Consolidated Edison, Inc.

Company Update

February/March 2018

Available Information

On February 15, 2018, Consolidated Edison, Inc. issued a press release reporting its 2017 earnings and filed with the Securities and Exchange Commission the company's 2017 Form 10-K. This presentation should be read together with, and is qualified in its entirety by reference to, the earnings press release and the Form 10-K. Copies of the earnings press release and the Form 10-K are available at: www.conedison.com (select "For Investors" and then select "Press Releases" and "SEC Filings", respectively).

Forward-Looking Statements

This presentation contains forward-looking statements that are intended to qualify for the safe-harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements of future expectations and not facts. Words such as "forecasts," "expects," "estimates," "anticipates," "intends," "believes," "plans," "will" and similar expressions identify forward-looking statements. The forward-looking statements reflect information available and assumptions at the time the statements are made, and speak only as of that time. Actual results or developments may differ materially from those included in the forward-looking statements because of various factors such as those identified in reports the company has filed with the Securities and Exchange Commission, including that the company's subsidiaries are extensively regulated and are subject to penalties; its utility subsidiaries' rate plans may not provide a reasonable return; it may be adversely affected by changes to the utility subsidiaries' rate plans; the intentional misconduct of employees or contractors could adversely affect it; the failure of, or damage to, its subsidiaries' facilities could adversely affect it; a cyber-attack could adversely affect it; it is exposed to risks from the environmental consequences of its subsidiaries' operations; a disruption in the wholesale energy markets or failure by an energy supplier could adversely affect it; it has substantial unfunded pension and other postretirement benefit liabilities; its ability to pay dividends or interest depends on dividends from its subsidiaries; it requires access to capital markets to satisfy funding requirements; changes to tax laws could adversely affect it; its strategies may not be effective to address changes in the external business environment; and it also faces other risks that are beyond its control.

Non-GAAP Financial Measure

This presentation also contains a financial measure, adjusted earnings, that is not determined in accordance with generally accepted accounting principles in the United States of America (GAAP). This non-GAAP financial measure should not be considered as an alternative to net income, which is an indicator of financial performance determined in accordance with GAAP. Adjusted earnings excludes from net income the net mark-to-market changes in the fair value of the derivative instruments the subsidiaries of Con Edison Clean Energy Businesses, Inc. use to economically hedge market price fluctuations in related underlying physical transactions for the purchase or sale of electricity and gas. Adjusted earnings may also exclude from net income certain other items that the company does not consider indicative of its ongoing financial performance. Management uses this non-GAAP financial measure to facilitate the analysis of the company's financial performance as compared to its internal budgets and previous financial results. Management also uses this non-GAAP financial measure to communicate to investors and others the company's expectations regarding its future earnings and dividends on its common stock. Management believes that this non-GAAP financial measure is also useful and meaningful to investors to facilitate their analysis of the company's financial performance.

For more information, contact:

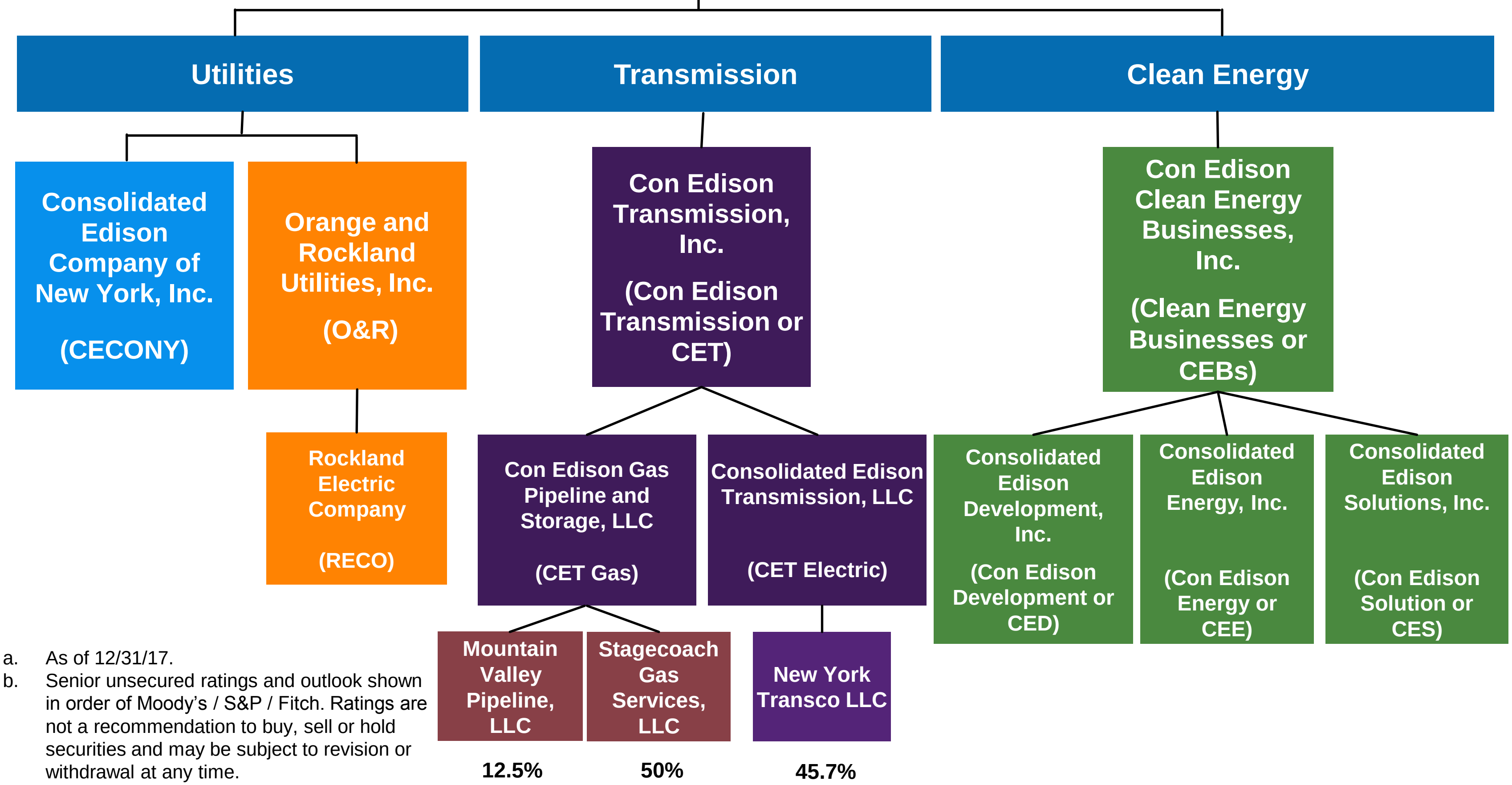
Jan Childress, Director, Investor Relations

Tel.: 212-460-6611, Email: childressj@coned.com

Organizational Structure

conEdison

Market Cap[a]:	**$26.0 billion**
Ratings[b]:	A3 / BBB+ / BBB+
Outlook[b]:	Negative / Stable / Stable



a. As of 12/31/17.
b. Senior unsecured ratings and outlook shown in order of Moody's / S&P / Fitch. Ratings are not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

The Con Edison Plan

Customer Focused	Strategic	Value Oriented
Provide **safe and reliable service**	Strengthen core utility delivery business	Provide steady, predictable earnings
Enhance the **customer experience**	Pursue additional regulated growth opportunities to add value in the evolving industry	Maintain balance sheet stability
Achieve **operational excellence and cost optimization**	Grow existing clean energy businesses and pursue additional clean energy growth opportunities consistent with our risk appetite	Pay attractive, growing dividends

Environmental, Social and Governance Highlights

50% Reduction of carbon footprint since 2005	**~1.6 GW** Current size of renewables portfolio	**1.6 million** MWh of cumulative utility customer savings through energy efficiency since 2009	**53%** Reduction in average days to repair gas leaks since 2014

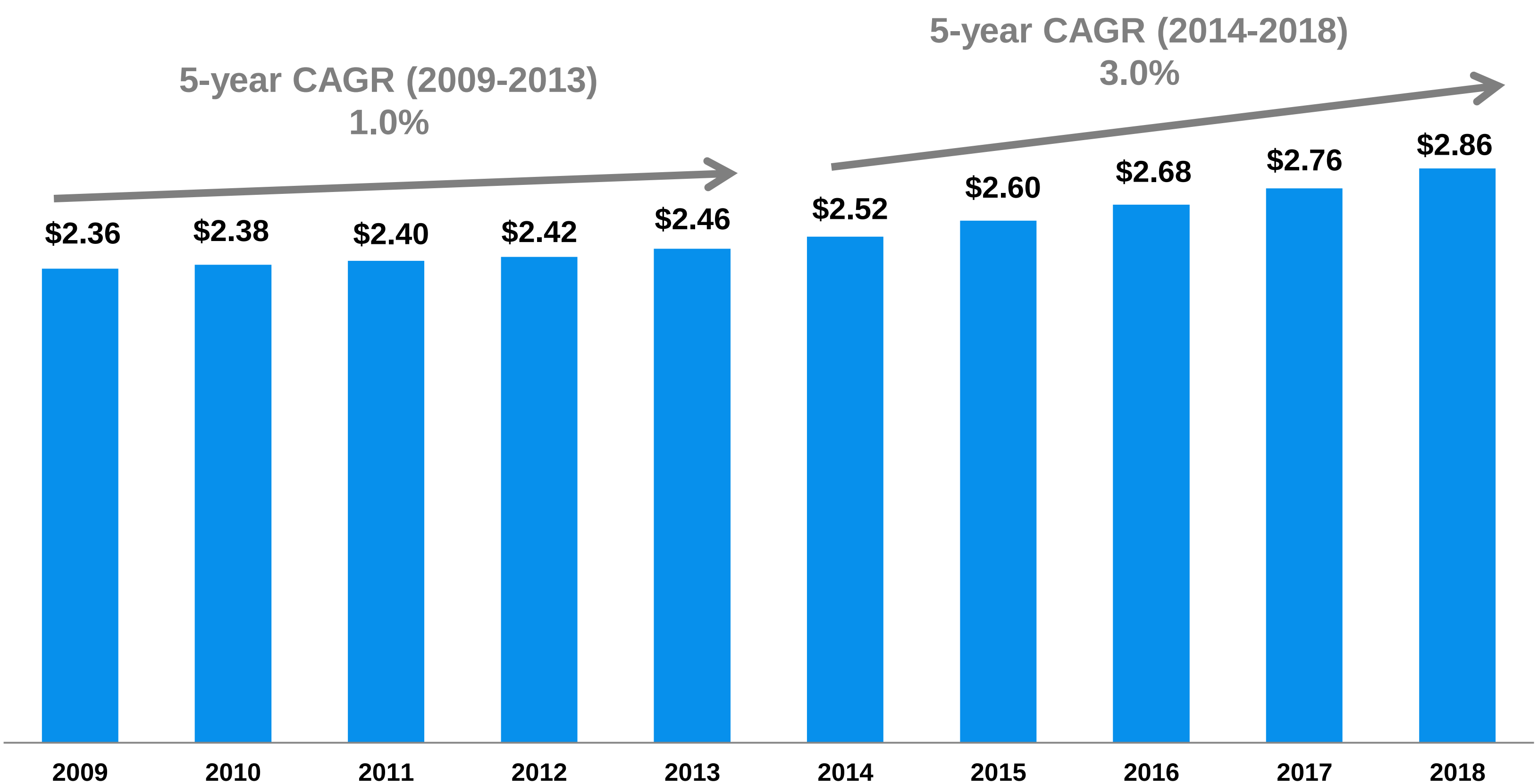
CECONY 2017 Accomplishments Versus Goals

86 miles Gas main replaced in 2017, exceeding goal of 80 miles	**146** Gas leak repairs of the 150 highest methane emitters, exceeding goal of 140 repairs	**280** Year-end gas leak backlog, achieving target of reducing leak backlog below 460	**1.17** The lowest in our history, exceeding goal of OSHA injury and illness incidence rate of 1.20 per 200,000 hours worked

Con Edison's most recent annual sustainability report is accessible at: https://www.conedison.com/ehs/2016-sustainability-report/index.html. Additional information about the utilities' reduction of its methane emissions is accessible at: http://investor.conedison.com/phoenix.zhtml?c=61493&p=irol-presentations

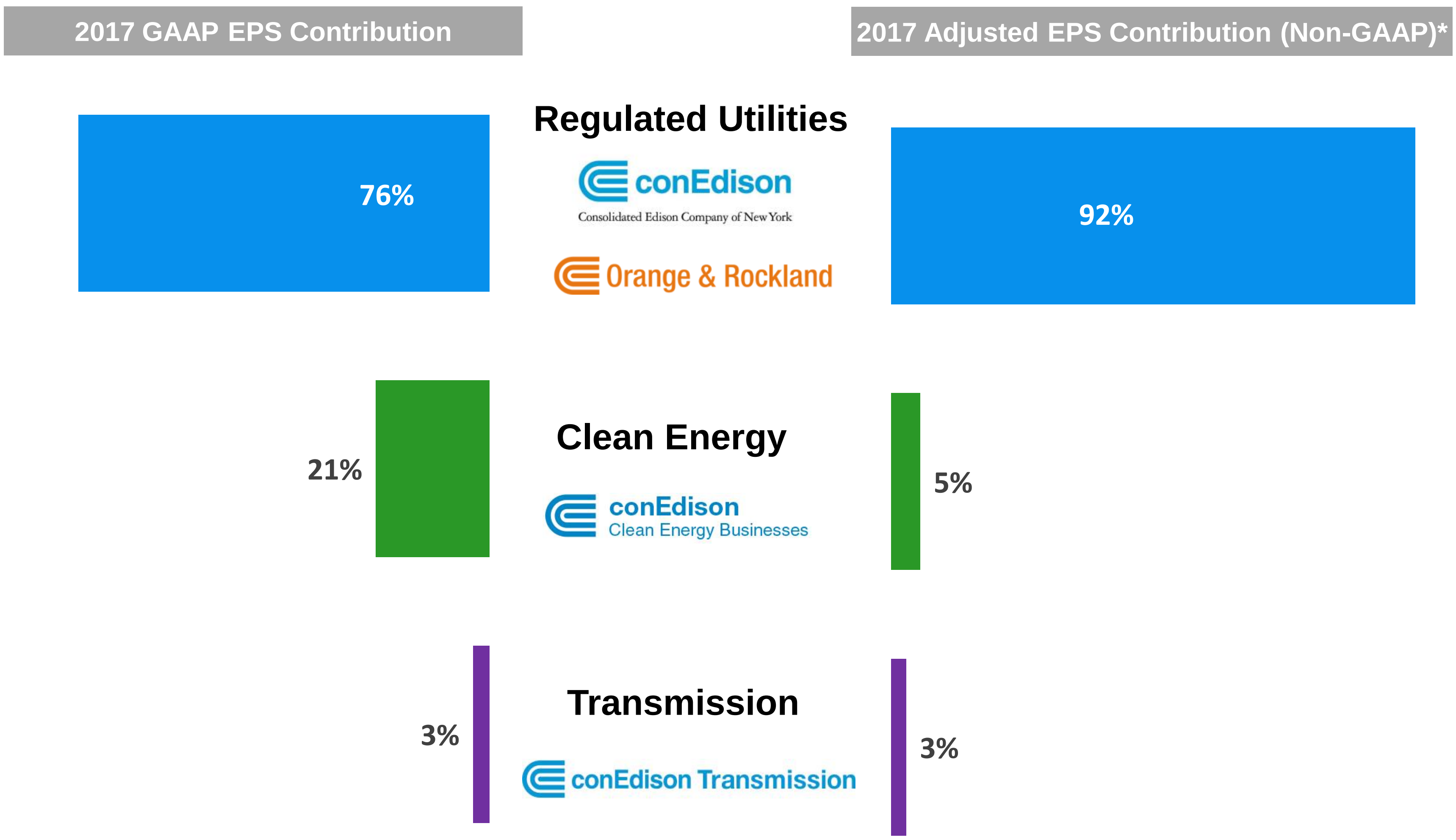
Dividend Growth for Shareholders

- **44 consecutive years of dividend increases**
- **Accelerated growth over past five years**
- **Target dividend payout range: 60 – 70% of adjusted earnings**



*In January 2018, the Board declared a quarterly dividend of 71.5 cents a share on its common stock -- an annualized increase of 10 cents over the previous annualized dividend of $2.76 a share

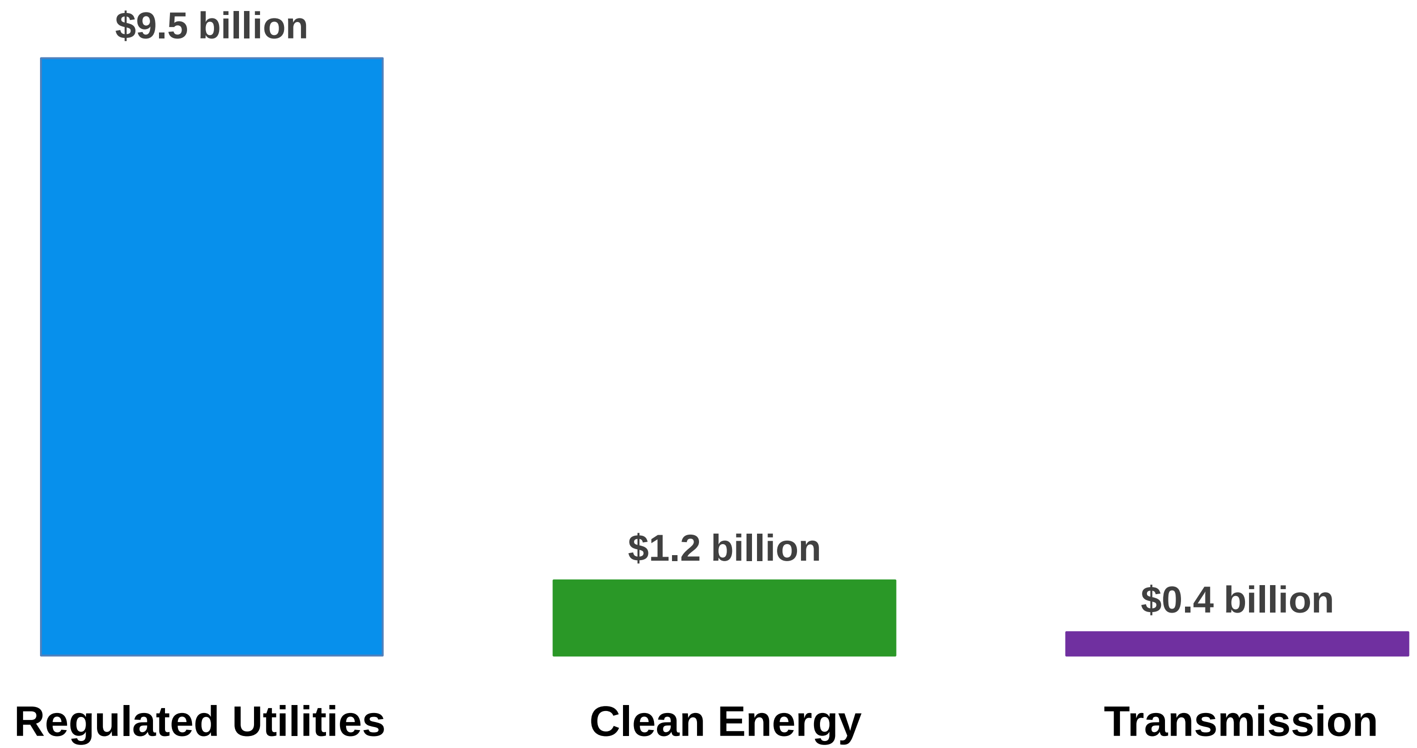
Complementary Business Mix with Utilities



*Represents Adjusted Earnings per Share. Please see Appendix for reconciliation to GAAP.

Opportunities for Growth Across Our Businesses

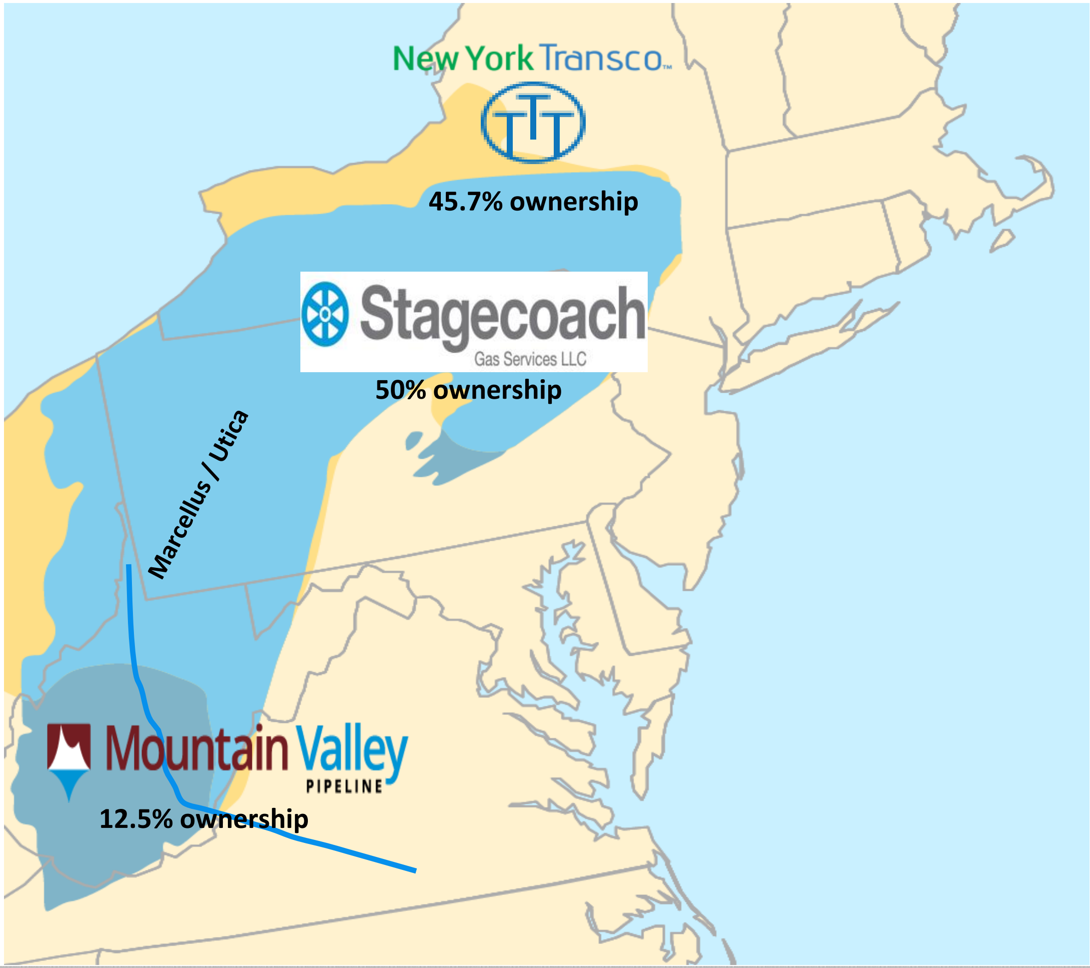
2018 – 2020 Forecasted Capital Investment



Clean Energy Businesses

Con Edison Transmission: Regional Transmission Opportunities Include Gas and Electric

Executing on existing projects and pursuing additional strategic growth opportunities across the region



Stagecoach

- 2.9 Bcf/day of delivery capacity
- 41 Bcf of storage capacity

Mountain Valley Pipeline

- Final FERC certificate issued in October 2017
- 4Q 2018 expected in-service date

New York Transco

- Competing for 1,000 MW AC transmission line
- Decision expected in 2018

New York Public Service Commission (NYSPSC)

- Two new commissioners confirmed in June 2017, reducing the number of open seats to one

Commissioners

- Open Seat
- Gregg Sayre (D) — Feb-2018 — Appointed June 2012
- John Rhodes (D) — Chair — Feb-2021 — Appointed June 2017
- Diane Burman (R) — Feb-2024 — Appointed June 2013
- James Alessi (R) — Feb-2021 — Appointed June 2017

PSC Staff

- Office of Accounting and Finance
- Office of Consumer Services
- Office of Electric, Gas and Water
- Office of Regulatory Economics
- Office of Energy Efficiency and the Environment
- Office of Telecommunications

- Annual budget: $84 million; Staffing: 533 employees
- Regulates: Electric (48 companies), Gas (19), Steam (1), Water (277), Telecom (429), Cable (30)

Reforming the Energy Vision (REV) Presents Opportunities as Industry Evolves

Track 1

Utilities play central role in integration of distributed energy resources into system while customers and third parties own customer-sited resources

Track 2

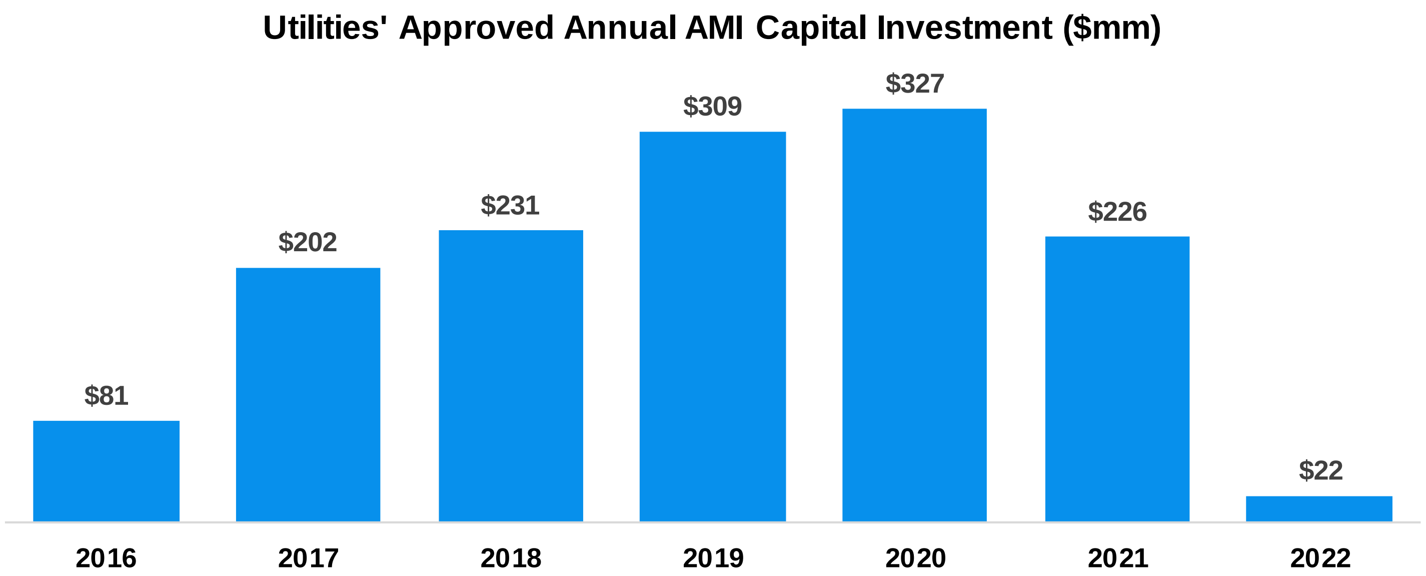
Incentives and new earnings opportunities added to ratemaking design

Track 3

State promoting zero-carbon and 50%-renewables-by-2030 energy goals

Smart Meter Initiative: Building an Advanced, Smarter Grid

- **5.4 million smart meters** to be installed by 2022
- **$1.4 billion investment**
- Expected to **improve operations** and **reduce expenses**
- **Empowers customers** to manage their bills and energy usage in new ways



Non-wires Solutions Expand our Toolkit to Solve System Needs

Non-wires solutions have the potential to reduce customers' electric bills, improve reliability and defer capital infrastructure spending

- Solutions aimed at achieving **energy savings & reduced load forecasts**
- Furthers goals of **increased customer engagement** and choice in managing energy usage
- **70% share of net benefits to customer** on future projects; **30% to shareholders**
- Utilities **earn a regulated return on program expenditures** that defer infrastructure upgrades
- **Advances New York's clean energy goals** including development of new markets

Non-wires projects include the Brooklyn Queens Demand Management ("BQDM") project and seven additional projects – two released solicitations (Columbus Circle and Hudson – West Side) and five pending

Supporting Electric Vehicles

Supporting NYC goals: 2,000 municipal fleet vehicles and 20% of vehicles sold for use to be electric vehicles by 2025

- Working with NYC to site five fast-charging stations capable of **charging more than 12,000 electric vehicles per week**
- Providing **incentives to charge during off-peak hours** to reduce system peak load
- Part of **Fleet Electrification Initiative** since 2014; commitment to spend **5% of total annual vehicle expenditures** on plug-in electric vehicles, charging stations, battery-electric vehicles, plug-in hybrid vehicles, and electric power units

Reducing Green House Gas Emissions

- Con Edison has been a leader in emissions reduction for over a generation; **we converted all of our plants from coal to cleaner fuels in 1972**

- Essentially all of CECONY's heavy-duty fleet is **fueled by biodiesel**

- The reduction of our carbon footprint since 2005 is the **equivalent of taking 500,000 cars off the road**

- We have avoided an aggregate of **24.5 million metric tons** of CO_2e emissions from 2006 to 2016

- In 2016, Con Edison released **96% less SF_6** than 1996

- **More than 520 tons of fine particulate matter have been avoided through oil-to-gas conversions**, which is equivalent to taking 1.7 million cars off the road for one year

Link to Sustainability Report: https://www.conedison.com/ehs/2016-sustainability-report/safety-and-environment/gng-emissions-reductions-introduction/

Environmental Benefits of Steam

Steam cogeneration production has a significantly lower carbon footprint relative to comparative heating technologies

- On average, **60% of CECONY's steam** production is cogenerated
- The **carbon footprint of our steam system** per million BTUs is **significantly less than alternative technologies** such as CHP heating, on-site boilers, or electric heating
- Since 2014, CECONY has **avoided about one million tons of CO2 emissions annually** by utilizing cogenerated steam
- Emissions reduction is **equivalent to 204,000 passenger vehicles** being taken off the road

The World Trade Center is one of CECONY's largest steam customers.

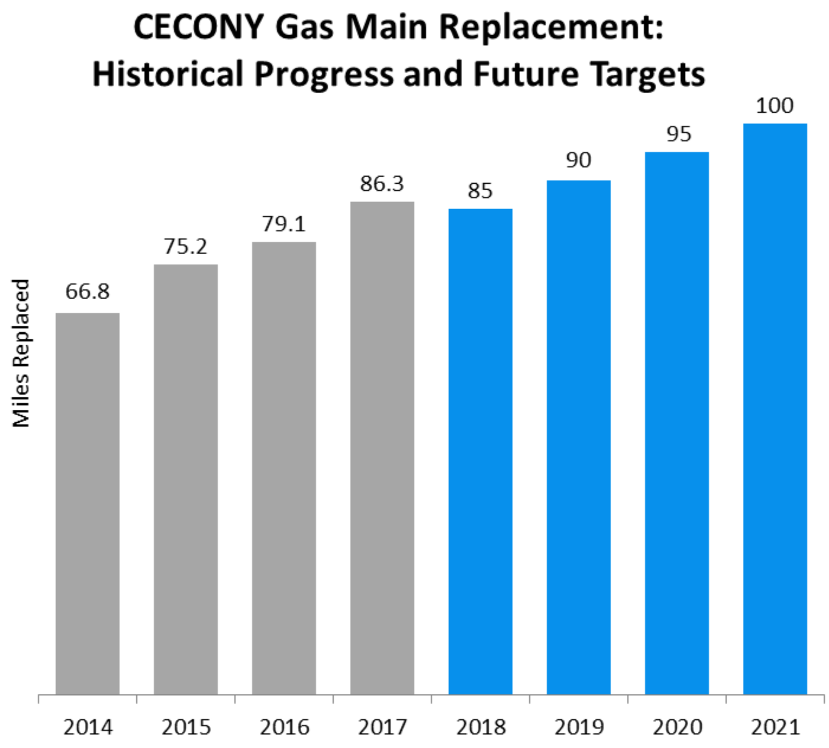
Accelerating Gas Main Replacement and Leak Repair

These initiatives will improve safety and benefit the environment by reducing methane emissions

- We are **accelerating CECONY's gas main replacement** targets from 85 miles in 2018 to 100 miles by 2021

- We are also helping curb emissions by focusing on leak repair, and our **year-end leak backlog has fallen by 62%** since 2014

- **Incentives** for the gas business in current rate plan:
  - Complete six additional replacement miles above annual target
    Maximum Annual Incentive: $4 million
  - Reduce Type 3 leaks by additional 140 based on emissions ranking
    Maximum annual incentive: $2 million



Orange & Rockland's Efforts to Curb Emissions

- In 2017, O&R replaced 24 miles of leak prone pipe; **on pace to eliminate all cast iron pipes in the O&R system by 2020**
- Over the course of the past 20 years, the O&R team has **replaced more than 370 miles of leak prone pipe**
- O&R spends **$25 million annually on gas main replacement**
- O&R **tracks workable and total gas leak backlogs daily** and is on target to meet the year-end goal of less than 40 per month on average

Additional information about the utilities' reduction of its methane emissions is accessible at:
http://investor.conedison.com/phoenix.zhtml?c=61493&p=irol-presentations

Smart Solutions for Natural Gas Customers Proposals

Programs help put New York on a path toward a cleaner energy future

1. **Enhanced Gas Energy Efficiency**
   - Aim to double gas efficiency gains with additional funding to existing programs
   - Annual cost: incremental ~$14.5 million per year in 2018 and 2019
   - Peak day demand reduction: up to 1.6% by Winter 2023 – 2024

2. **Gas Demand Response**
   - Developing new gas demand response programs for peak winter days, modelled after our successful efforts to reduce electric demand during peak summer days
   - Annual cost: ~$3 million (administration), customer incentive costs to be determined
   - Peak day demand reduction: up to 1% by Winter 2023 – 2024

3. **Gas Innovation Program**
   - Developing program for renewable alternatives to natural gas heating, including efficient electric heating systems
   - Total Cost: $10 million
   - Peak day demand reduction: initially nominal, but potential for substantial long-term savings

4. **Non-Pipeline RFI**
   - Market solicitation seeking innovative demand and alternative supply-side solutions
   - Annual cost: To be determined
   - Peak day demand reduction: To be determined

Striving to Enhance Our Customer Service Experience

Customer Service

#1 in business electric & gas customer satisfaction among large utilities in the East (CECONY)

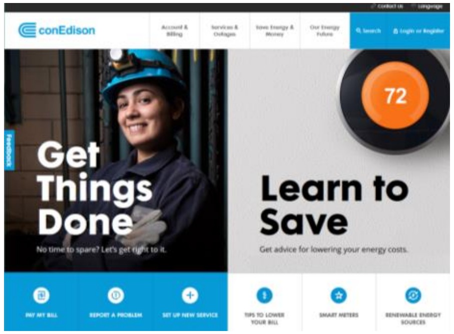
#2 in residential electric customer satisfaction among large utilities in the East (CECONY)

Smart Meters

5.4 million smart meters to be installed by 2022

Smart meters will provide **financial, operational and environmental benefits to customers**

Web-based Marketplace



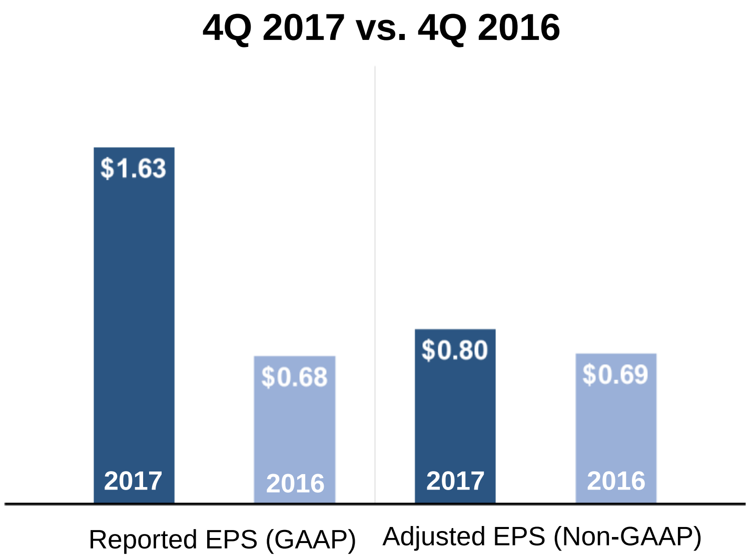
Web-based marketplace for energy solutions that promote energy efficiency

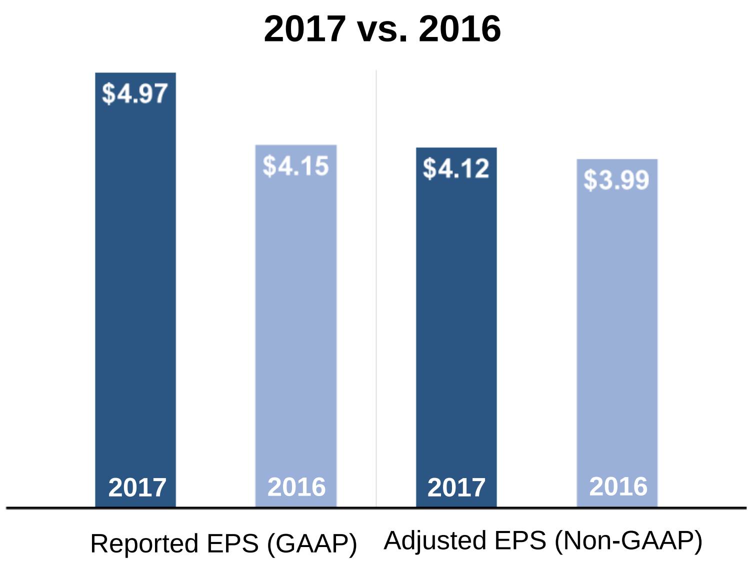
Enhances choice and helps reduce customers' costs

Appendix: 2017 Earnings Presentation

Dividend and Earnings Announcements

- On January 18, 2018, the company issued a press release reporting that the company had:
  - declared a quarterly dividend of 71.5 cents a share on its common stock -- an annualized increase of 10 cents over the previous annualized dividend of $2.76 a share and its 44th consecutive annual increase;
  - indicated that the company expects to continue to pay its stockholders between 60% and 70% of its adjusted earnings.
- On February 15, 2018, the company issued a press release reporting its expected 2018 adjusted earnings per share to be in the range of $4.15 to $4.35.





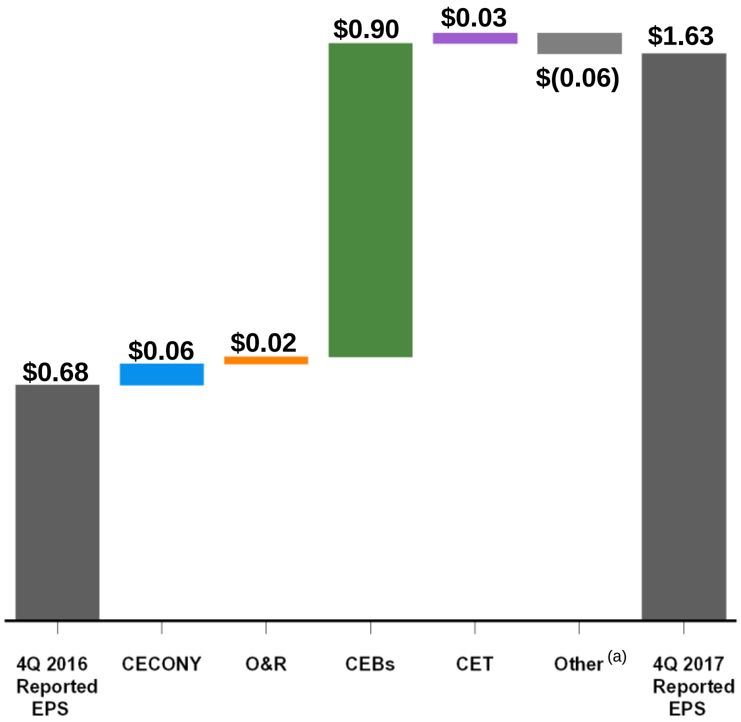
4Q 2017 Earnings

	Net Income ($ in Millions)		Earnings per Share	
	2017	2016	2017	2016
Reported Net Income and EPS – GAAP basis	$505	$207	$1.63	$0.68
Gain on sale of the CEBs' retail electric supply business	—	(9)	—	(0.03)
Goodwill impairment related to the CEBs' energy service business	—	12	—	0.04
Enactment of the TCJA[a]	(259)	—	(0.84)	—
Net mark-to-market effects of the CEBs	1	1	0.01	—
Adjusted Earnings and Adjusted EPS – non-GAAP basis	**$247**	**$211**	**$0.80**	**$0.69**

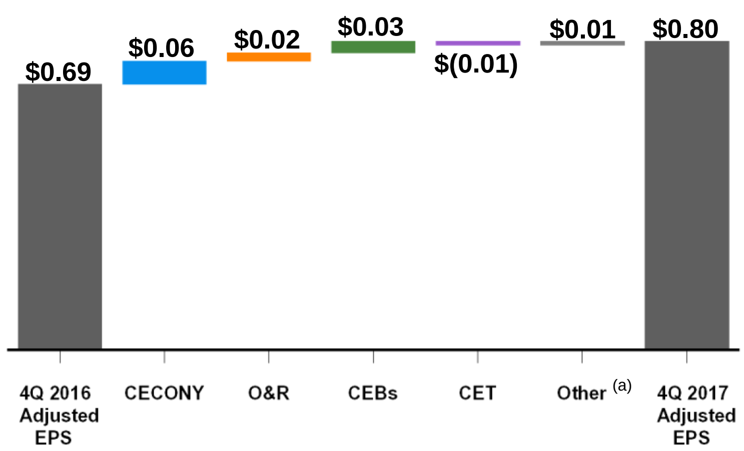
a. Reflects $269 million (or $0.87 a share), $11 million (or $0.04 a share) and $(21) million (or $(0.07) a share) for the CEBs, CET, and the parent company, respectively, resulting from the enactment of the federal Tax Cuts and Jobs Act of 2017 on December 22, 2017 (TCJA).

Walk from 4Q 2016 EPS to 4Q 2017 EPS

Variance in Reported EPS (GAAP)



Variance in Adjusted EPS (Non-GAAP)



a. Includes parent company and consolidation adjustments.

4Q 2017 vs. 4Q 2016 EPS Variances - Three Months Ended Variation

CECONY[(a)]			
Changes in rate plans and regulatory charges			
Timing of recognition of electric annual revenues	$	0.03	Reflects higher electric net base revenues resulting from the timing of recognition of annual revenues between quarters under the company's new electric rate plan.
Other rate plan changes		0.17	Reflects higher electric net base revenues of $0.02 a share resulting from the increased base rates under the company's new electric rate plan, higher gas net base revenues of $0.06 a share, growth in the number of gas customers of $0.01 a share, incentives earned under the Earnings Adjustment Mechanisms of $0.01 a share and the Energy Efficiency Portfolio Standard of $0.04 a share, a property tax refund incentive of $0.01 a share, and lower retention of Transmission Congestion Contract (TCC) auction proceeds of $(0.01) a share.
Weather impact on steam revenues		0.01	
Operations and maintenance expenses		0.06	Reflects lower pension and other postretirement benefits costs of $0.07 a share.
Depreciation, property taxes and other tax matters		(0.21)	Reflects higher depreciation and amortization expense of $(0.05) a share, property taxes of $(0.14) a share, and income taxes of $(0.02) a share.
Other		—	Includes the dilutive effect of Con Edison's stock issuances.
Total CECONY	**$**	**0.06**	
O&R[(a)]			
Changes in rate plans and regulatory charges		0.02	Reflects higher electric and gas net base revenues of $0.01 a share.
Other		—	Includes the dilutive effect of Con Edison's stock issuances.
Total O&R	**$**	**0.02**	
Clean Energy Businesses			
Operating revenues less energy costs		0.22	Reflects revenues from the engineering, procurement and construction of Upton 2 and higher revenues from renewable electric production projects. Includes $(0.01) a share of net after-tax mark-to-market losses in 2017.
Operations and maintenance expenses		(0.20)	Reflects Upton 2 engineering, procurement and construction costs and higher energy service costs.
Depreciation		(0.02)	
Other		0.90	Includes the effect of the TCJA of $0.87 a share and the dilutive effect of Con Edison's stock issuances. Also includes $0.03 a share of net after-tax gain related to the sale of the retail electric supply business in 2016 and $(0.04) a share of impairment of the energy service business in December 2016.
Total CEBs	**$**	**0.90**	
Con Edison Transmission			
Total CET	**$**	**0.03**	Includes the effect of the TCJA of $0.04 a share. Reflects income from equity investments and the dilutive effect of Con Edison's stock issuances.
Other			
Parent company and consolidation adjustments	**$**	**(0.06)**	Includes the effect of the TCJA of $(0.07) a share. Reflects higher state income tax benefits and the dilutive effect of Con Edison's stock issuances.
Reported EPS (GAAP)	**$**	**0.95**	
Gain on sale of the CEBs' retail electric supply business in 2016		0.03	
Goodwill impairment related to the CEBs' energy service business in 2016		(0.04)	
Enactment of the TCJA		(0.84)	
Net mark-to-market effects of the CEBs		0.01	
Adjusted EPS (non-GAAP)	**$**	**0.11**	

a. Under the revenue decoupling mechanisms in the utilities' New York electric and gas rate plans and the weather-normalization clause applicable to their gas businesses, revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved. In general, the utilities recover on a current basis the fuel, gas purchased for resale and purchased power costs they incur in supplying energy to their full-service customers. Accordingly, such costs do not generally affect Con Edison's results of operations.

4Q 2017 vs. 4Q 2016 EPS Reconciliation by Company

3 months ending December 31, 2017

	CECONY	O&R	CEBs	CET	Other[(a)]	Total
Reported EPS – GAAP basis	$0.71	$0.03	$0.90	$0.06	($0.07)	$1.63
Enactment of the TCJA	—	—	(0.87)	(0.04)	0.07	(0.84)
Net mark-to-market losses	—	—	0.01	—	—	0.01
Adjusted EPS – Non-GAAP basis	**$0.71**	**$0.03**	**$0.04**	**$0.02**	**$—**	**$0.80**

3 months ending December 31, 2016

	CECONY	O&R	CEBs	CET	Other[(a)]	Total
Reported EPS – GAAP basis	$0.65	$0.01	$—	$0.03	$(0.01)	$0.68
Gain on sale of the CEBs' retail electric supply business	—	—	(0.03)	—	—	(0.03)
Goodwill impairment related to the CEBs' energy service business	—	—	0.04	—	—	0.04
Adjusted EPS – Non-GAAP basis	**$0.65**	**$0.01**	**$0.01**	**$0.03**	**$(0.01)**	**$0.69**

a. Includes parent company and consolidation adjustments.

4Q 2017 Developments[a]

Parent

- Net income reflects $269 million or $0.87 a share, $11 million or $0.04 a share, and $(21) million or $(0.07) a share for the Clean Energy Businesses, Con Edison Transmission, and the parent company, respectively, regarding the effect of the TCJA. See "Tax Cuts and Jobs Act of 2017," below. (pages 48, 140-141)

CECONY & O&R

- Upon enactment of the TCJA, the Utilities re-measured their deferred tax assets and liabilities based upon the 21% tax rate under the TCJA. As a result, CECONY, O&R and RECO, decreased their net deferred tax liabilities by $4,781 million, $216 million and $45 million, respectively, decreased their regulatory asset for future income tax by $1,182 million, $51 million and $17 million, respectively, decreased their regulatory asset for revenue taxes by $86 million, $4 million and $0 million, respectively, and accrued regulatory liabilities for future income tax of $3,513 million, $161 million and $28 million, respectively. (page 121)
- In August and November 2017, the NYSPSC issued orders in its proceeding investigating a subway power outage. NYSPSC Case 17-E-0428 – In The Matter of an Investigation into the April 21, 2017 Metropolitan Transportation Authority Subway Power Outage and Consolidated Edison Company of New York, Inc.’s Restoration Efforts.
  - The orders require CECONY to take certain actions relating to the electrical equipment that serves the subway system.
  - The company incurred costs related to this matter in 2017 of $65 million. Included in this amount is $15 million in capital and operating and maintenance costs reflected in the company's electric rate plan and $50 million deferred as a regulatory asset pursuant to the rate plan.
  - The company, which plans to complete the required actions in 2018, expects to incur costs related to this matter in 2018 of $137 million. Included in this amount is $10 million in expected capital and operating and maintenance costs reflected in the rate plan and $127 million expected to be deferred as a regulatory asset pursuant to the rate plan. (page 121)
- In January 2018, the NYSPSC initiated an audit of the income tax accounting of certain utilities, including CECONY and O&R. NYSPSC Case 18-M-0013 – In the Matter of a Focused Operations Audit to Investigate the Income Tax Accounting of Certain New York State Utilities. (page 121)
- In January 2018, O&R filed a request with the NYSPSC for electric and gas rate increases of $20.3 million and $4.5 million, respectively, reflecting a 9.75% return on equity effective January 2019. NYSPSC Case 18- E-0067/18-G-0068 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Orange and Rockland Utilities, Inc. for Electric/Gas Service. (pages 119-120)

a. Page references to 2017 Form 10-K.

4Q 2017 Developments[(a)]

CECONY & O&R

- The Utilities' current and most recent previous five-year forecasts of average annual growth of the peak demand in their service areas at design conditions for 2018 – 2022 (pages 21, 24, 25, 26, 27)

	Electric	Gas	Steam
CECONY	0.1 percent	1.2 percent	(0.5) percent
O&R	0.0 percent	0.3 percent	

- The aggregate capacities of the distributed generation projects connected to the CECONY and O&R distribution systems at December 31, 2017 were 366 MW and 100 MW, respectively. The 2018 electric peak forecasts for CECONY and O&R are 13,300 MW and 1,620 MW, respectively. (pages 19, 21, 26)
- In November 2017, FERC approved a September 2017 settlement agreement among RECO, the New Jersey Division of Rate Counsel and the NJBPU that increases RECO's annual transmission revenue requirement from \$11.8 million to \$17.7 million, effective April 2017 (FERC Docket Nos. ER17-856-000/001). The revenue requirement reflects a return on common equity of 10.0 percent. (page 121)
- In November 2017, the NYISO completed its Deactivation Assessment of Indian Point. It concluded that over its ten year planning period, through 2027, there is no anticipated reliability need if the following three expected units finalize construction and enter service: Bayonne Energy Center II Uprate (Zone J, 120 MW); CPV Valley Energy Center (Zone G, 678 MW); and Cricket Valley Energy Center (Zone G, 1,020 MW). (page 22)

a. Page references to 2017 Form 10-K.

4Q 2017 Developments *(cont'd)*[(a)]

Clean Energy Businesses

- In November 2017, Con Edison Development acquired a 25-MW wind project in Montana. (page 28)
- 1,561 MW (AC) of renewable energy production projects in service (1,358 MW) or under construction (203 MW). (page 28)
- 2,158 million of kWh generated from solar projects and 988 million of kWh generated from wind projects during 2017. (page 29)

Con Edison Transmission

- In November 2017, FERC approved an August 2017 settlement agreement regarding the NY Transco proposed transmission project that provides for a 10.65 percent return on common equity (subject to a cost containment mechanism) and a maximum common equity ratio of 53 percent. The proposed project is one of several bids in a competitive proceeding to select transmission projects that would relieve transmission congestion between upstate and downstate New York. (page 30)

a. Page references to 2017 Form 10-K.

Tax Cuts and Jobs Act of 2017 (TCJA)[a]

CECONY & O&R

- TCJA expected to result in decreased cash flows from operating activities, and require increased cash flows from financing activities, for the Utilities as and when customers' rates are adjusted to reflect the reduction in tax rate
- Customer rates expected to be reduced to reflect the reduction in tax rate from 35% to 21%
  - The revenue requirement impact of the reduced tax rate for the period before customer rates are reduced will be deferred as a regulatory liability on which interest will accrue
  - This regulatory liability will be amortized as provided in each of the Utilities' next rate plans, unless prior to then the NYSPSC or NJBPU, as applicable, determines otherwise
  - Any regulatory liability remaining at the beginning of a next rate plan that is not used to offset a regulatory asset will reduce rate base, after which time the amortization of the regulatory liability will increase rate base
- Excess deferred income taxes of approximately $3,700 million recorded as regulatory liability for benefit to customers
  - No change to rate base for amortization of $2,700 million subject to the rate normalization requirements continued by TCJA because this portion is to be amortized over the same period as applied to the excess deferred tax liability to which it relates (i.e., remaining average lives of related assets)
  - No change to rate base for amortization of the remaining $1,000 million unless NYSPSC or NJPBU, as applicable, require a shorter amortization period than the period that applied to the excess deferred tax liability to which it relates
- End of bonus depreciation for the Utilities (which was to be 40% in 2018 and 30% in 2019) will reduce deferred taxes and increase rate base
- Changes to rate base resulting from the TCJA will affect the Utilities' net income as and when the changes are reflected in each of the Utilities' next rate plans
- NYSPSC Case 17-M-0815 - Proceeding on Motion of the Commission on Changes in Law that May Affect Rates
  - NYSPSC staff recommendation due by March 27
  - Followed by 90-day comment period
  - Followed by NYSPSC decision
- NJBPU Docket No. AX1801001 - In the Matter of the Board’s Consideration of the 2017 Tax Cuts and Jobs Act
  - Utility petitions due by March 2
  - NJBPU decision in June

a. See Other Regulatory Matters on pages 121, Note L - Income Taxes on pages 139-143 in the 2017 10-K.

Tax Cuts and Jobs Act of 2017 *(cont'd)*[(a)]

Clean Energy Businesses

- Net income for 2017 includes $269 million or $0.88 a share from reduction in deferred income tax liabilities
- Full expensing of plant additions
- Interest expense fully deductible through 2021, but deductions will be limited in 2022 and beyond
- Continue to expect accumulated tax credits to be used

Con Edison Transmission

- Net income for 2017 includes $11 million or $0.04 a share from reduction in deferred income tax liabilities
- MACRS for plant additions
- Interest expense fully deductible

Parent

- Net income for 2017 includes $(21) million or $(0.07) a share from reduction in deferred income tax asset

a. See Other Regulatory Matters on pages 121, Note L - Income Taxes on pages 139-143 in the 2017 10-K.

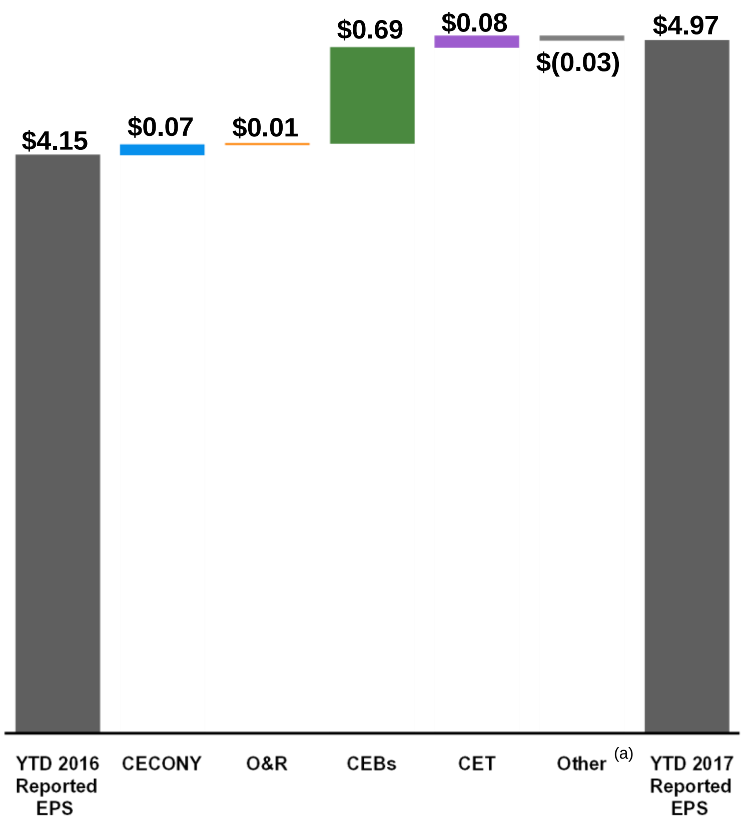
2017 Earnings

	Net Income ($ in Millions)		Earnings per Share	
	2017	2016	2017	2016
Reported Net Income and EPS – GAAP basis	$1,525	$1,245	$4.97	$4.15
Gain on sale of the CEBs' retail electric supply business	—	(56)	—	(0.19)
Goodwill impairment related to the CEBs' energy service business	—	12	—	0.04
Enactment of the TCJA[a]	(259)	—	(0.85)	—
Gain on sale of the CEBs' solar electric production project	(1)	—	—	—
Net mark-to-market effects of the CEBs	(1)	(3)	—	(0.01)
Adjusted Earnings and Adjusted EPS – non-GAAP basis	**$1,264**	**$1,198**	**$4.12**	**$3.99**

a. Reflects $269 million (or $0.88 a share), $11 million (or $0.04 a share) and $(21) million (or $(0.07) a share) for the CEBs, CET, and the parent company, respectively, resulting from the enactment of TCJA.

Walk from 2016 EPS to 2017 EPS

Variance in Reported EPS (GAAP)



Variance in Adjusted EPS (Non-GAAP)

a. Includes parent company and consolidation adjustments.

2017 vs. 2016 EPS Variances - Year Ended Variation

CECONY[a]			
Changes in rate plans and regulatory charges	$	0.47	Reflects higher electric net base revenues of $0.10 a share resulting from the increased base rates under the company's new electric rate plan, higher gas net base revenues of $0.21 a share, growth in the number of gas customers of $0.05 a share, incentives earned under the Earnings Adjustment Mechanisms of $0.03 a share and the Energy Efficiency Portfolio Standard of $0.04 a share, a property tax refund incentive of $0.01 a share, lower retention of TCC auction proceeds of $(0.03) a share, and an increase to the regulatory reserve related to certain gas proceedings in 2016 of $0.03 a share.
Weather impact on steam revenues		0.02	
Operations and maintenance expenses		0.30	Reflects lower pension and other postretirement benefits costs of $0.29 a share.
Depreciation, property taxes and other tax matters		(0.57)	Reflects higher depreciation and amortization expense of $(0.18) a share, property taxes of $(0.27) a share, and income taxes of $(0.12) a share.
Other		(0.15)	Includes the dilutive effect of Con Edison's stock issuances.
Total CECONY	**$**	**0.07**	
O&R[a]			
Changes in rate plans and regulatory charges		0.06	Reflects higher electric and gas net base revenues of $0.01 and $0.04 a share, respectively.
Operations and maintenance expenses		(0.03)	Reflects higher pension costs.
Depreciation, property taxes and other tax matters		(0.03)	
Other		0.01	Includes the dilutive effect of Con Edison's stock issuances.
Total O&R	**$**	**0.01**	
Clean Energy Businesses			
Operating revenues less energy costs		0.33	Reflects revenues from the engineering, procurement and construction of Upton 2 and higher revenues from renewable electric production projects, lower revenues and energy costs resulting from the retail electric supply business that was sold in September 2016. Includes $0.01 a share net after-tax mark-to market gains in 2016. Substantially all the mark-to-market effects in the 2016 periods were related to the retail electric business sold in September 2016.
Operations and maintenance expenses		(0.30)	Reflects Upton 2 engineering, procurement and construction costs and higher energy service costs.
Depreciation		(0.06)	
Net interest expense		(0.02)	
Other		0.74	Includes the effect of the TCJA of $0.88 a share and the dilutive effect of Con Edison's stock issuances. Also includes $0.19 a share of net after-tax gain related to the sale of the retail electric supply business in 2016 and $(0.04) a share of impairment of the energy service business in December 2016.
Total CEBs	**$**	**0.69**	
Con Edison Transmission			
Total CET	**$**	**0.08**	Includes the effect of the TCJA of $0.04 a share. Reflects income from equity investments and the dilutive effect of Con Edison's stock issuances.
Other			
Parent company and consolidation adjustments	**$**	**(0.03)**	Includes the effect of the TCJA of $(0.07) a share. Reflects higher state income tax benefits and the dilutive effect of Con Edison's stock issuances.
Reported EPS (GAAP)	**$**	**0.82**	
Gain on sale of the CEBs' retail electric supply business in 2016		0.19	
Goodwill impairment related to the CEBs' energy service business in 2016		(0.04)	
Enactment of the TCJA		(0.85)	
Net mark-to-market effects of the CEBs		0.01	
Adjusted EPS (non-GAAP)	**$**	**0.13**	

a. Under the revenue decoupling mechanisms in the utilities' New York electric and gas rate plans and the weather-normalization clause applicable to their gas businesses, revenues are generally not affected by changes in delivery volumes from levels assumed when rates were approved. In general, the utilities recover on a current basis the fuel, gas purchased for resale and purchased power costs they incur in supplying energy to their full-service customers. Accordingly, such costs do not generally affect Con Edison's results of operations.

2017 vs. 2016 EPS Reconciliation by Company

For the year ended December 31, 2017

	CECONY	O&R	CEBs	CET[a]	Other[b]	Total
Reported EPS – GAAP basis	$3.59	$0.21	$1.08	$0.15	$(0.06)	$4.97
Enactment of the TCJA	—	—	(0.88)	(0.04)	0.07	(0.85)
Net mark-to-market gains	—	—	—	—	—	—
Adjusted EPS – Non-GAAP basis	**$3.59**	**$0.21**	**$0.20**	**$0.11**	**$0.01**	**$4.12**

For the year ended December 31, 2016

	CECONY	O&R	CEBs	CET[a]	Other[b]	Total
Reported EPS – GAAP basis	$3.52	$0.20	$0.39	$0.07	($0.03)	$4.15
Gain on sale of the CEBs' retail electric supply business	—	—	(0.19)	—	—	(0.19)
Goodwill impairment related to the CEBs' energy service business	—	—	0.04	—	—	0.04
Net mark-to-market gains	—	—	(0.01)	—	—	(0.01)
Adjusted EPS – Non-GAAP basis	**$3.52**	**$0.20**	**$0.23**	**$0.07**	**($0.03)**	**$3.99**

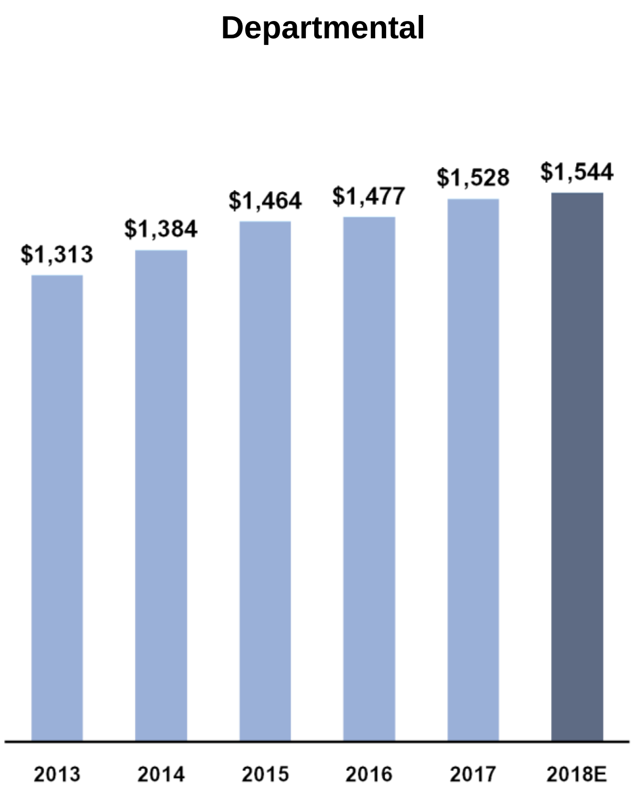
a. In 2016, Con Edison Transmission began investing, through CET Electric and CET Gas, in electric transmission and gas pipeline and storage assets.
b. Includes parent company and consolidation adjustments.

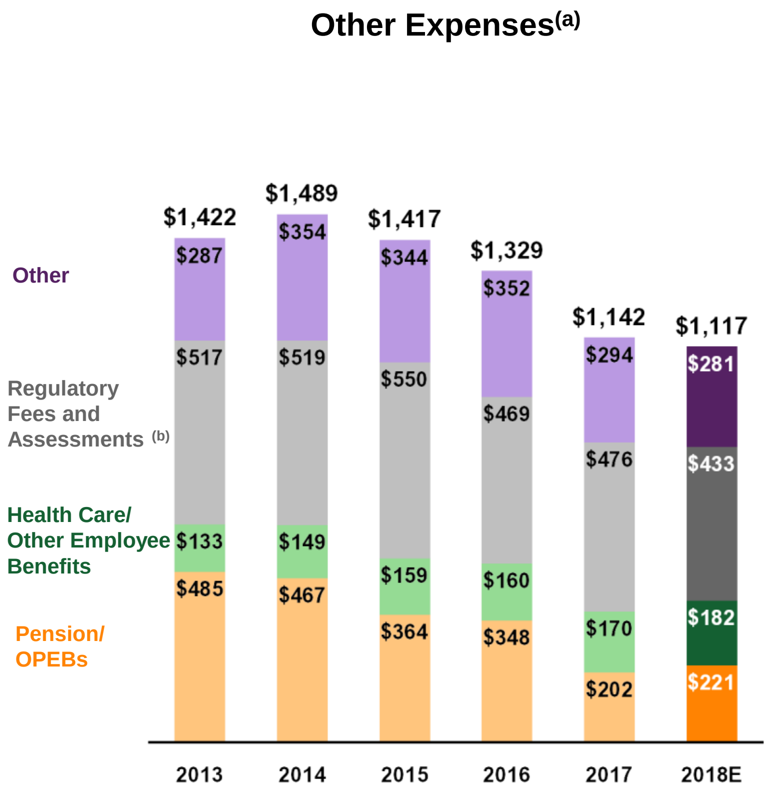
Five-Year Reconciliation of Reported EPS (GAAP) to Adjusted EPS (Non-GAAP)

12 Months Ending December 31,	2013	2014	2015	2016	2017
Reported EPS – GAAP basis	**$3.62**	**$3.73**	**$4.07**	**$4.15**	**$4.97**
Enactment of the TCJA[(a)]	-	-	-	-	(0.85)
Gain on sale of the CEBs' retail electric supply business	-	-	-	(0.19)	-
Goodwill impairment related to the CEBs' energy service business	-	-	-	0.04	-
Impairment of assets held for sale	-	-	0.01	-	-
Gain on sale of the CEBs' solar electric production projects	-	(0.09)	-	-	-
Loss from LILO transactions	0.32	-	-	-	-
Net mark-to-market effects of the CEBs	(0.14)	0.25	-	(0.01)	-
Adjusted EPS – Non-GAAP basis	**$3.80**	**$3.89**	**$4.08**	**$3.99**	**$4.12**

a. Reflects $269 million (or $0.88 a share), $11 million (or $0.04 a share) and $(21) million (or $(0.07) a share) for CEBs, CET, and parent company, respectively resulting from the enactment of TCJA.

CECONY Operations and Maintenance Expenses
($ in millions)





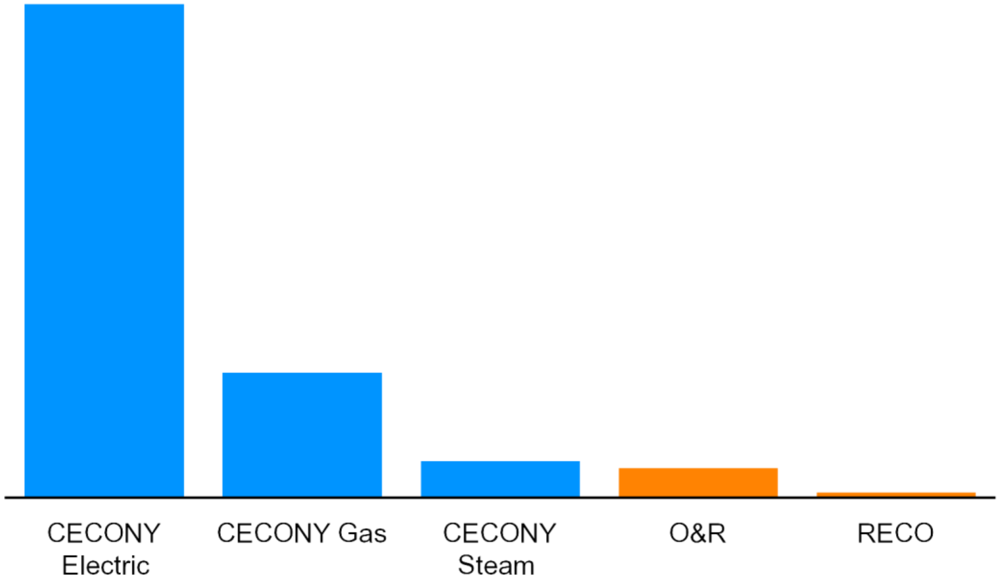
a. Other Expenses generally are either reconciled through amounts reflected in rates, or represent surcharges that are recovered in revenues from customers.
b. Includes Demand Side Management, System Benefit Charges and Public Service Law 18A assessments which are collected in revenues.

Composition of Regulatory Rate Base[(a)]
(as of December 31, 2017)

CECONY		($ in millions)
Electric	NY	$18,513
Gas	NY	4,723
Steam	NY	1,402
Total CECONY		**$24,638**

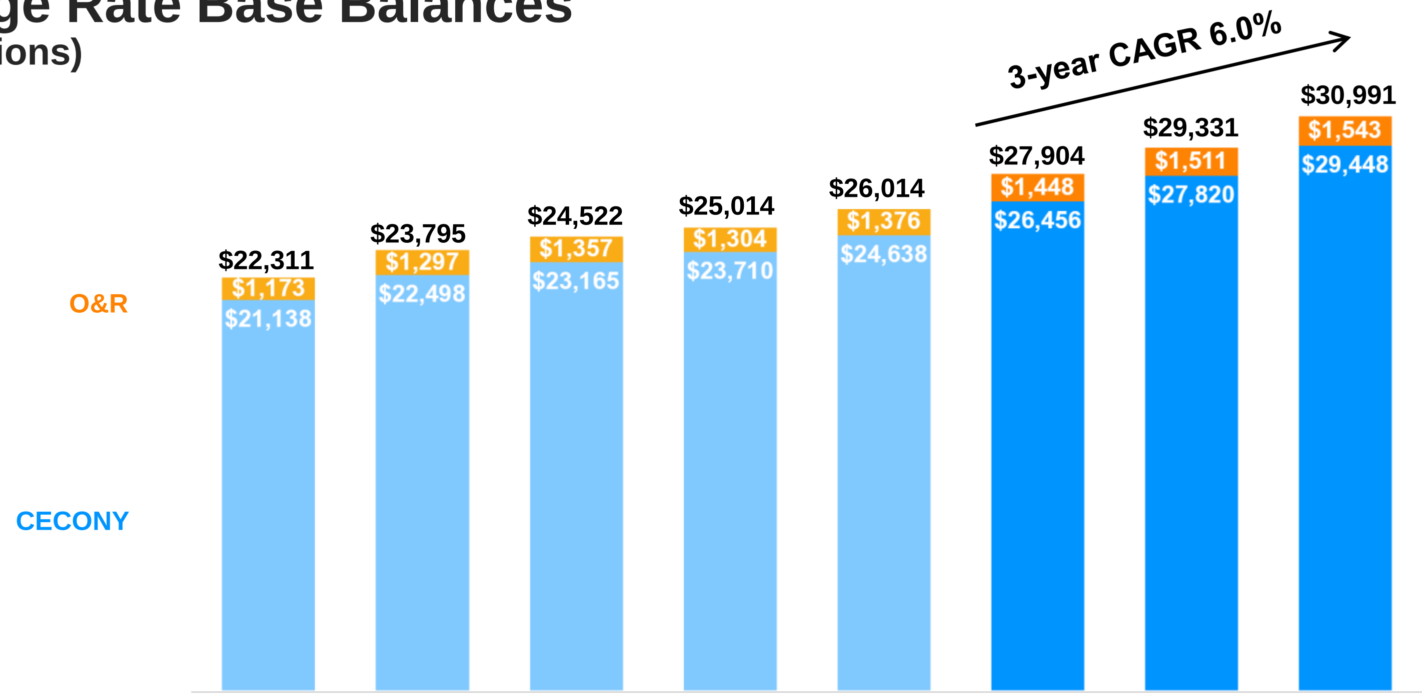
O&R		($ in millions)
O&R Electric	NY	$759
O&R Gas	NY	392
RECO	NJ	225
Total O&R		**$1,376**

Total Rate Base $26,014



a. Average rate base for 12 months ended 12/31/2017.

Average Rate Base Balances
($ in millions)



		Actual					Forecast[a]		
		2013	2014	2015	2016	2017	2018E	2019E	2020E
CECONY	Electric	$ 16,235	$ 17,403	$ 17,599	$ 17,971	$ 18,513	$ 19,530	$ 20,277	$ 21,569
	Gas	3,395	3,593	4,023	4,267	4,723	5,395	6,005	6,629
	Steam	1,508	1,502	1,543	1,472	1,402	1,531	1,538	1,250
O&R	Electric	633	726	769	731	759	792	814	821
	Gas	345	372	386	362	392	422	444	454
RECO	Electric	195	199	202	211	225	234	253	268

(a) Changes to rate base resulting from the TCJA will affect the Utilities' net income as and when the changes are reflected in each of the Utilities' next rate plans (assumed to be 2020 for CECONY; 2019 for O&R and RECO). Forecast for 2020 reflects, in addition to changes in net utility plant, estimated increase in average rate base due to decreased deferred taxes resulting from TCJA end of bonus deprecation for utilities and application of TCJA reduced tax rate to 2018 and 2019 temporary book/tax differences for CECONY, O&R and RECO of $415 million, $21 million and $3.4 million, respectively. Forecast reflects no change in rate base from amortization of $3,700 million regulatory liability for future income tax relating to excess deferred income taxes because amortization of entire regulatory liability over the same period that would have applied prior to TCJA is assumed. Also, forecast assumes no change in rate base relating to any regulatory liability for revenue requirement impact of reduced tax rate.

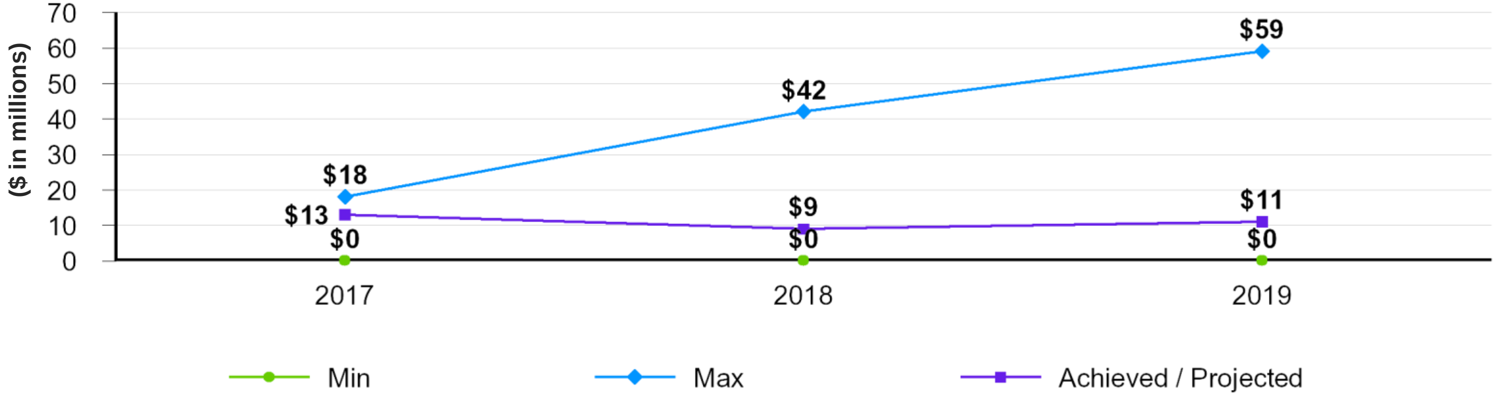
Regulated Utility Rates of Return and Equity Ratio
(12 Months ended December 31, 2017)

	Regulated Basis	
	Allowed	**Actual**
CECONY		
Electric	9.0%	9.3%
Gas	9.0	9.2
Steam	9.3	9.5
Overall – CECONY	9.0[(a)]	9.3
CECONY Equity Ratio	***48.0%***	***48.4%***
O&R		
Electric	9.0%	9.7%
Gas	9.0	9.7
RECO	9.6	8.2
Overall – O&R	9.1[(a)]	9.5
O&R Equity Ratio	***48.0%***	***49.4%***

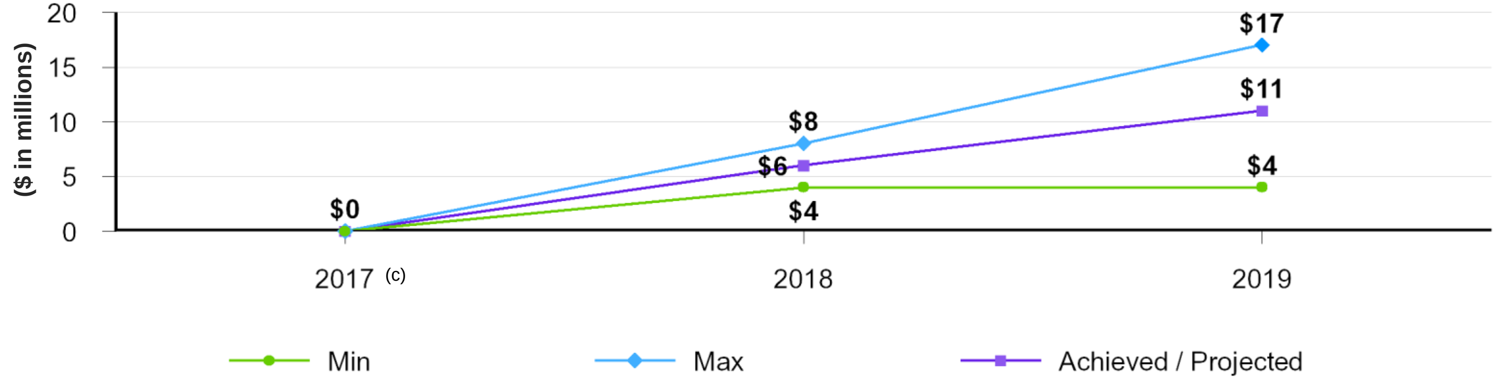
a. Weighted by rate base.

Earnings Adjustment Mechanisms and Positive Incentives

Earnings Adjustment Mechanisms



Positive Incentives[a] [b]

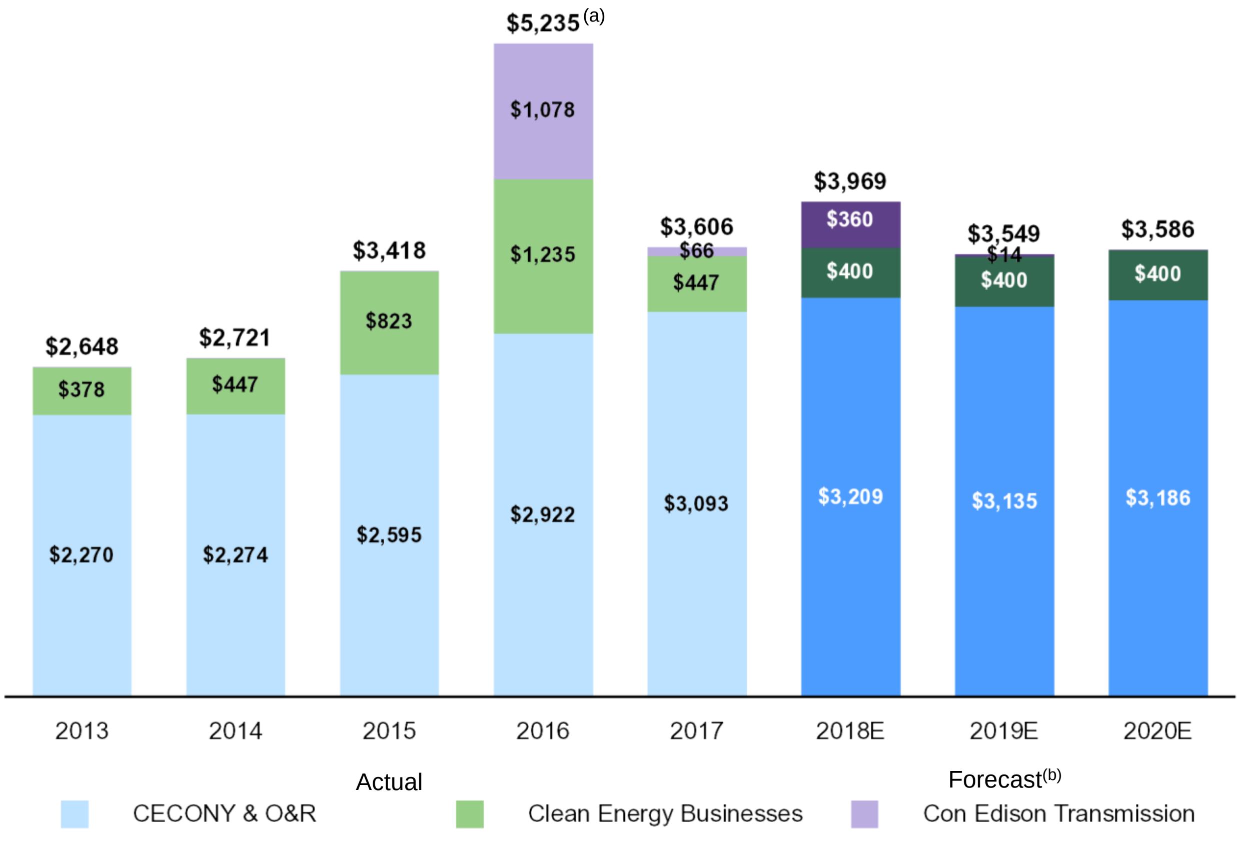


a. In 2017, CECONY achieved positive incentives of $12 million, one third of which, pursuant to the accounting rules for alternative revenue recognition of the collection of such incentives under the rate plans (GAAP), will be recorded ratably from 2018 to 2020 and also reflected in the positive incentives projected, minimum and maximum amounts for the related period.

b. Pursuant to GAAP, one third of the positive incentives achieved in 2018, if any, will be recorded ratably from 2018 to 2020 and also reflected in the positive incentives projected and maximum amounts for the related period. Two thirds and one third of the positive incentives achieved in 2019, if any, will be recorded in 2019 and 2020, respectively, and also reflected in the positive incentives projected and maximum amounts for the related period.

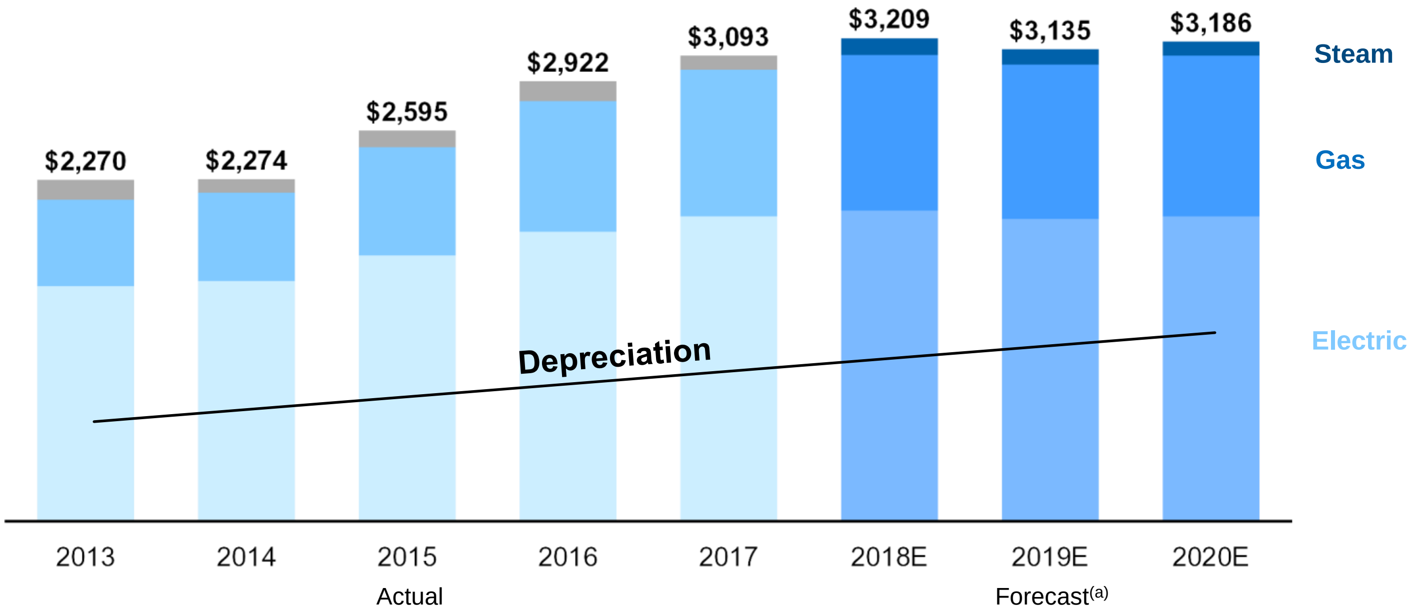
c. Does not reflect negative earnings adjustment of $5 million that CECONY recorded in 2017.

Capital Expenditures
($ in millions)



a. 2016 includes Stagecoach JV investment of $974 million.
b. 2017 Form 10-K, page 31.

Utility Capital Expenditures
($ in millions)



	Annual CECONY Capital Expenditures				Annual O&R Capital Expenditures		
	Electric	Gas	Steam	Depreciation	Electric	Gas	Depreciation
2013	$1,471	$536	$128	$946	$98	$37	$56
2014	1,500	549	83	991	105	37	61
2015	1,658	671	106	1,040	114	46	68
2016	1,819	811	126	1,106	114	52	67
2017	1,905	909	90	1,195	128	61	71
2018E	1,933	970	105	1,254	139	62	78
2019E	1,868	970	95	1,339	146	56	84
2020E	1,894	1,015	87	1,441	137	53	88

a. 2017 Form 10-K, page 31.

2017 Financing Activity

Equity financing activity:

- In August, CEI issued 4.1 million common shares resulting in net proceeds of $343 million[(a)]

Debt financing activity:

- In March, CEI issued $400 million 2.00% debentures due 2020 and prepaid the $400 million variable rate term loan that was set to mature in June 2018
- In March, CED Upton County Solar, a subsidiary of CED, issued $97 million 4.45% senior secured notes due 2042
- In June, CECONY issued $500 million 3.875% debentures due 2047
- In November, CECONY issued $350 million 3.125% debentures due 2027 and $350 million 4.00% debentures due 2057

Debt Maturities:

- No maturities in 2017, aside from amortizing debt principal payments

a. This is in addition to the equity issued through dividend reinvestment, employee stock purchase and long-term incentive plans.

2018 Financing Plan

Debt and Equity Financing Plan

- Capital expenditures of $3,969 million (CECONY: $3,008 million, the CEBs: $400 million, O&R: $201 million, CET: $360 million)
- Issue between $1,300 million and $1,800 million of long-term debt at the Utilities
- Issue additional debt secured by the CEBs' renewable electric production projects
- Issue up to $450 million of common equity in 2018 in addition to equity issued through dividend reinvestment, employee stock purchase and long-term incentives plans
- Financing plan does not reflect the provision to the Utilities' customers of any TCJA benefits that the NYSPSC and the NJBPU may require to be provided

Debt Maturities

($ in millions)	2018	2019	2020	2021	2022
Con Edison, Inc. [parent company]	$2	$3	$402	$503	$294
CECONY	1,200	475	350	—	—
O&R	55	62	—	—	—
CEBs	41	38	39	41	41
Total	**$1,298**	**$578**	**$791**	**$544**	**$335**

Capital Structure – December 31, 2017
($ in millions)

Consolidated Edison, Inc.
A3 / BBB+ / BBB+

Debt	$	16,029	51%
Equity		15,425	49
Total	$	31,454	100%

CECONY
A2 / A- / A-

Debt	$	13,265	52%
Equity		12,439	48
Total	$	25,704	100%

O&R
A3 / A- / A-

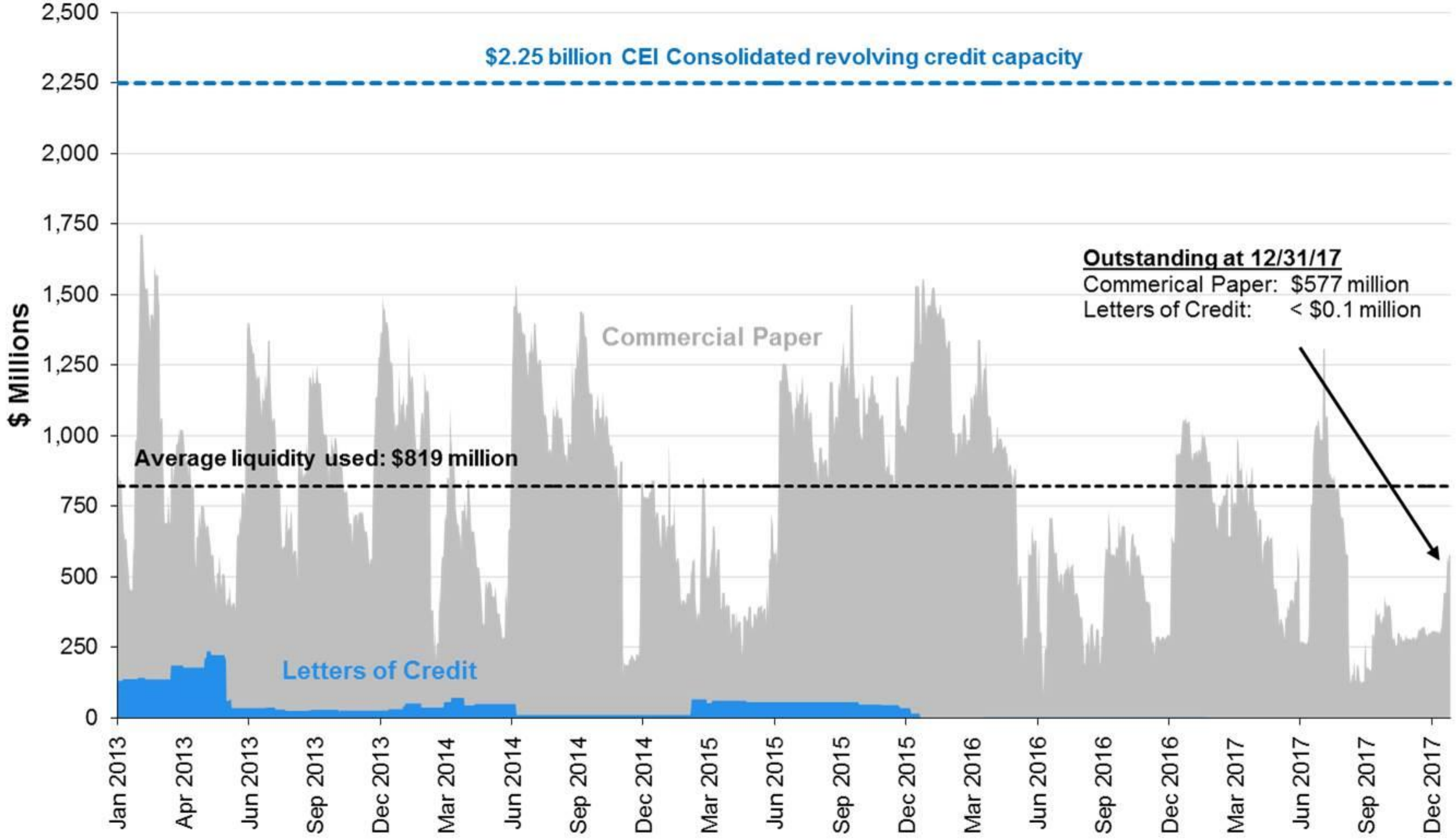
Debt	$	662	50%
Equity		665	50
Total	$	1,327	100%

Parent and Other

Debt	$	2,102	48%
Equity		2,322	52
Total	$	4,424	100%

Amounts shown exclude notes payable and include the current portion of long-term debt. Senior unsecured credit ratings shown in order of Moody's / S&P / Fitch. Moody's ratings have negative outlooks and S&P and Fitch ratings have stable outlooks.

Liquidity Profile
($ in millions)



Utility Sales and Revenues – Fourth Quarter and Full Year

The changes in the energy delivered by the company's utility subsidiaries, both for actual amounts and as adjusted for variations in weather and billing days, for the three months and year ended December 31, 2017 (expressed as a percentage of 2016 amounts):

	Fourth Quarter Variation 2017 vs. 2016		Year-to-Date Variation 2017 vs. 2016	
	Actual	Adjusted	Actual	Adjusted
CECONY				
Electric	1.0	(1.7)	(2.5)	(1.1)
Firm – Gas	1.9	4.6	6.9	5.9
Steam	(0.4)	(4.9)	(2.8)	(3.8)
O&R				
Electric	(1.2)	(2.3)	(5.6)	(2.2)
Firm – Gas	5.9	(3.6)	1.2	(0.8)

Utility Sales and Revenues – Electric Fourth Quarter
($ in millions)

Electric – 4th Quarter

	Millions of Kilowatt-hours		Revenues in Millions	
	2017	**2016**	**2017**	**2016**
Con Edison of New York				
Residential and Religious	2,348	2,270	$590	$573
Commercial and Industrial	2,280	2,209	429	422
Retail choice customers	6,389	6,409	621	654
Public Authorities	12	13	2	2
NYPA, Municipal Agency and other sales	2,452	2,449	148	144
Total Sales	**13,481**	**13,350**	**$1,790**	**$1,795**
Orange and Rockland				
Residential and Religious	359	347	$69	$64
Commercial and Industrial	189	195	25	25
Retail choice customers	721	746	46	47
Public Authorities	26	24	2	2
Total Sales	**1,295**	**1,312**	**$142**	**$138**
Regulated Utility Sales & Revenues				
Residential and Religious	2,707	2,617	$659	$637
Commercial and Industrial	2,469	2,404	454	447
Retail choice customers	7,110	7,155	667	701
Public Authorities	38	37	4	4
NYPA, Municipal Agency and other sales	2,452	2,449	148	144
Total Sales	**14,776**	**14,662**	**$1,932**	**$1,933**

Utility Sales and Revenues – Electric Full Year
($ in millions)

Electric – Full Year

	Millions of Kilowatt-hours		Revenues in Millions	
	2017	**2016**	**2017**	**2016**
Con Edison of New York				
Residential and Religious	9,924	10,400	$2,515	$2,591
Commercial and Industrial	9,246	9,429	1,823	1,803
Retail choice customers	26,136	26,813	2,712	2,768
Public Authorities	56	55	11	10
NYPA, Municipal Agency and other sales	9,956	10,048	622	610
Total Sales	**55,318**	**56,745**	**$7,683**	**$7,782**
Orange and Rockland				
Residential and Religious	1,567	1,654	$311	$304
Commercial and Industrial	763	801	113	114
Retail choice customers	2,976	3,180	201	213
Public Authorities	105	100	9	8
Total Sales	**5,411**	**5,735**	**$634**	**$639**
Regulated Utility Sales & Revenues				
Residential and Religious	11,491	12,054	$2,826	$2,895
Commercial and Industrial	10,009	10,230	1,936	1,917
Retail choice customers	29,112	29,993	2,913	2,981
Public Authorities	161	155	20	18
NYPA, Municipal Agency and other sales	9,956	10,048	622	610
Total Sales	**60,729**	**62,480**	**$8,317**	**$8,421**

Utility Sales and Revenues – Gas Fourth Quarter
($ in millions)

Gas – 4th Quarter

	Thousands of Dekatherms		Revenues in Millions	
	2017	2016	2017	2016
Con Edison of New York				
Residential	12,356	12,138	$189	$161
General	7,408	7,227	79	65
Firm Transportation	17,401	17,109	134	95
Total Firm Sales and Transportation	**37,165**	**36,474**	**402**	**321**
Interruptible Sales	1,027	1,370	5	5
Transportation of Customer Owned Gas	24,172	32,795	14	14
Total Sales	**62,364**	**70,639**	**$421**	**$340**
Off-system Sales	8	—	—	—
Orange and Rockland				
Residential	2,739	2,606	$36	$29
General	737	627	8	5
Firm Transportation	3,330	3,193	24	21
Total Firm Sales and Transportation	**6,806**	**6,426**	**68**	**55**
Interruptible Sales	805	833	2	—
Transportation of Customer Owned Gas	309	288	—	—
Total Sales	**7,920**	**7,547**	**$70**	**$55**
Off-system Sales	1	—	—	—
Regulated Utility Sales & Revenues				
Residential	15,095	14,744	$225	$190
General	8,145	7,854	87	70
Firm Transportation	20,731	20,302	158	116
Total Firm Sales and Transportation	**43,971**	**42,900**	**470**	**376**
Interruptible Sales	1,832	2,203	7	5
Transportation of Customer Owned Gas	24,481	33,083	14	14
Total Sales	**70,284**	**78,186**	**$491**	**$395**
Off-system Sales	9	—	—	—

Utility Sales and Revenues – Gas Full Year
($ in millions)

Gas – Full Year

	Thousands of Dekatherms		Revenues in Millions	
	2017	**2016**	**2017**	**2016**
Con Edison of New York				
Residential	52,244	47,794	$802	$667
General	30,761	28,098	334	266
Firm Transportation	71,353	68,442	524	426
Total Firm Sales and Transportation	**154,358**	**144,334**	**1,660**	**1,359**
Interruptible Sales	7,553	8,957	35	34
Transportation of Customer Owned Gas	120,150	152,101	58	59
Total Sales	**282,061**	**305,392**	**$1,753**	**$1,452**
Off-system Sales	55	—	—	—
Orange and Rockland				
Residential	8,296	7,872	$115	$84
General	2,184	1,851	24	15
Firm Transportation	9,873	10,381	74	70
Total Firm Sales and Transportation	**20,353**	**20,104**	**213**	**169**
Interruptible Sales	3,771	3,853	7	3
Transportation of Customer Owned Gas	905	885	1	—
Total Sales	**25,029**	**24,842**	**$221**	**$172**
Off-system Sales	6	—	—	—
Regulated Utility Sales & Revenues				
Residential	60,540	55,666	$917	$751
General	32,945	29,949	358	281
Firm Transportation	81,226	78,823	598	496
Total Firm Sales and Transportation	**174,711**	**164,438**	**1,873**	**1,528**
Interruptible Sales	11,324	12,810	42	37
Transportation of Customer Owned Gas	121,055	152,986	59	59
Total Sales	**307,090**	**330,234**	**$1,974**	**$1,624**
Off-system Sales	61	—	—	—

Utility Sales and Revenues – Steam Fourth Quarter and Year-to-Date
($ in millions)

Steam – 4th Quarter

	Millions of Pounds		Revenues in Millions	
	2017	**2016**	**2017**	**2016**
Con Edison of New York				
General	126	121	$6	$6
Apartment House	1,505	1,541	39	40
Annual Power	3,093	3,082	93	94
Total Sales	**4,724**	**4,744**	**$138**	**$140**

Steam – Year-to-Date

	Millions of Pounds		Revenues in Millions	
	2017	**2016**	**2017**	**2016**
Con Edison of New York				
General	490	465	$26	$23
Apartment House	5,754	5,792	158	148
Annual Power	13,166	13,722	392	378
Total Sales	**19,410**	**19,979**	**$576**	**$549**