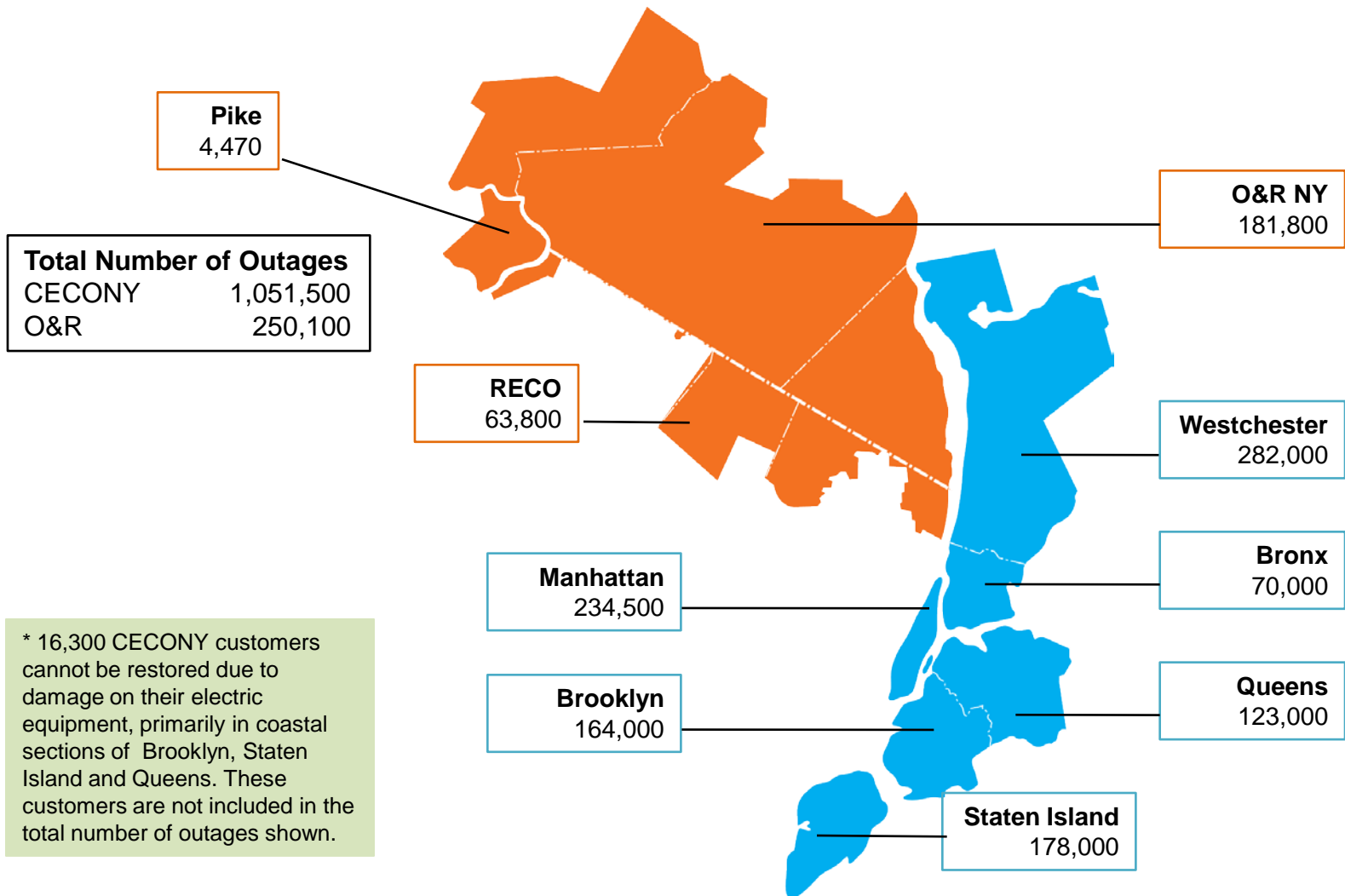


# Damage Caused by Hurricane Sandy

- Equipment damage
  - Flooding of our underground equipment
    - East 13th Street transmission station and East River Station
    - Underground transmission cables
  - Downed overhead power lines due to fallen trees and high wind
    - Over 100,000 primary lines were down
  - Flooding of our steam production stations and distribution facilities
- Loss and destruction to our customers due to wind and floods
  - Homes
  - Businesses
  - Transportation infrastructure (e.g., subways, trains and tunnels)
  - Refineries and power plants

# Con Edison and Orange and Rockland Power Outages

Outage numbers as of 11/9/12 \*

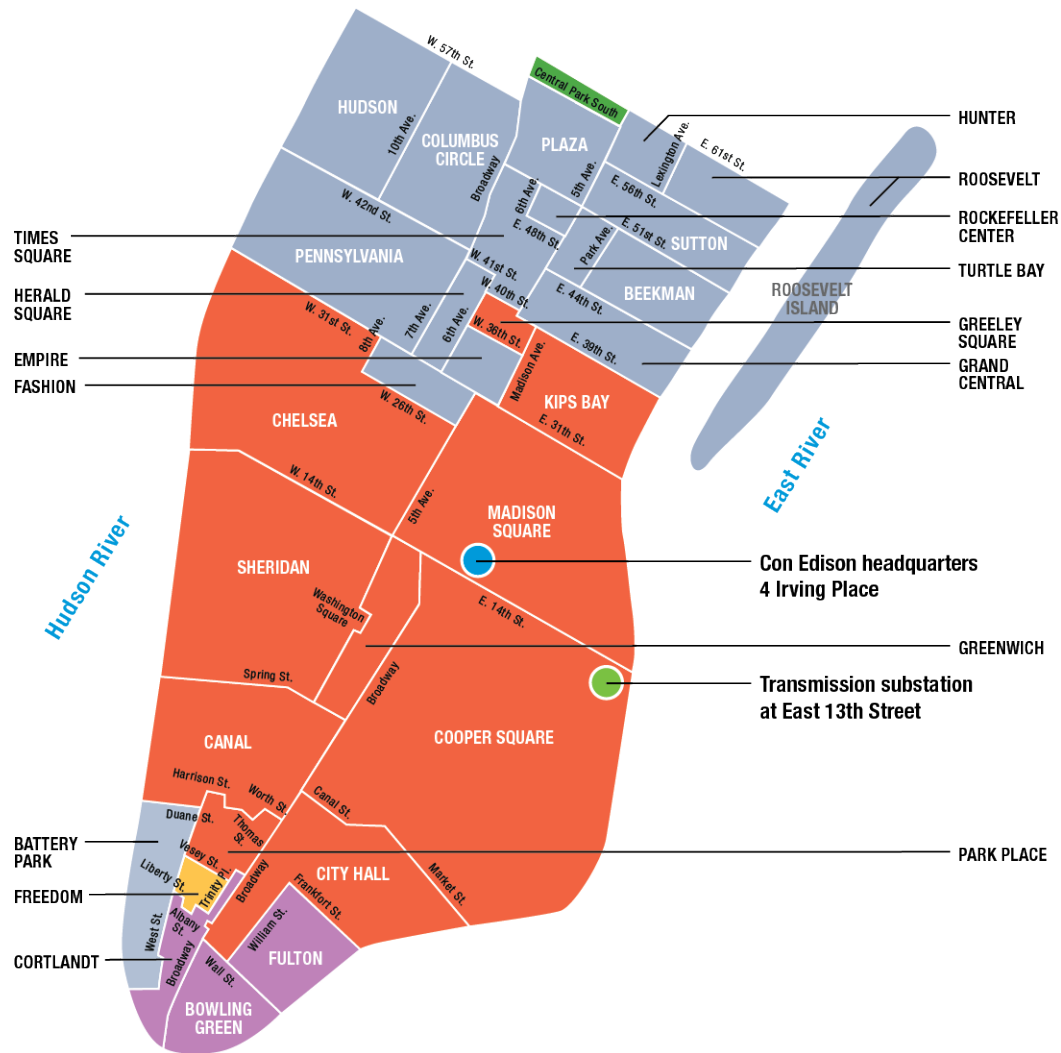


Total Number of Outages	
CECONY	1,051,500
O&R	250,100

\* 16,300 CECONY customers cannot be restored due to damage on their electric equipment, primarily in coastal sections of Brooklyn, Staten Island and Queens. These customers are not included in the total number of outages shown.

# Southern Manhattan Outage Map

- Unaffected
- Networks in outage
- Preemptively closed
- Customer request to shut down





# Con Edison Steam in Manhattan

- **Preparation:**

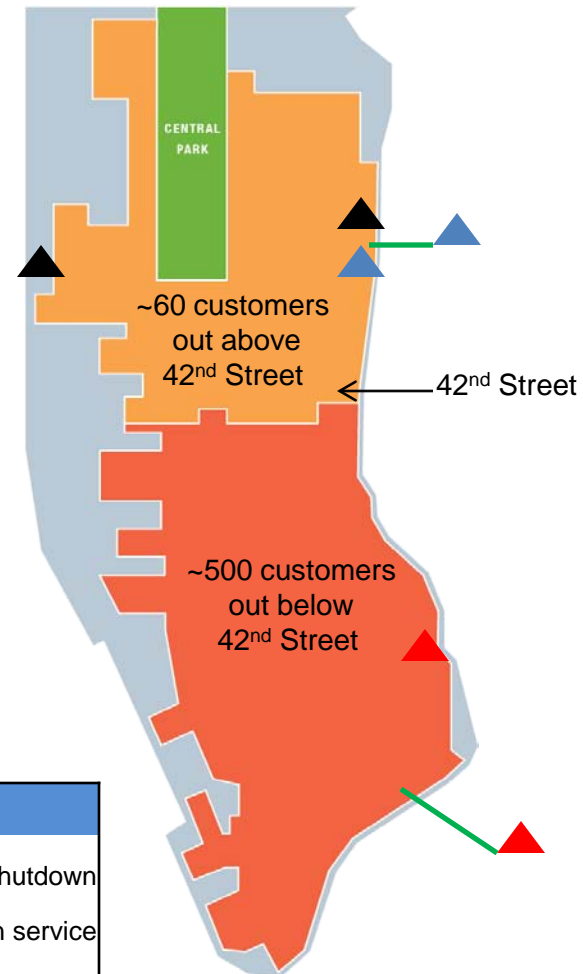
- Shut-down two steam-electric production facilities, 15 miles of steam piping, and some 120 customers located in flood-prone areas preemptively

- **Damage:**

- Storm surge forced two additional steam plants off line
- In total, approximately 560 steam customers lost service versus our total customer base of 1,740

- **Restoration:**

- 450 customers and the two newest/largest steam production units were restored by November 9th
- All steam customers that can accept service are expected to be restored by November 11th



Steam Plants	
▲	Preemptive shutdown
▲	Remained in service
▲	Forced offline (surge)

# Electric and Steam Generation Status on 10/30/12

<b>Electric Plants</b>	<b>Capacity</b>
<b>Generation Out of Service</b>	<b>5,241 MW</b>
<b>Generation In-Service</b>	<b>5,100 MW</b>
<b>Typical Electric Demand (late October-early November)</b>	<b>7,200 MW</b>

<b>Steam Plants</b>	<b>Production Capacity</b>
<b>Generation Out of Service</b>	<b>10,525 mlbs/hr</b>
<b>Generation In-Service</b>	<b>1,300 mlbs/hr</b>
<b>Typical Steam Demand (late October-early November)</b>	<b>4,000 –5,000 mlbs/hr</b>







# Restoration

- Restoration prioritization
  - Safety of our customers and crew
  - Areas with largest number of customers as well as schools, hospitals, water supply facilities and polling places
- Some 16,300 customers\* cannot be restored by November 11th due to damage to their premises, including electrical equipment
- Support from 5,000 mutual assistance utility workers and external contractors

\* As of 11/12/12





# Financial Consequences of Sandy

- **Primary costs – O&M and Capital Expenditure**

- Mutual assistance labor and contractors
- Support for extra labor
- Materials and supplies – used six months of supplies so far in storm restoration efforts

- **Other cash impacts – bill collection, lost sales, lost customers**

- **Estimated total economic loss**

- Moody's Analytics:
  - \$30 billion – Property
  - \$20 billion – Lost economic activity
  - \$12 billion – NY Metro Area
- NYS Comptroller: \$15-\$18 billion – State-wide loss



# Regulatory Process in New York

- Section 105 major storm report
- PSC may initiate a review of storm preparedness and response
- Operating performance standards in rate plans exclude extraordinary events
- Rate proceedings
  - Storm reserve fund and deferral of additional storm-related O&M for both CECONY and O&R electric service
  - Storm-related capital expenditure above capex established under existing rate plans
    - CECONY rate plans may require demonstration during next rate case
    - O&R limited ability to defer carrying charges
  - CECONY and O&R may petition PSC for authorization to defer extraordinary expenditure not addressed in rate plans
- Revenue decoupling for electric and gas; steam revenue exposure

# Financial Position

- Current liquidity/bank lines
  - \$2,250 million revolving credit facility; 19 banks
  - \$500 million commercial paper outstanding on 11/09/12
  - \$514 million of cash on 11/09/12
- Tax-exempt remarketing completed 11/9/12

## ***Ratings \****

Agency	CECONY	O&R	CEI	Recent Commentary
S&P	A-	A-	BBB+	• No comment after Hurricane Sandy
Moody's	A3	Baa1	Baa1	• "...expect CEI's substantial financial resources and economically diverse service territory in the New York City area will sustain its credit profile through the disaster and heightened regulatory scrutiny."
Fitch	A-	A-	BBB+	• No comment after Hurricane Sandy

\* All ratings carry a Stable Outlook



# Con Edison, Inc.

November 11-13, 2012

## Edison Electric Institute Finance Conference

