Consolidated Edison, Inc.

Company Update

May 2018



Available Information

On May 3, 2018, Consolidated Edison, Inc. issued a press release reporting its first quarter 2018 earnings and filed with the Securities and Exchange Commission the company's first quarter 2018 Form 10-Q. This presentation should be read together with, and is qualified in its entirety by reference to, the earnings press release and the Form 10-Q. Copies of the earnings press release and the Form 10-Q 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

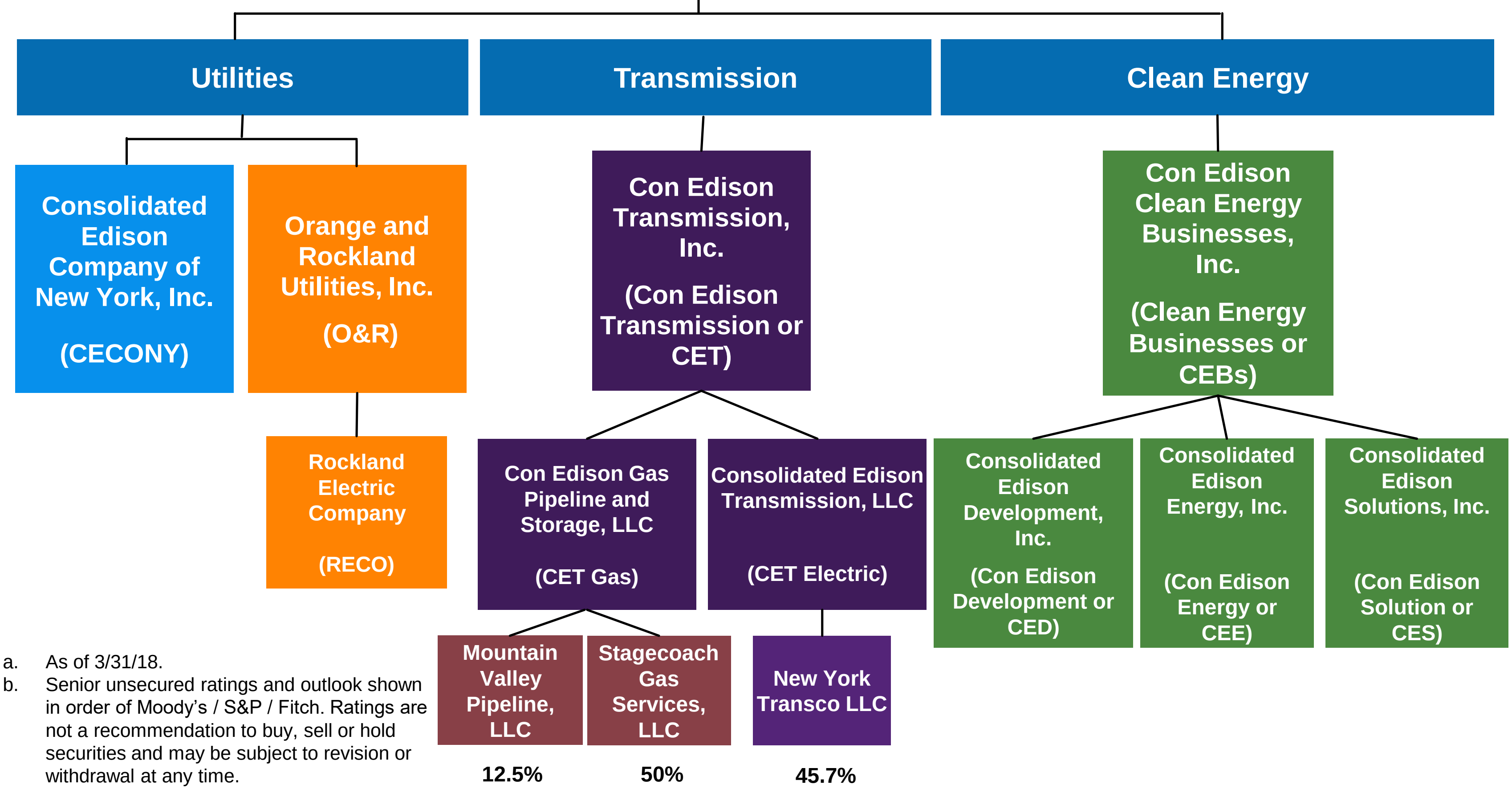
Olivia M. Webb, Manager, Investor Relations
Tel.: 212-460-3431, Email: webbo@coned.com

Con Edison: Poised for a Strong Future

- **Regulated utility serving growing customer base**
  - $49 billion asset base ranks among largest transmission and distribution utilities in the United States
- **Steady earnings, growing dividend**
  - 44 consecutive years of dividend growth
- **Attractive capex opportunities**
  - $11.1 billion three-year infrastructure investment plan
- **Strong balance sheet and liquidity profile**
  - 49% equity ratio and over $1 billion of liquidity
- **Safety, sustainability and service**
  - Focused on serving our customers and community while reducing carbon footprint, promoting workplace safety and optimizing costs.

Organizational Structure

Market Cap[a]:	**$24.0 billion**
Ratings[b]:	A3 / BBB+ / BBB+
Outlook[b]:	Negative / Stable / Stable



a. As of 3/31/18.
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

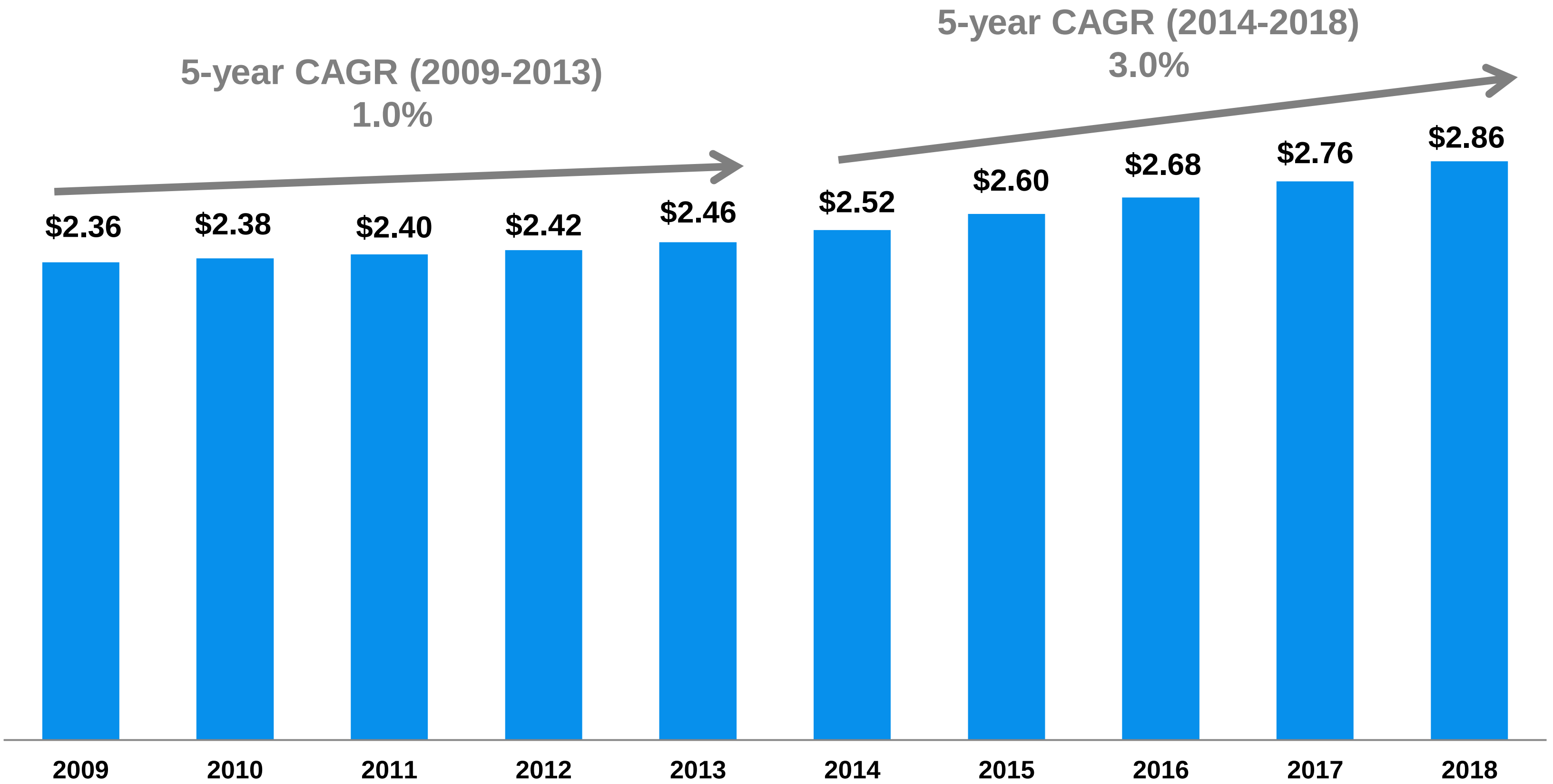
1.17

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

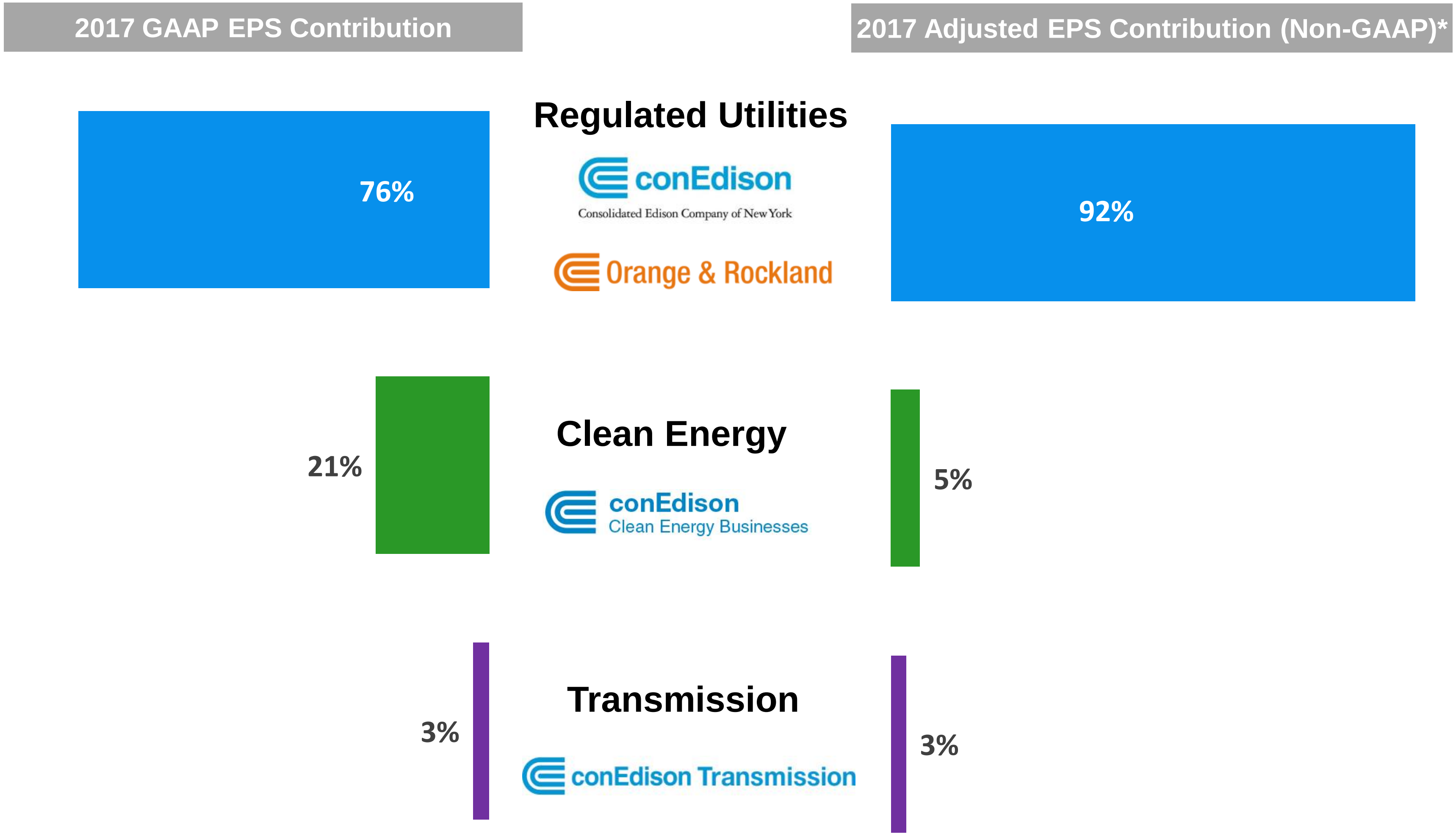
Dividend Growth for Shareholders

- **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

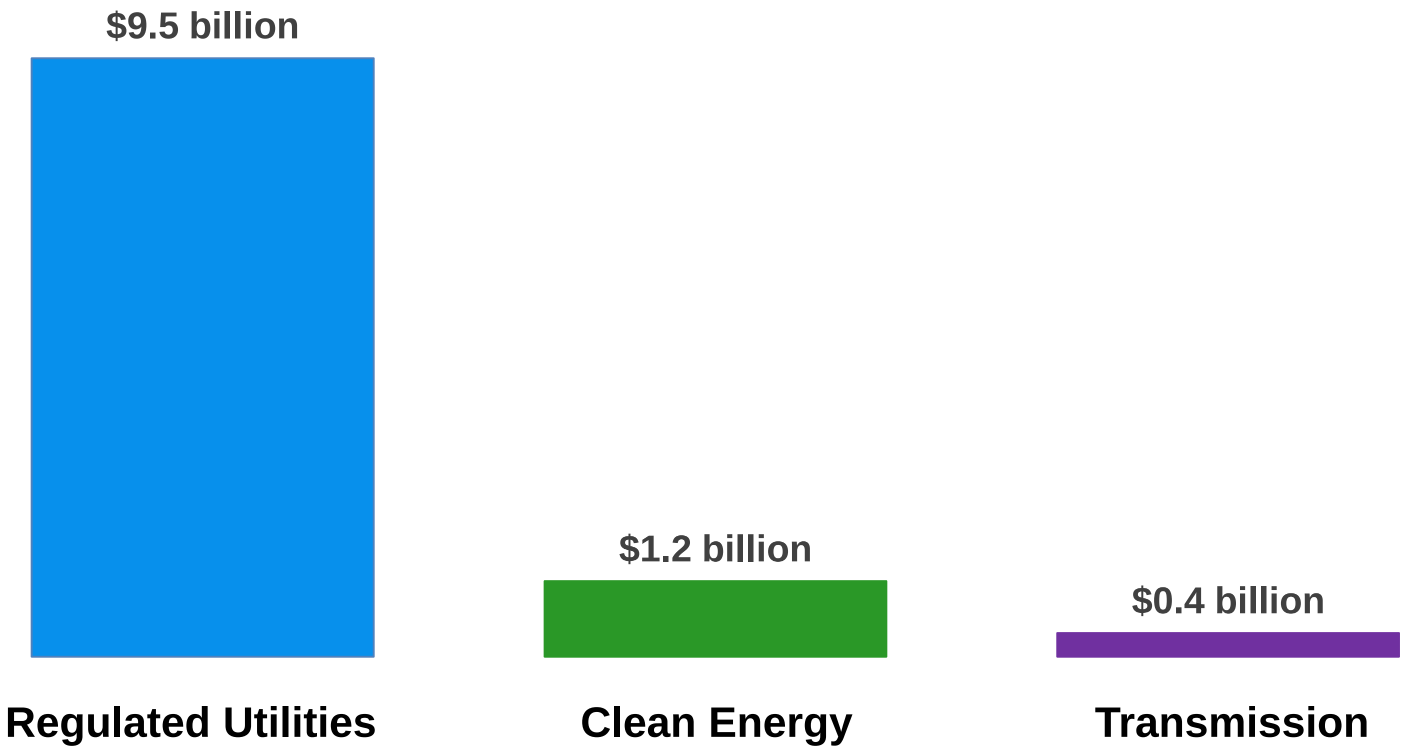
Complementary Business Mix with Utilities



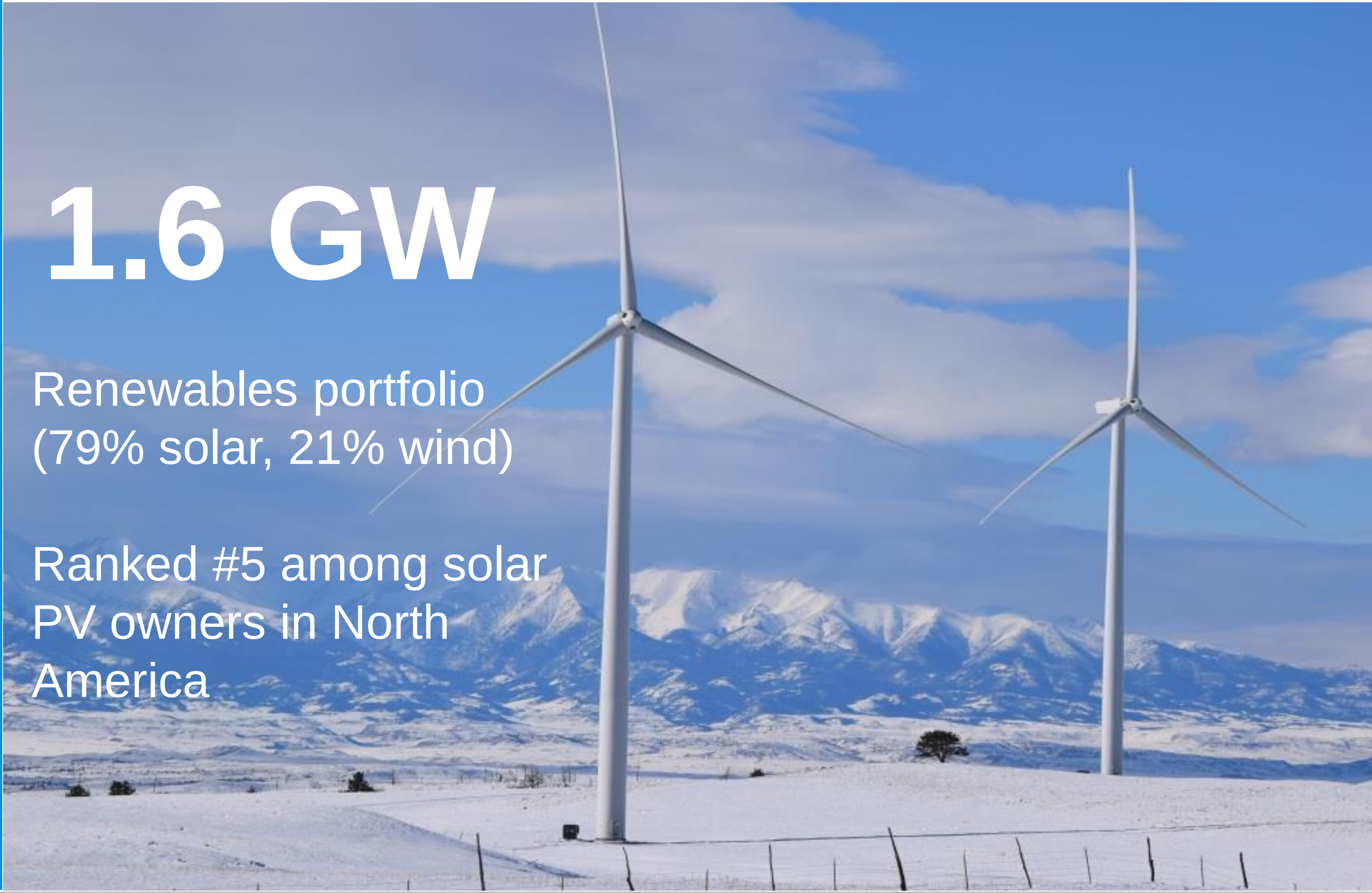
*Represents Adjusted Earnings per Share. Please see Appendix for reconciliation to GAAP.

Opportunities for Growth Across Our Businesses

2018 – 2020 Forecasted Capital Investment



Clean Energy Businesses



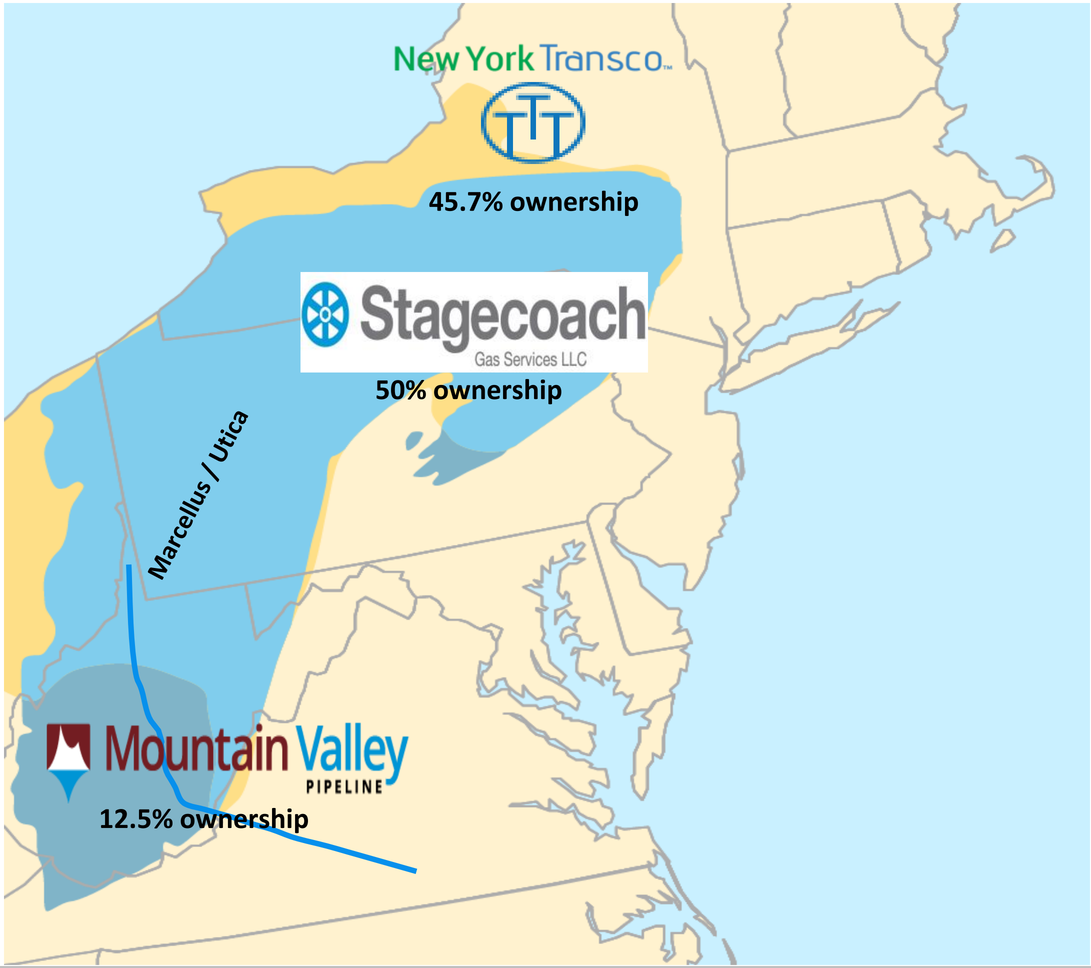
1.6 GW

Renewables portfolio (79% solar, 21% wind)

Ranked #5 among solar PV owners in North America

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 and preliminary work has begun
- 4Q 2018 expected in-service date
- 70-mile Southgate project proposed (CET has 6.375% interest)

New York Transco

- Competing for 1,000 MW AC transmission line
- Preliminary evaluation issued by New York Independent System Operator (NYISO) on March 30, 2018
- Draft ranking from NYISO anticipated in early May
- Draft report for the NYISO Board expected in July
- 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, Audits and Finance
- Office of Consumer Services
- Office of Electric, Gas and Water
- Office of Regulatory Economics
- Office of Markets and Innovation
- Office of Telecommunications

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

Regulatory Framework in NY Supports Energy Efficiency and Distributed Resources

- **Reduced regulatory lag**
  - Forward-looking test years
  - Timely recovery of most fuel and commodity costs
  - Revenue decoupling mechanism in NY (electric and gas)
  - Adjustment mechanisms for several major uncontrollable expenses (e.g. pension)
- **Ability to capture value in evolving industry** for customer & shareholder benefit
  - Majority of investment is replacement and upgrade of existing assets
  - Smart meter installation underway
  - Accelerated gas main replacement
  - Growth from natural-gas conversions
- **Reforming the Energy Vision** (REV) proceeding is at the **forefront of the evolving industry**

NYSPSC's Formulaic ROE Approach: Decisions 2006 – 2018 YTD

Rate of return on equity

2/3 Discounted Cash Flow model
+
1/3 Capital Asset Pricing model

Date	Company	ROE	Term
09/06	CECONY Steam	9.80%	2 years
10/06	O&R Gas	9.80%	3 years
08/07	Keyspan Gas	9.80%	5 years
09/07	CECONY Gas	9.70%	3 years
10/07	O&R Electric	9.10%	1 year
12/07	National Fuel Gas	9.10%	1 year
03/08	CECONY Electric	9.10%	1 year
06/08	O&R Electric	9.40%	3 years
09/08	CECONY Steam	9.30%	2 years
04/09	CECONY Electric	10.00%	1 year
05/09	Niagara Mohawk Gas	10.20%	2 years
06/09	Central Hudson	10.00%	1 year
09/09	Corning Gas	10.70%	2 years
10/09	O&R Gas	10.40%	3 years
03/10	CECONY Electric	10.15%	3 years
06/10	Central Hudson	10.00%	3 years
09/10	CECONY Gas	9.60%	3 years
09/10	CECONY Steam	9.60%	3 years
09/10	Energy East (RGE/NYSEG)	10.00%	40 months

Date	Company	ROE	Term
06/11	Niagara Mohawk Electric	9.30%	2 years
06/11	O&R Electric	9.20%	1 year
04/12	Corning Gas	9.50%	3 years
06/12	O&R Electric (9.40%, 9.50% and 9.60% in year 1, 2 and 3, respectively)	9.50%	3 years
04/13	Niagara Mohawk Electric and Gas	9.30%	3 years
06/13	Keyspan Gas	9.40%	2 years
02/14	CECONY Gas and Steam	9.30%	3 years
02/14	CECONY Electric	9.20%	2 years
05/14	National Fuel Gas	9.10%	2 years
06/15	Central Hudson Electric and Gas	9.00%	3 years
06/15	CECONY Electric extension	9.00%	3rd year
10/15	O&R Electric/Gas	9.00%	2 / 3 years
6/16	Energy East (RGE/NYSEG)	9.00%	3 years
1/17	Keyspan Gas	9.00%	3 years
1/17	CECONY Electric and Gas	9.00%	3 years
4/17	National Fuel Gas	8.70%	1 year
9/17	Corning Gas	9.00%	3 years
3/18	Niagara Mohawk Electric and Gas	9.00%	3 years
4/18	Central Hudson Electric and Gas Joint Proposal	8.8%	3 years

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

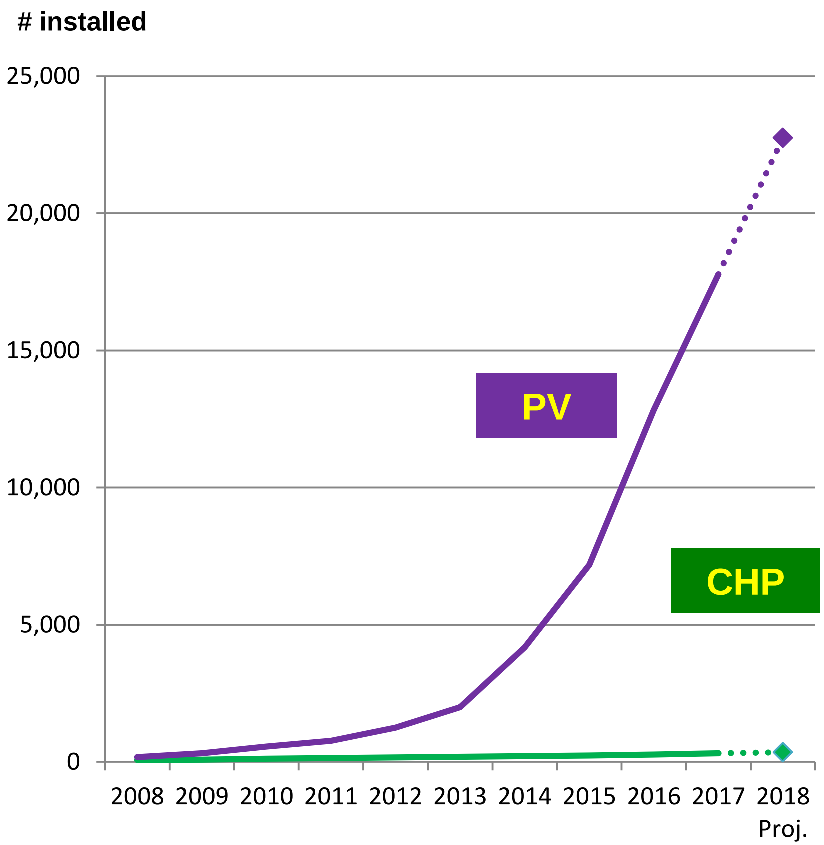
Track 3

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

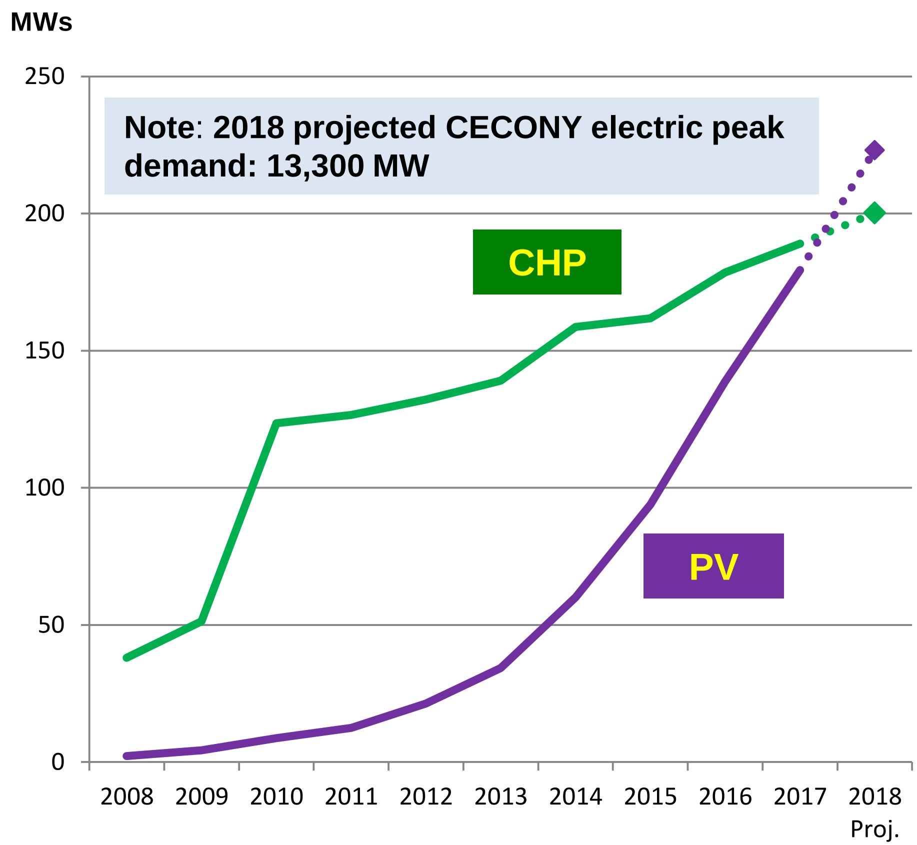
Distributed Generation

Adoption Trends in CECONY Service Area

Total Installations



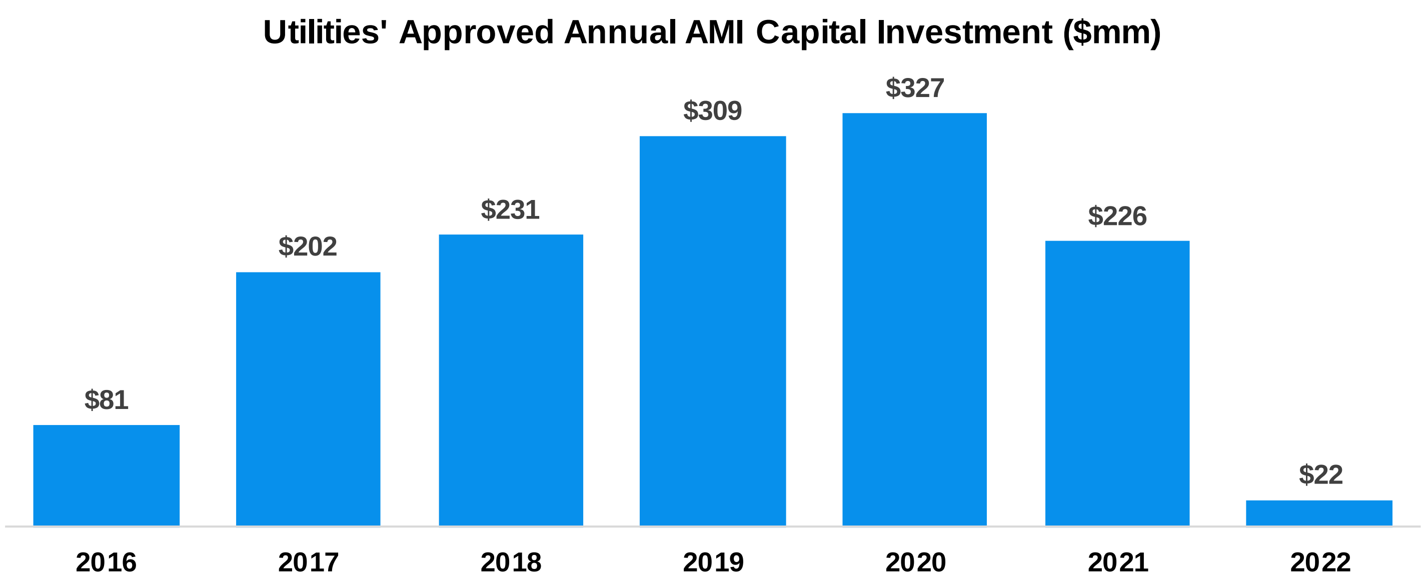
Total Installed Capacity



Source: Consolidated Edison Company of New York.

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



Actual investment of $65 million and $165 million in 2016 and 2017, respectively.

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 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

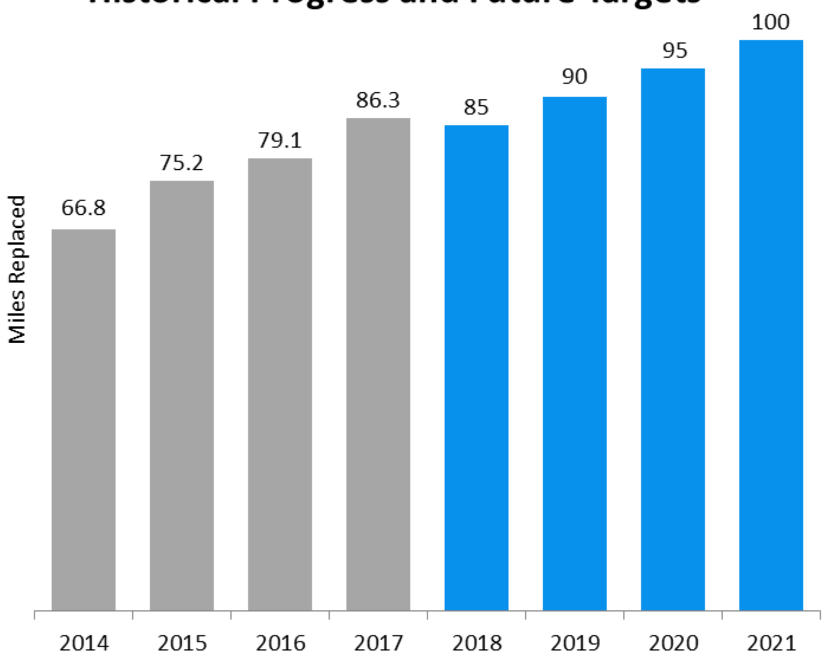
The World Trade Center is one of CECONY's largest steam customers.

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

CECONY Gas Main Replacement: Historical Progress and Future Targets



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)

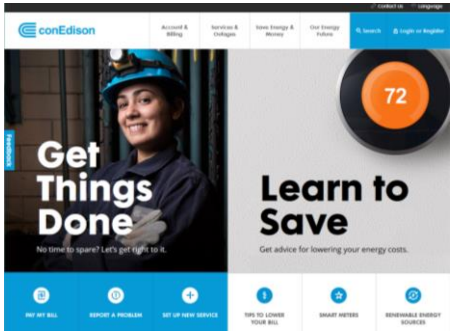
#2 in residential electric customer satisfaction among large utilities in the East (CECONY)

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



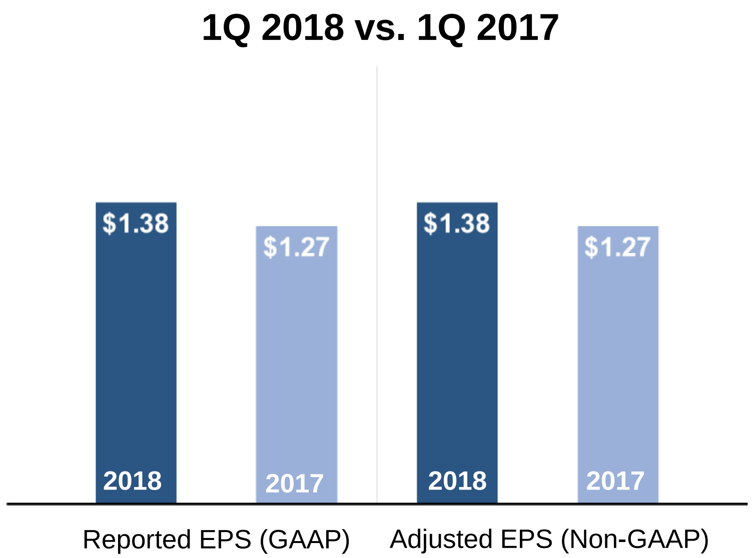
Web-based marketplace for energy solutions that promote energy efficiency

Enhances choice and helps reduce customers' costs

Appendix: 1st Quarter 2018 Earnings Presentation

Dividend and Earnings Announcements

- On April 19, 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.
- On May 3, 2018, the company issued a press release in which it confirmed its previous forecast of adjusted earnings per share for the year 2018 in the range of $4.15 to $4.35 per share.

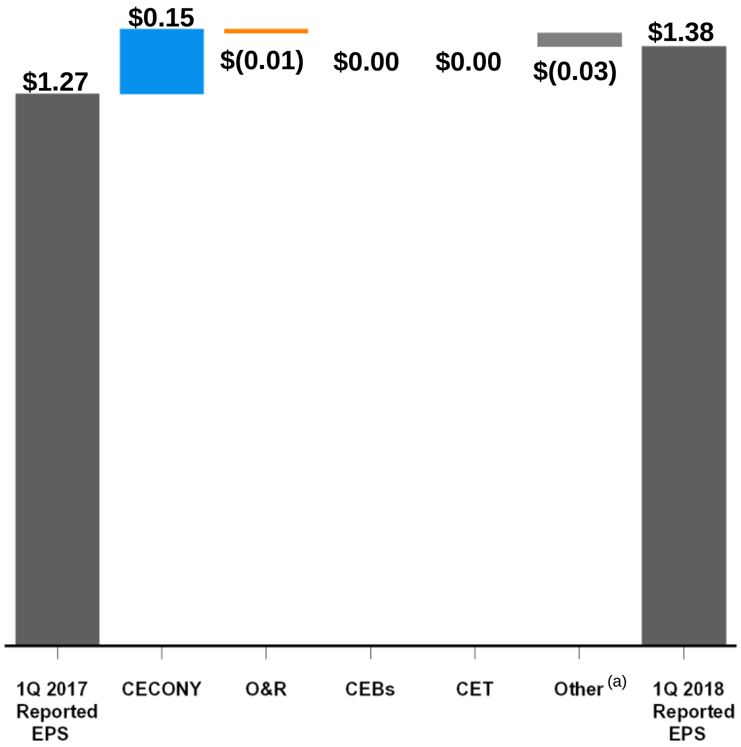


1Q 2018 Earnings

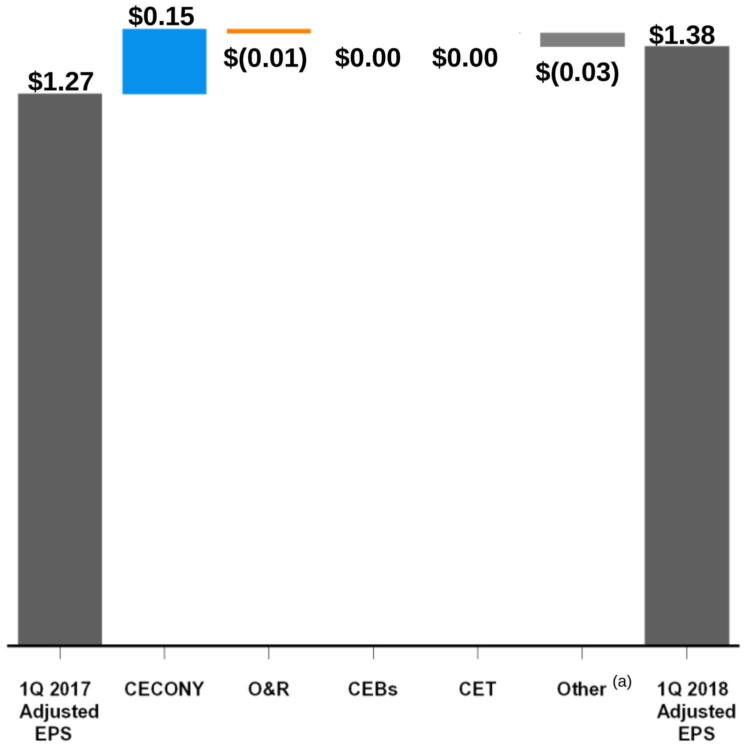
	Net Income ($ in Millions)		Earnings per Share	
	2018	2017	2018	2017
Reported Net Income and EPS – GAAP basis	$428	$388	$1.38	$1.27
Net mark-to-market effects of the CEBs	—	(2)	—	—
Adjusted Earnings and Adjusted EPS – non-GAAP basis	**$428**	**$386**	**$1.38**	**$1.27**

Walk from 1Q 2017 EPS to 1Q 2018 EPS

Variance in Reported EPS (GAAP)



Variance in Adjusted EPS (Non-GAAP)



a. Includes parent company and consolidation adjustments.

1Q 2018 vs. 1Q 2017 EPS Variances - Three Months Ended Variation

CECONY[a]			
Changes in rate plans	$	0.22	Reflects higher electric and gas net base revenues of $0.12 a share and $0.08 a share, respectively, and growth in the number of gas customers of $0.02 a share. Electric and gas base rates increased on January 1, 2018 in accordance with their respective rate plans.
Weather impact on steam revenues		0.05	
Operations and maintenance expenses		(0.01)	Reflects primarily storm-related costs.
Depreciation, property taxes and other tax matters		(0.09)	Reflects higher net property taxes of $(0.07) a share and depreciation and amortization expense of $(0.04) a share, offset by a New York State sales and use tax refund of $0.02 a share.
Other		(0.02)	Includes the dilutive effect of Con Edison's stock issuances.
Total CECONY	**$**	**0.15**	
O&R[a]			
Changes in rate plans		0.02	Reflects higher gas net base revenues. Gas base rates increased on November 1, 2017 in accordance with the rate plan.
Operations and maintenance expenses		(0.02)	Reflects storm-related costs.
Other		(0.01)	Includes the dilutive effect of Con Edison's stock issuances.
Total O&R	**$**	**(0.01)**	
Clean Energy Businesses			
Operating revenues less energy costs		0.19	Reflects revenues from engineering, procurement and construction services and higher revenues from renewable electric production projects.
Operations and maintenance expenses		(0.20)	Reflects primarily engineering, procurement and construction costs.
Other		0.01	Includes the dilutive effect of Con Edison's stock issuances.
Total CEBs	**$**	**—**	
Other			
Parent company and consolidation adjustments	**$**	**(0.03)**	Reflects lower state income tax benefits and the dilutive effect of Con Edison's stock issuances.
Reported EPS (GAAP)	**$**	**0.11**	
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.

1Q 2018 vs. 1Q 2017 EPS Reconciliation by Company

3 months ending March 31, 2018

	CECONY	O&R	CEBs	CET	Other[a]	Total
Reported EPS – GAAP basis	$1.26	$0.07	$0.02	$0.03	$—	$1.38
Adjusted EPS – Non-GAAP basis	**$1.26**	**$0.07**	**$0.02**	**$0.03**	**$—**	**$1.38**

3 months ending March 31, 2017

	CECONY	O&R	CEBs	CET	Other[a]	Total
Reported EPS – GAAP basis	$1.11	$0.08	$0.02	$0.03	$0.03	$1.27
Adjusted EPS – Non-GAAP basis	**$1.11**	**$0.08**	**$0.02**	**$0.03**	**$0.03**	**$1.27**

a. Includes parent company and consolidation adjustments.

1Q 2018 Developments[a]

CECONY & O&R

- 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 through March 31, 2018 of $149 million. Included in this amount is $27 million in capital and operating and maintenance costs reflected in the company's electric rate plan and $122 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 during the remainder of 2018 of $115 million. Included in this amount is $5 million in expected capital and operating and maintenance costs reflected in the rate plan and $110 million expected to be deferred as a regulatory asset pursuant to the rate plan. (page 22)
- 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 23)
- In March 2018, Winter Storms Riley and Quinn caused damage to the utilities' electric distribution systems and interrupted service to approximately 209,000 CECONY customers, 93,000 O&R customers and 44,000 RECO customers.
  - Through March 31, 2018, CECONY's costs related to March 2018 storms, including Riley and Quinn, amounted to $106 million, including operation and maintenance expenses reflected in its electric rate plan ($15 million), operation and maintenance expenses charged against a storm reserve pursuant to its electric rate plan ($56 million), capital expenditures ($29 million) and removal costs ($6 million). O&R and RECO had storm-related costs of $31 million and $11 million, respectively, most of which were deferred as regulatory assets pursuant to their electric rate plans.
  - Recovery of CECONY, O&R and RECO storm-related costs is subject to review by the NYSPSC and NJBPU, as applicable. The NYSPSC is investigating the preparation and response to the storms by CECONY, O&R and other New York electric utilities, including all aspects of their emergency response plans, and may penalize them. The NJBPU is investigating RECO's preparation and response to the storms. The Companies are unable to estimate the amount or range of their possible loss in connection with the storms. (pages 23)
- In April 2018, O&R filed with the NYSPSC updates to the requests the company filed in January 2018 with the NYSPSC for increases in the rates it charges for electric and gas service rendered in New York, effective January 1, 2019. O&R increased its requested electric rate increase from $20.3 million to $22.5 million and decreased its requested gas rate increase from $4.5 million to $2.7 million. (page 22)

a. Page references to 1Q 2018 Form 10-Q.

1Q 2018 Developments *(cont'd)*[(a)]

Clean Energy Businesses

- The 25-MW (AC) Big Timber wind energy project in Montana went into service. The Clean Energy Businesses have 1,561 MW (AC) of renewable energy production projects in service (1,383 MW) or under construction (178 MW). (page 54)
- 531 million of kWh of electricity was generated from solar projects and 234 million of kWh generated from wind projects during 1Q 2018. (page 54)

Con Edison Transmission

- Preliminary work began on the Mountain Valley Pipeline, which is targeted to be in service by the end of 2018. Con Edison Gas Pipeline and Storage, LLC (CET Gas) owns a 12.5% interest.
- Mountain Valley Pipeline LLC announced a proposed 70-mile Southgate project. CET Gas owns a 6.375% interest. (page 38)

a. Page references to 1Q 2018 Form 10-Q.

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%, elimination of bonus depreciation and the amortization of excess deferred federal income taxes the utilities collected from their customers that will not need to be paid to the Internal Revenue Service under the TCJA
- Upon enactment of the TCJA, CECONY, O&R and RECO re-measured their deferred tax assets and liabilities and accrued net regulatory liabilities for future income taxes of $3,513 million, $161 million and $28 million, respectively.
  - Under the rate normalization requirements continued by the TCJA, the portion of their net regulatory liabilities related to certain accelerated tax depreciation benefits ($2,542 million, $126 million and $16 million, respectively) is to be amortized over the remaining lives of the related assets.
  - The remainder ($971 million, $35 million and $12 million, respectively) will be amortized as determined by the NYSPSC or NJBPU, as applicable.
- For the three months ended March 31, 2018, the Utilities deferred as regulatory liabilities estimated net benefits of $112 million.
- NYSPSC Case 17-M-0815 - Proceeding on Motion of the Commission on Changes in Law that May Affect Rates
  - On March 29, 2018, the NYSPSC staff recommended that the NYSPSC require most utilities to begin on October 1, 2018 to credit their customers' bills with the net benefits of the TCJA as measured based on amounts reflected in their rate plans prior to the enactment of the TCJA.
  - A 90-day comment period follows the NYSPSC staff proposal
  - NYSPSC decision is expected after the comment period
- NJBPU Docket No. AX1801001 - In the Matter of the Board's Consideration of the 2017 Tax Cuts and Jobs Act
  - In March 2018, the NJBPU approved a $2.9 million interim decrease in Rockland Electric Company's (RECO) electric base rates, effective April 1, 2018, subject to the outcome of the NJBPU proceeding.
  - NJBPU decision tentatively expected in June
- FERC Docket No. EL18-111-000
  - In March 2018, the Federal Energy Regulatory Commission (FERC) issued an order directing RECO to propose revisions to its transmission revenue requirement to reflect the TCJA.

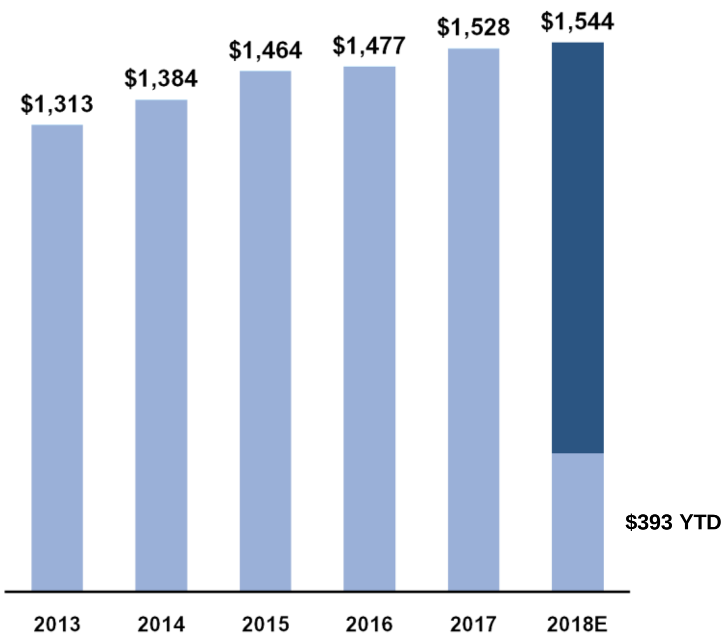
a. See Note B - Regulatory Matters/Other Regulatory Matters on pages 22-23 and Note I - Income Taxes on pages 29-30 in the 1Q 2018 10-Q.

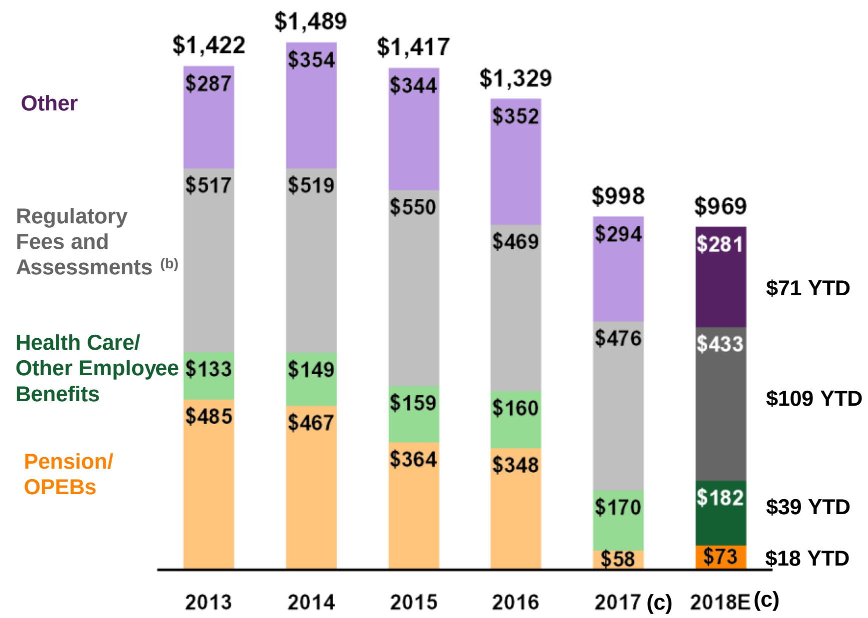
Five-Year Reconciliation of Reported EPS (GAAP) to Adjusted EPS (Non-GAAP)

12 Months Ending December 31,	2014	2015	2016	2017	2018 [(a)]
Reported EPS – GAAP basis	**$3.73**	**$4.07**	**$4.15**	**$4.97**	**$5.08**
Enactment of the TCJA[(b)]	-	-	-	(0.85)	(0.86)
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)	-	-	-	-
Net mark-to-market effects of the CEBs	0.25	-	(0.01)	-	0.01
Adjusted EPS – Non-GAAP basis	**$3.89**	**$4.08**	**$3.99**	**$4.12**	**$4.23**

a. Represents 12-month trailing EPS ending March 31, 2018.
b. 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)





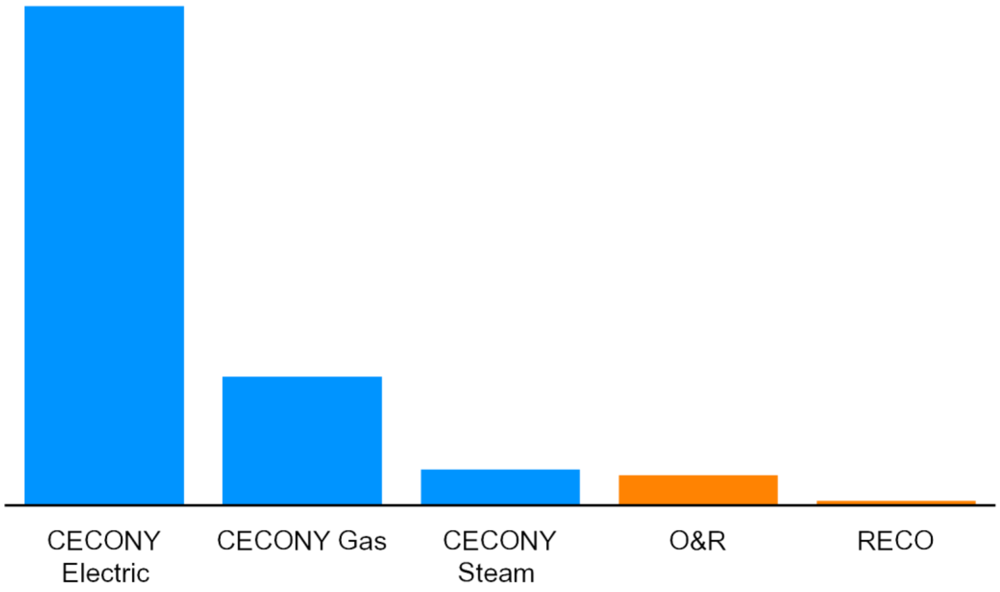
a. Other Expenses generally are either reconciled through amounts reflected in rates, or represent surcharges that are recovered in revenues from customers.
b. Includes Demand Side Management, System Benefit Charges and Public Service Law 18A assessments which are collected in revenues.
c. Excludes non-service components of Pension/OPEBs pursuant to ASU 2017-07. See page 25 1Q 2018 Form 10-Q.

Composition of Regulatory Rate Base[a]
(as of March 31, 2018)

CECONY		($ in millions)
Electric	NY	$18,766
Gas	NY	4,877
Steam	NY	1,388
Total CECONY		**$25,031**

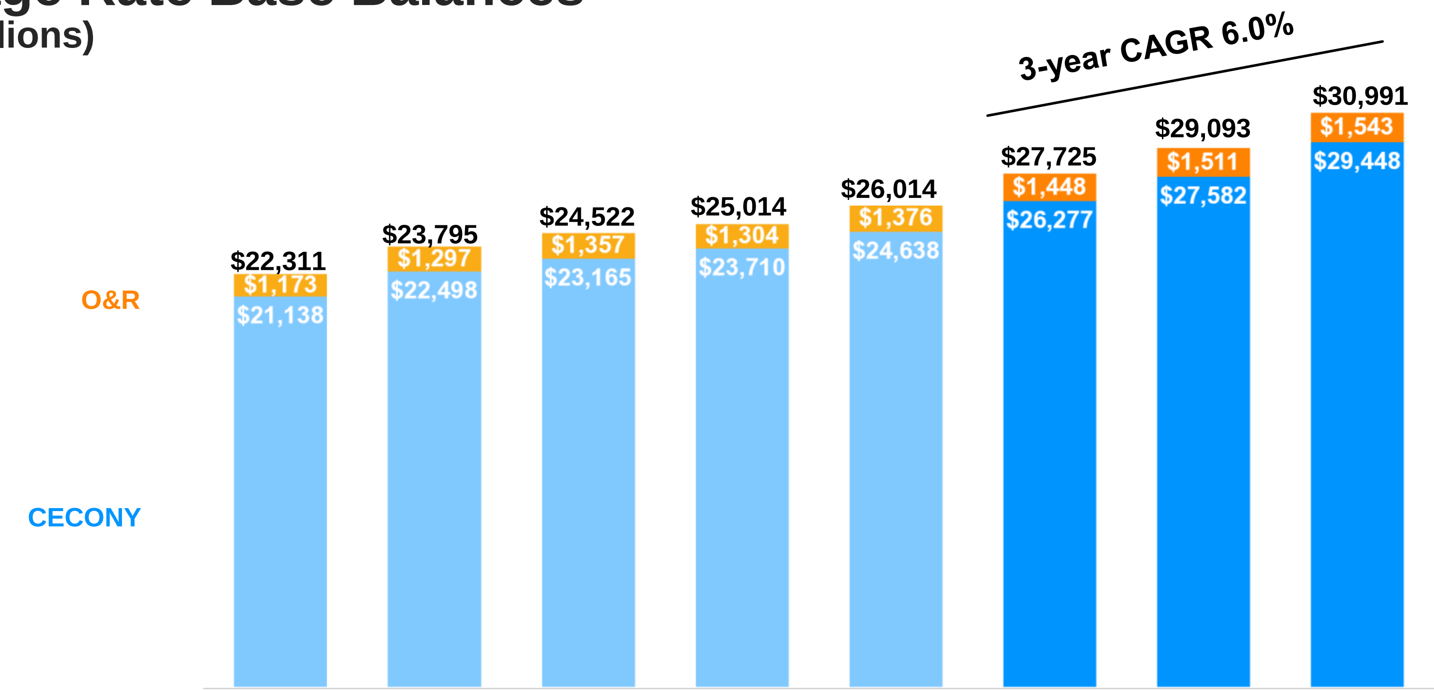
O&R		($ in millions)
O&R Electric	NY	$765
O&R Gas	NY	402
RECO	NJ	215
Total O&R		**$1,382**

Total Rate Base **$26,413**



a. Average rate base for 12 months ended 3/31/2018.

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
CECONY Gas	3,395	3,593	4,023	4,267	4,723	5,395	6,005	6,629
CECONY Steam	1,508	1,502	1,543	1,472	1,402	1,352	1,300	1,250
O&R Electric	633	726	769	731	759	792	814	821
O&R 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.

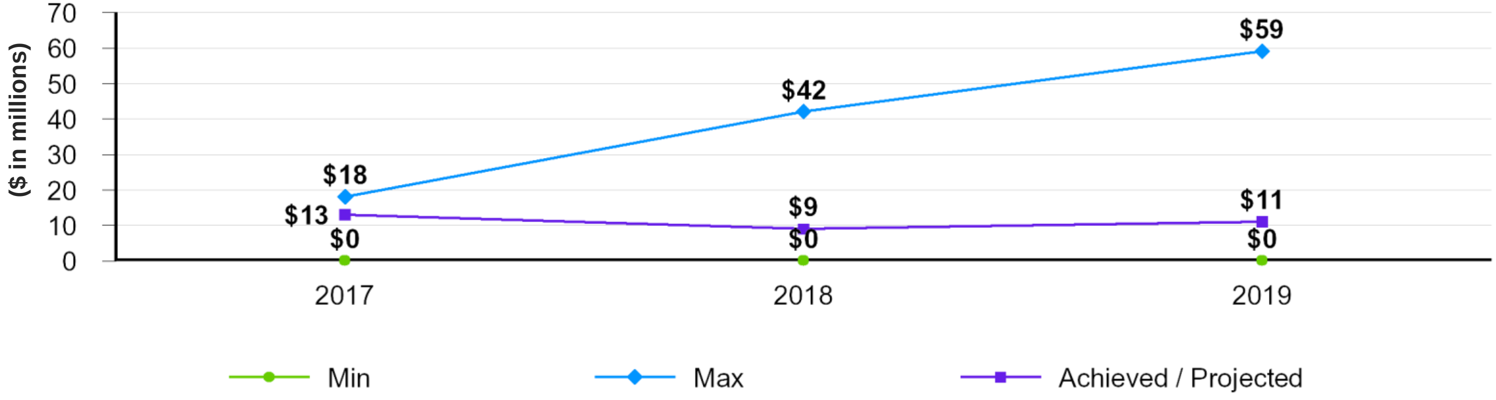
Regulated Utility Rates of Return and Equity Ratio
(12 Months ended March 31, 2018)

	Regulated Basis	
	Allowed	**Actual**
CECONY		
Electric	9.0%	9.2%
Gas	9.0	10.1
Steam	9.3	11.5
Overall – CECONY	9.0[a]	9.5
CECONY Equity Ratio	***48.0%***	***48.4%***
O&R		
Electric	9.0%	8.1%
Gas	9.0	10.1
RECO	9.6	7.5
Overall – O&R	9.1[a]	8.6
O&R Equity Ratio	***48.0%***	***49.4%***

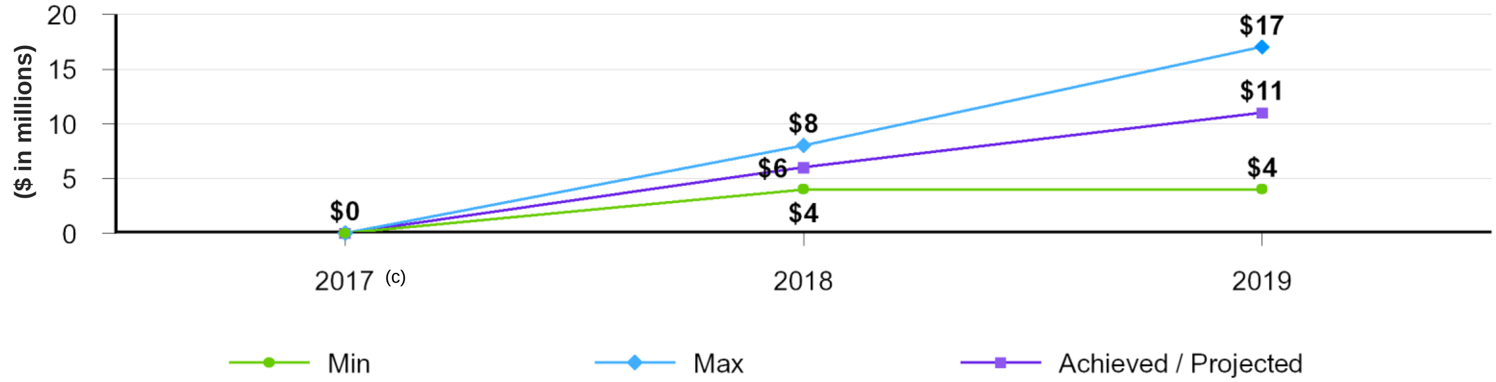
a. Weighted by rate base.

Earnings Adjustment Mechanisms and Positive Incentives

Earnings Adjustment Mechanisms



Positive Incentives[(a) (b)]

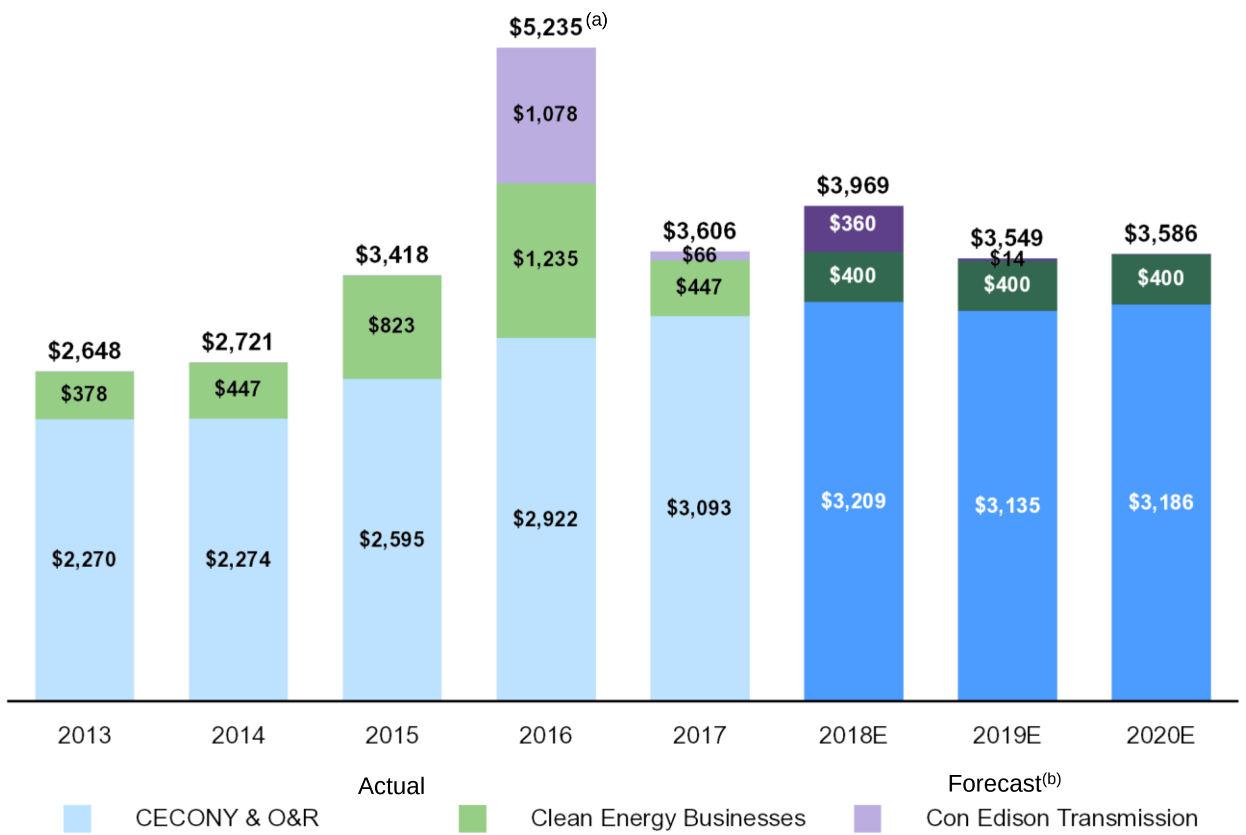


a. In 2017, CECONY achieved positive incentives of $12 million, one third of which, pursuant to the accounting rules for alternative revenue recognition of the collection of such incentives under the rate plans (GAAP), will be recorded ratably from 2018 to 2020 and also reflected in the positive incentives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

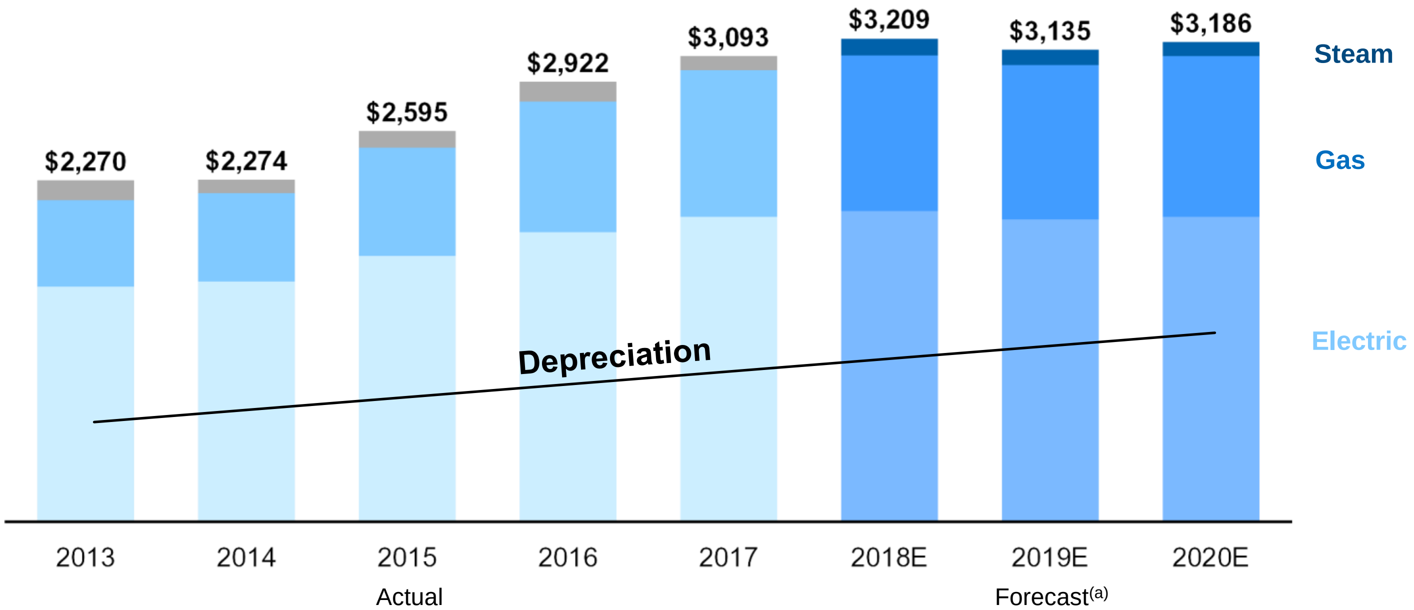
c. Does not reflect negative earnings adjustment of $5 million that CECONY recorded in 2017.

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.

Capital Structure – March 31, 2018
($ in millions)

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

Debt	$	16,021	51%
Equity		15,661	49
Total	$	31,682	100%

CECONY
A2 / A- / A-

Debt	$	13,266	51%
Equity		12,662	49
Total	$	25,928	100%

O&R
A3 / A- / A-

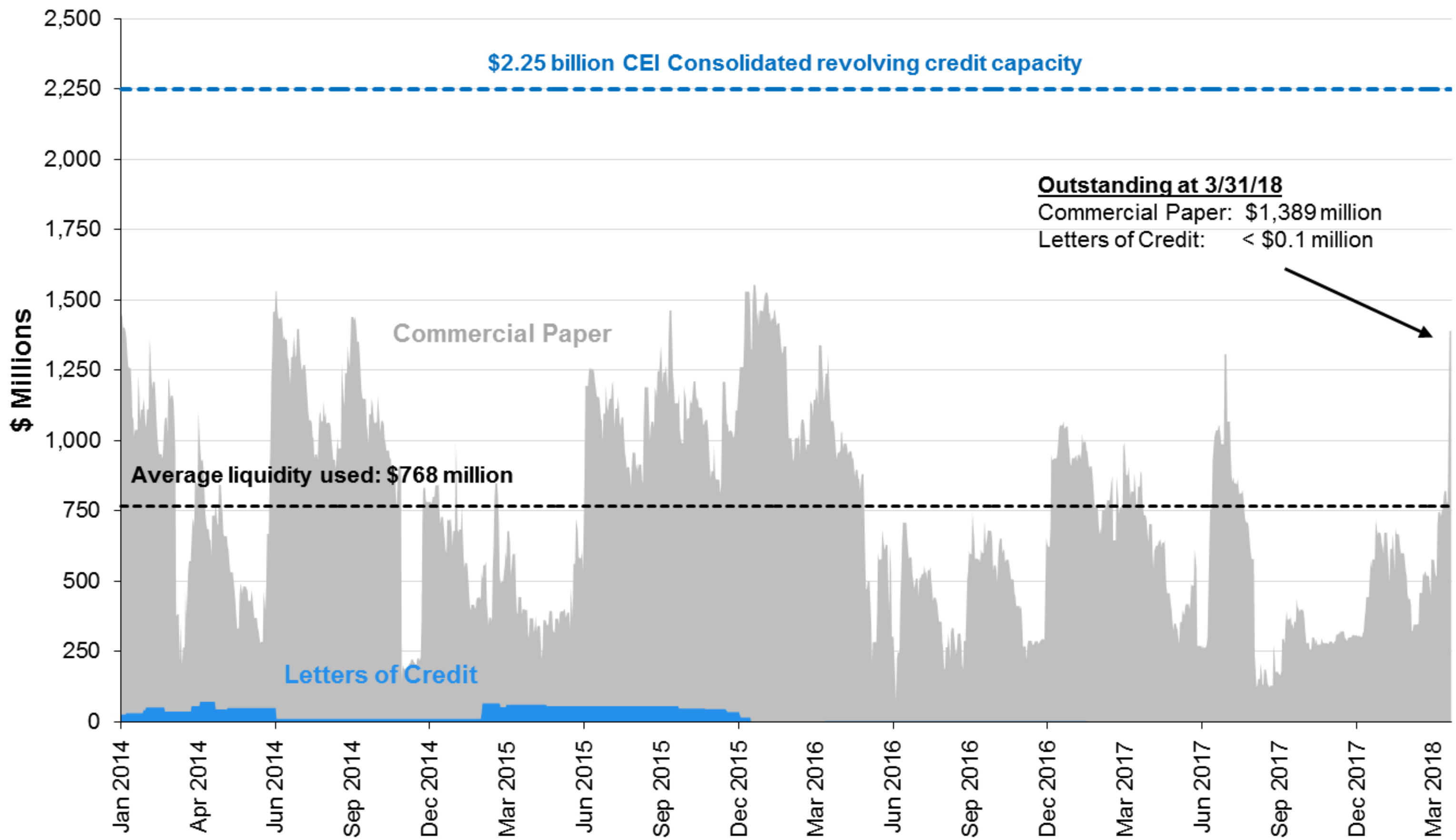
Debt	$	661	49%
Equity		681	51
Total	$	1,342	100%

Parent and Other

Debt		$2,094	47%
Equity		2,318	53
Total	$	4,412	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 – First Quarter

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 ended March 31, 2018 (expressed as a percentage of 2017 amounts):

	First Quarter Variation 2018 vs. 2017	
	Actual	Adjusted
CECONY		
Electric	2.1	0.7
Firm – Gas	12.8	4.6
Steam	11.6	—
O&R		
Electric	2.4	(2.1)
Firm – Gas	9.3	1.4

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

Electric – 1st Quarter

	Millions of Kilowatt-hours		Revenues in Millions	
	2018	**2017**	**2018**	**2017**
Con Edison of New York				
Residential and Religious	2,410	2,278	$623	$574
Commercial and Industrial	2,415	2,305	453	430
Retail choice customers	6,276	6,304	557	632
Public Authorities	16	16	3	3
NYPA, Municipal Agency and other sales	2,569	2,496	128	127
Total Sales	**13,686**	**13,399**	**$1,764**	**$1,766**
Orange and Rockland				
Residential and Religious	377	349	$74	$68
Commercial and Industrial	198	191	30	27
Retail choice customers	697	707	44	43
Public Authorities	29	24	3	2
Total Sales	**1,301**	**1,271**	**$151**	**$140**
Regulated Utility Sales & Revenues				
Residential and Religious	2,787	2,627	$697	$642
Commercial and Industrial	2,613	2,496	483	457
Retail choice customers	6,973	7,011	601	675
Public Authorities	45	40	6	5
NYPA, Municipal Agency and other sales	2,569	2,496	128	127
Total Sales	**14,987**	**14,670**	**$1,915**	**$1,906**

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

Gas – 1st Quarter

	Thousands of Dekatherms		Revenues in Millions	
	2018	2017	2018	2017
Con Edison of New York				
Residential	27,227	24,607	$390	$337
General	14,513	12,803	154	133
Firm Transportation	34,791	30,415	260	222
Total Firm Sales and Transportation	**76,531**	**67,825**	**804**	**692**
Interruptible Sales	1,492	2,308	12	13
Transportation of Customer Owned Gas	23,233	28,233	16	17
Total Sales	**101,256**	**98,366**	**$832**	**$722**
Off-system Sales	1	1	—	—
Orange and Rockland				
Residential	4,464	3,885	$58	$49
General	962	958	11	10
Firm Transportation	4,449	4,188	35	29
Total Firm Sales and Transportation	**9,875**	**9,031**	**104**	**88**
Interruptible Sales	1,143	1,188	2	3
Transportation of Customer Owned Gas	426	397	—	—
Total Sales	**11,444**	**10,616**	**$106**	**$91**
Off-system Sales	—	—		—
Regulated Utility Sales & Revenues				
Residential	31,691	28,492	$448	$386
General	15,475	13,761	165	143
Firm Transportation	39,240	34,603	295	251
Total Firm Sales and Transportation	**86,406**	**76,856**	**908**	**780**
Interruptible Sales	2,635	3,496	14	16
Transportation of Customer Owned Gas	23,659	28,630	16	17
Total Sales	**112,700**	**108,982**	**$938**	**$813**
Off-system Sales	1	1	—	—

Utility Sales and Revenues – Steam First Quarter
($ in millions)

Steam – 1st Quarter

	Millions of Pounds		Revenues in Millions	
	2018	**2017**	**2018**	**2017**
Con Edison of New York				
General	338	293	$16	$14
Apartment House	2,712	2,469	84	77
Annual Power	5,947	5,298	216	197
Total Sales	**8,997**	**8,060**	**$316**	**$288**

List of Notes to 2018 Form 10Q Financial Statements