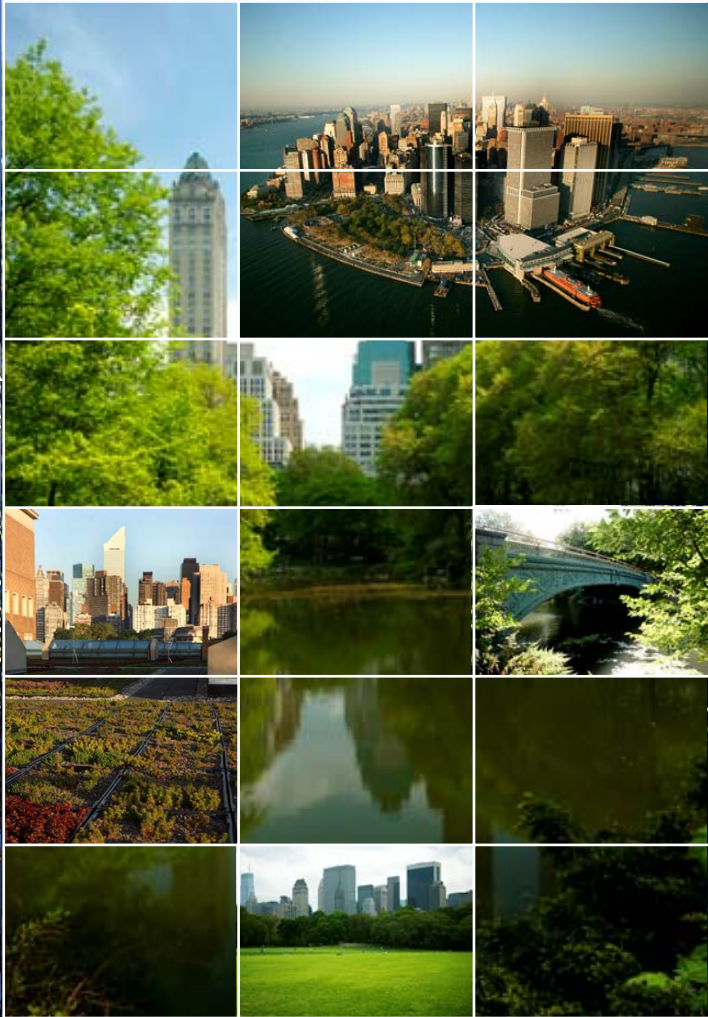


# Con Edison, Inc.

2010 Deutsche Bank  
Alternative Energy, Utilities  
and Power Conference

Washington, DC  
May 11, 2010





## Forward-Looking Statements

This presentation contains certain forward-looking statements of future expectations and financial measures not determined in accordance with Generally Accepted Accounting Principles (non-GAAP) financial measures. Actual results might differ materially from those projected in the forward-looking statements because of factors such as those identified in reports the company has filed with the Securities and Exchange Commission.

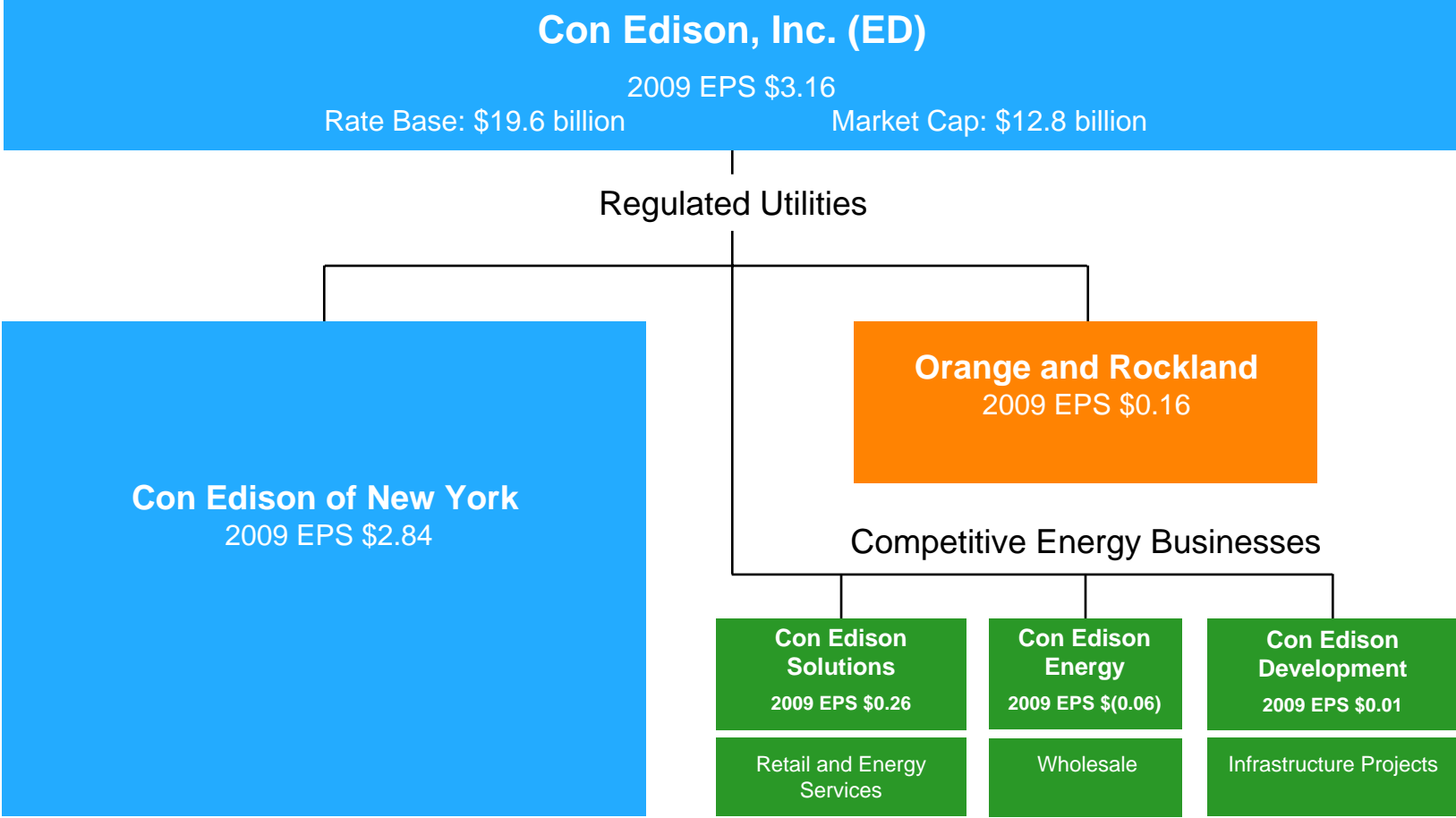
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For more information, contact:

Jan Childress, <i>Director, Investor Relations</i>	1-212-460-6611
Ellen Socolow, <i>Manager, Investor Relations</i>	1-212-460-4986

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

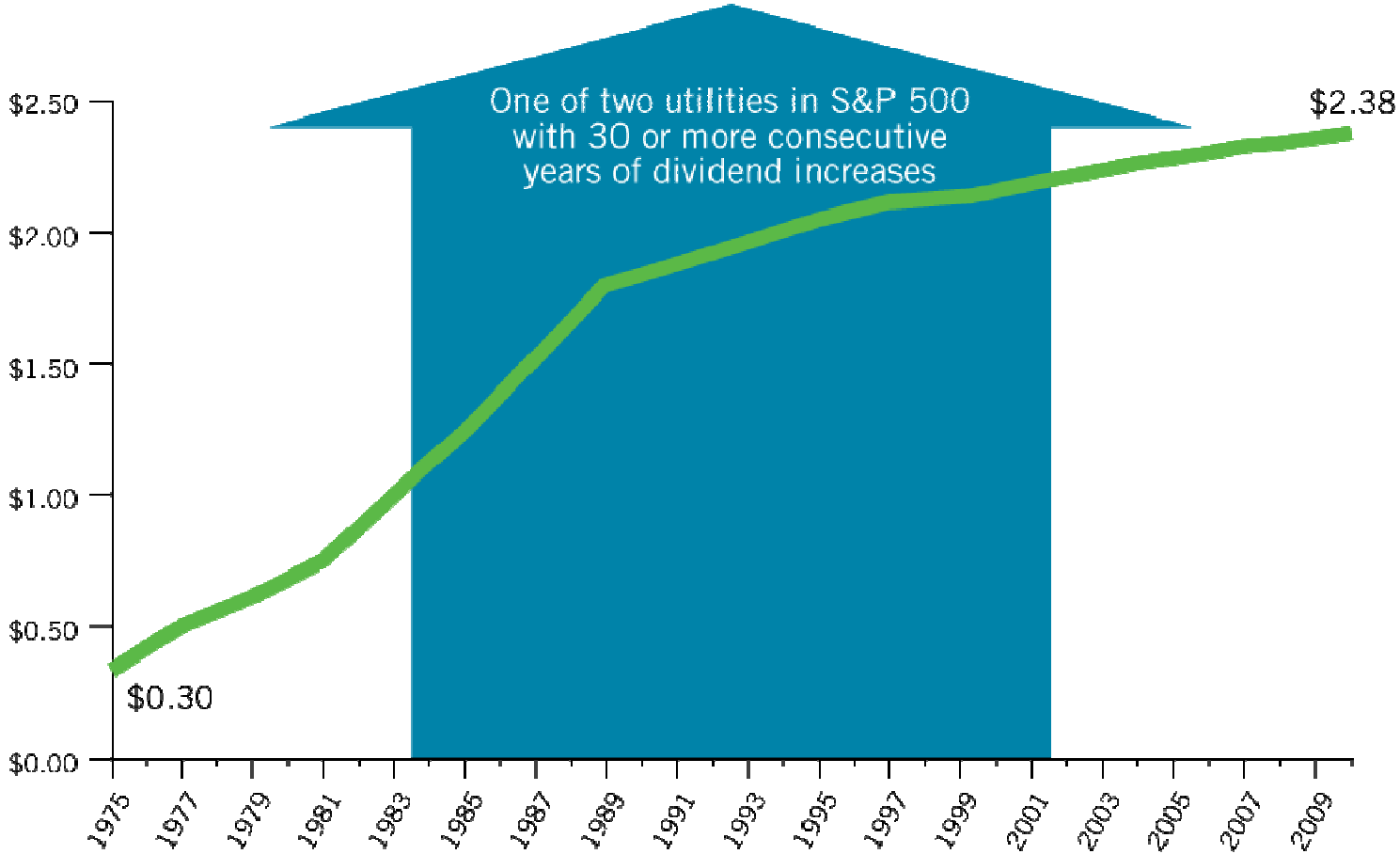
# Regulated Transmission and Distribution Focused





# A Compelling Dividend Record: 36 Consecutive Years of Dividend Increases

Annualized Dividend 1975 - 2010





## Leader in Reliability and Sustainability

### Reliability and Cost Control

- 99.999% electric network system availability in 2008 - highest among U.S. utilities
- Smart Grid stimulus funding will broaden existing smart grid efforts
- Cost control is an important factor in our business decisions

### Sustainability

- Member of the Dow Jones Sustainability North America Index
- Top ranked utility in performance in the 2009 worldwide Carbon Disclosure Project
- 2<sup>nd</sup> among multi-utilities in North America and 4<sup>th</sup> internationally in Innovest 2008 ranking of environmental and social performance





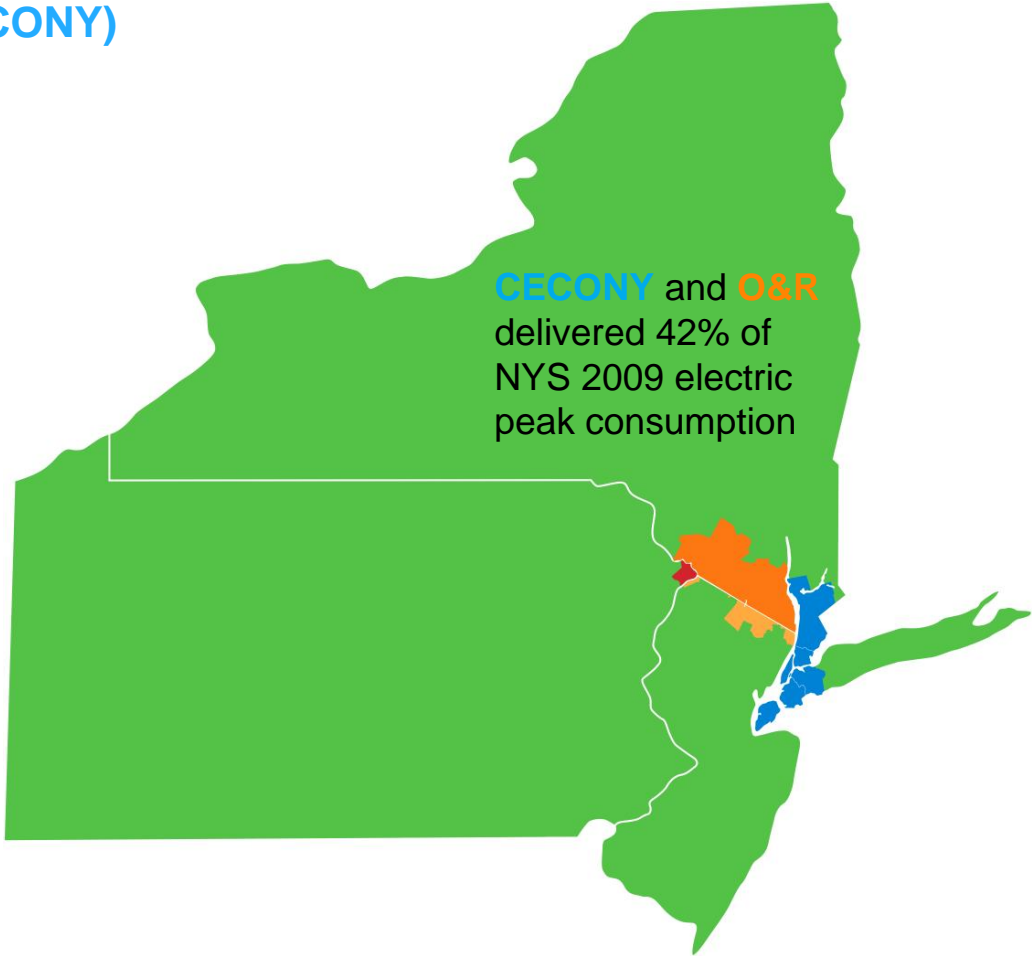
# Regulated Utilities are the Core of Con Edison, Inc.

## Con Edison of New York (CECONY)

- 3.3 million electric customers
- 1.1 million gas customers
- 1,760 steam customers
- 706 MW of regulated generation
- Delivered 38.4% of NYS 2009 electric peak consumption

## Orange and Rockland (O&R)

- 300,000 electric customers
- 129,000 gas customers
- Delivered 3.2% of NYS 2009 electric peak consumption





# Composition of Rate Base (as of March 31, 2010)

Rate Base (\$ millions)

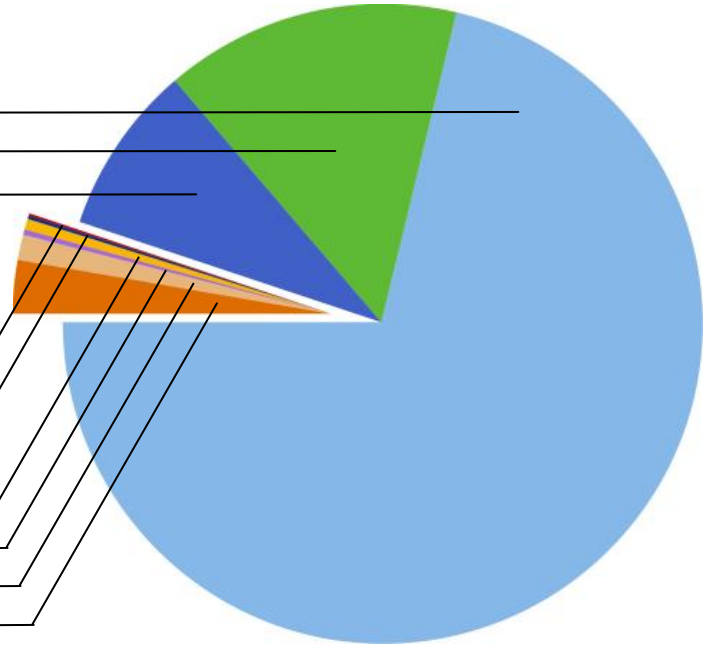
## Con Edison of New York

Electric	\$ 14,150
Gas	\$ 2,765
Steam	\$ 1,495

## Orange and Rockland

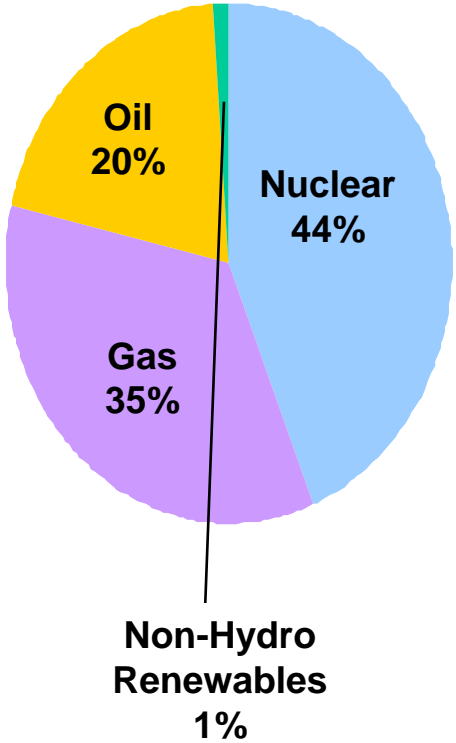
Pike Gas	\$ 1
Pike Electric	\$ 10
Rockland Electric (distribution)	\$ 145
(transmission)	\$ 20
O&R Gas	\$ 259
O&R Electric	\$ 540

**Total Rate Base \$ 19,385**

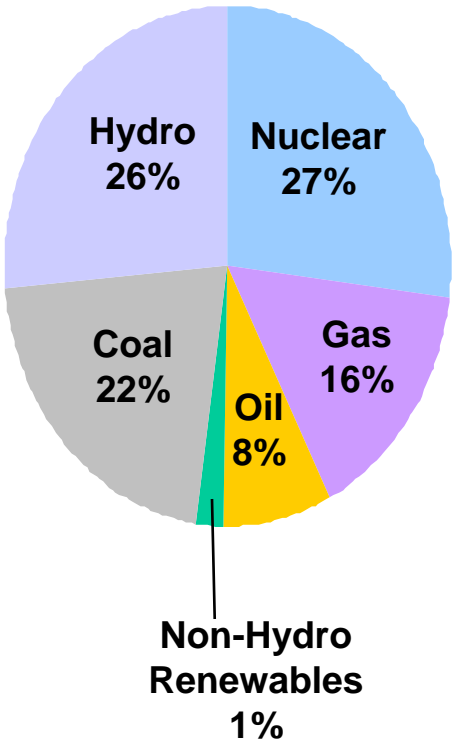


# Fuel Mix For Consumption in New York State and USA

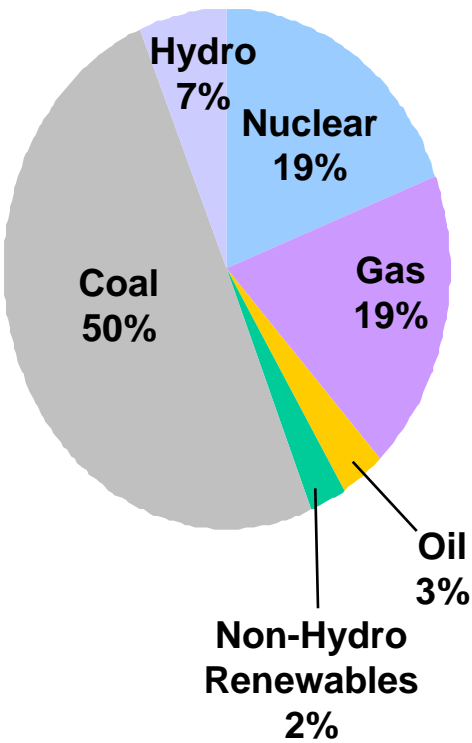
### CECONY



### O&R (and upstate NY)



### USA







## New York's Climate Change Initiatives

### New York City Goals

- Reduce greenhouse gas emissions by 30% below 2005 levels by 2030
- Focused on building codes

### New York State Plan

- 30% renewables by 2015
- 15% reduction in retail energy consumption from 2007 levels by 2015
- Member of Regional Greenhouse Gas Initiative
  - Cap and reduce CO2 emissions from power plants by 10% by 2018
- New York State Energy Research and Development Agency (NYSERDA) funded by utility customers to achieve renewable portfolio standards

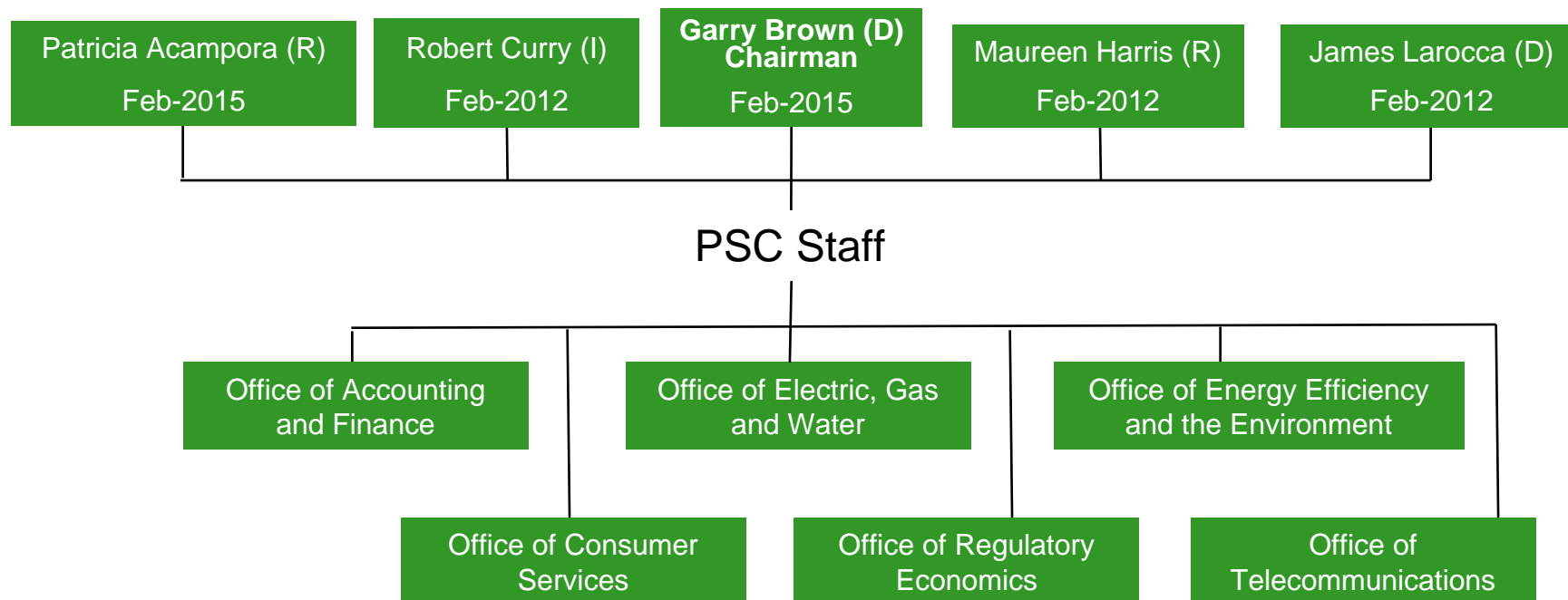
# Smart Grid Demonstration Project

- Install of software and equipment at control centers
- Install energy storage equipment and photovoltaic devices at CECONY and O&R
- Command and control for demand response
- Electric vehicle charging stations
- Building management system
- Decision support system



# New York Public Service Commission (NYPSC)

## Commissioners



- Annual budget: \$90 million
- Staffing: 550 employees
- Regulates: Electric (7 companies), Gas (10), Water (300), Telecom (5), Cable (30)



## Features of New York Regulation

- Forward-looking test year for expenses and rate base
- True-ups for major expenses:
  - Fuel and power cost recovery
  - Pensions and Other Post-employment Benefits
  - Property taxes (partial)
  - Environmental clean-up costs
- Revenue decoupling
- Performance penalties
- Formulaic approach to setting ROE's

# New York PSC's Formulaic Approach to Calculating ROE

## Recent Rate Decisions in New York

Date	Company	ROE	Term
07/06	Central Hudson	9.60%	3 years
08/06	NYSEG	9.55%	1 year
09/06	CECONY Steam	9.80%	2 years
10/06	O&R Gas	9.80%	3 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	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
02/10	Central Hudson – JP	10.00%	3 years
03/10	CECONY Electric	10.15%	3 years

Rate of return on equity



2/3 Discounted Cash Flow model

+

1/3 Capital Asset Pricing model

JP – Joint Proposal is subject to PSC approval

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## Con Edison of New York

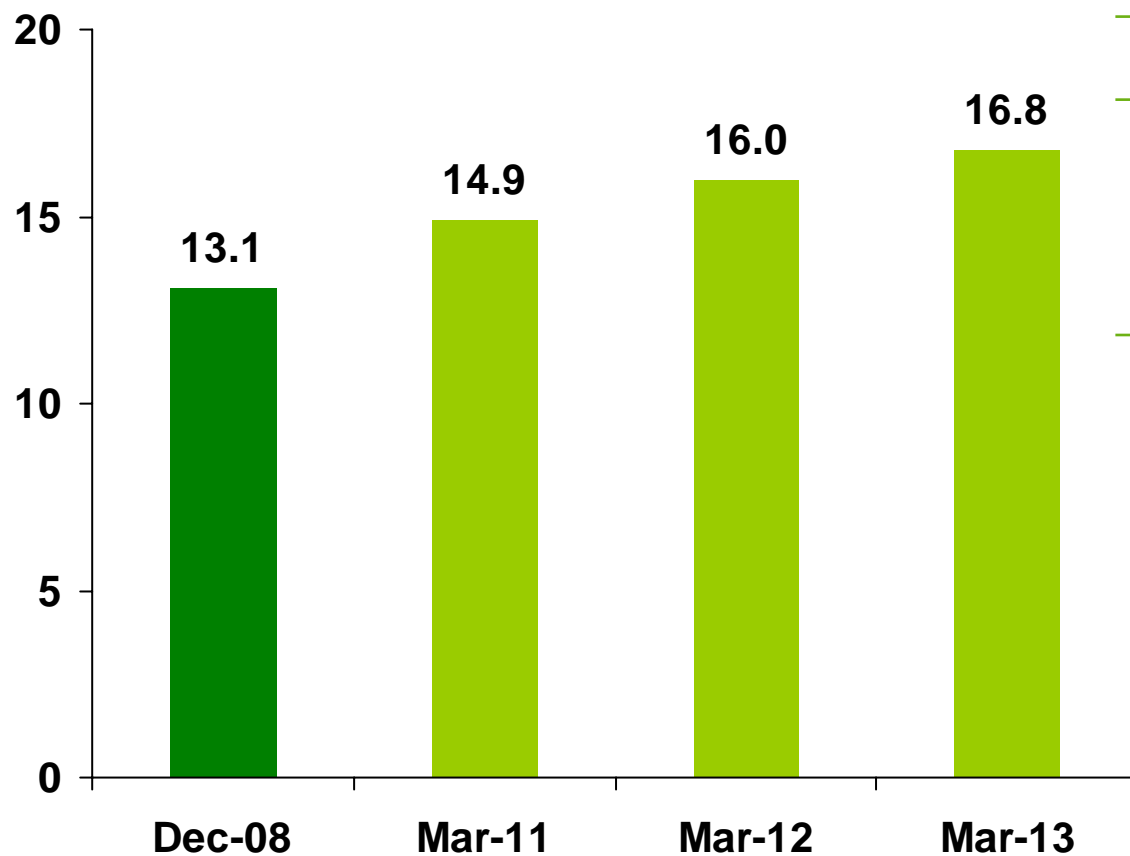
# Summary of 2009 Electric Rate Plan

- Effective April 1, 2010
- 3-year plan with annual rate increases of \$420 million effective April 2010 and 2011, and \$287 million effective April 2012
- \$133 million will be collected through a surcharge for the rate year ending March 2013
- ROE of 10.15%
- Equity ratio of 48%
- Continuation of revenue decoupling
- Full true-up reconciliations for pension and other post-employment benefits, environmental costs, and fuel costs; limited true-up for property taxes
- Continuation of potential penalties related to customer service and system reliability performance targets

## Con Edison of New York

# Electric Rate Base Reflected in Rate Plan

For 12 months ending (\$ billions)



### Capital Expenditures

2010	\$1,481 million
2011	\$1,414 million
2012	\$1,343 million

## Con Edison of New York

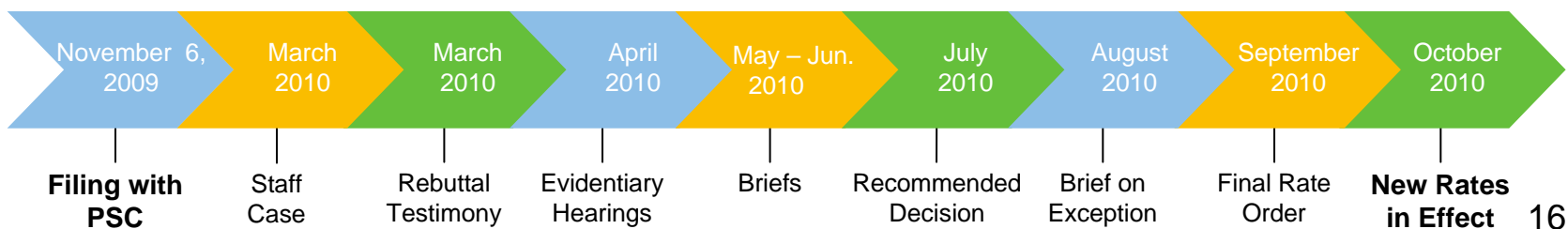
# Summary of 2009 Gas and Steam Rate Filings

### CECONY Gas

- 3-year proposal with level annual increases of \$115.5 million effective October 2010, 2011, and 2012
- or
- 1-year rate increase of \$146 million effective October 2010
- ROE of 11.3% (3 yrs) or 10.9% (1 yr)
- Equity ratio of 48.2%
- True-up reconciliations
- Continuation of revenue decoupling

### CECONY Steam

- 4-year proposal with level annual increases of \$66.1 million effective October 2010, 2011, 2012 and 2013
- or
- 1-year rate increase of \$111 million effective October 2010
- ROE of 11.4% (4 yrs) or 10.9% (1 yr)
- Equity ratio of 48.2%
- True-up reconciliations
- Revenue decoupling requested



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## Con Edison of New York

### Major Factors Driving Revenue Increases

(\$ millions)

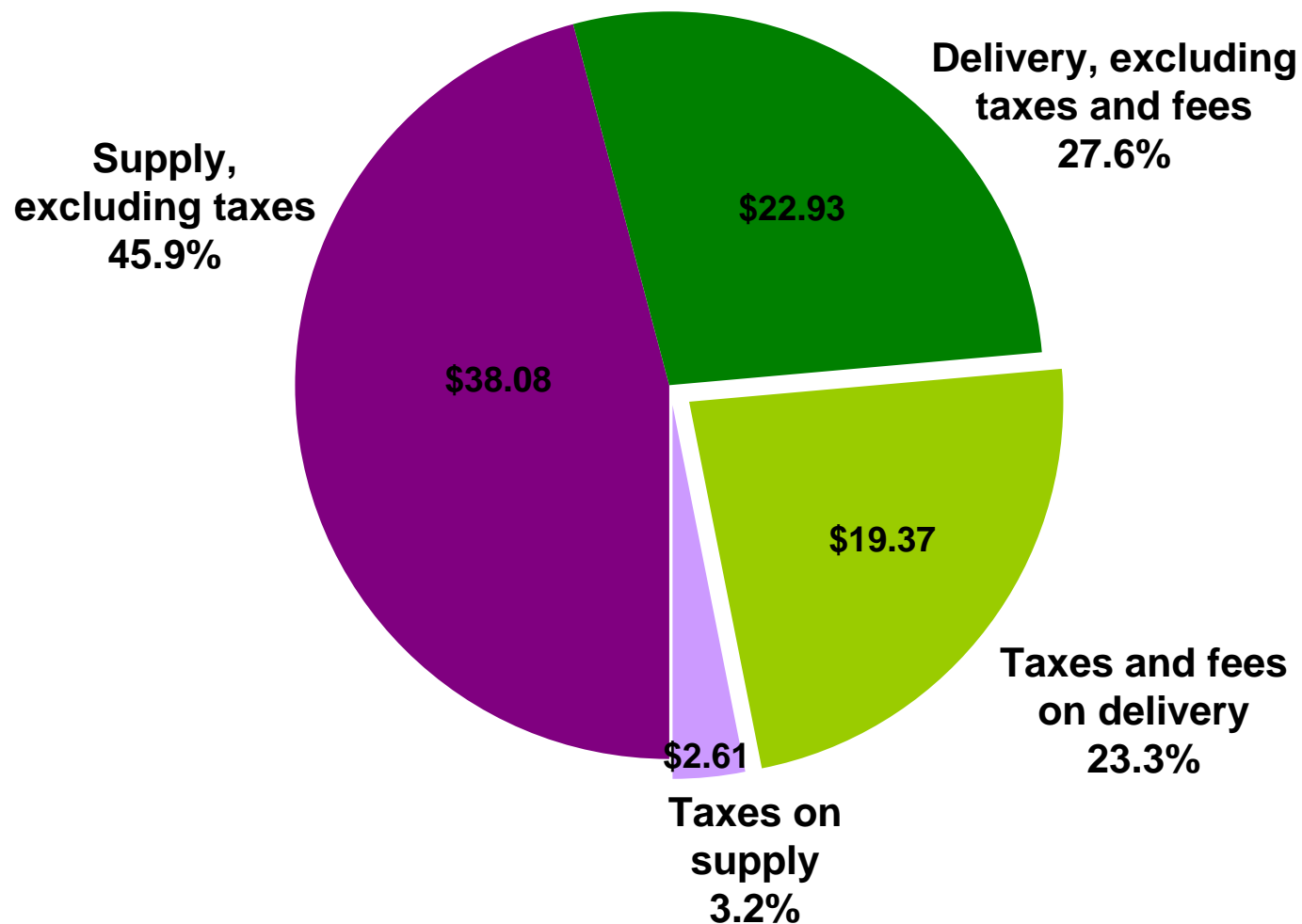
CECONY GAS			CECONY STEAM		
	Company Update (Feb.10)	Staff Filing (Mar.10)		Company Update (Feb.10)	Staff Filing (Mar.10)
Carrying costs	\$36	\$32	Carrying costs	\$25	\$22
Pension / OPEBs	35	30	Lower sales revenues	22	21
Property & other taxes	30	25	Property & other taxes	17	14
ROE (10.8% vs. 9.7%)	24	(8)	ROE (10.8% vs. 9.7%)	17	5
Expiring credits	20	11	Pension / OPEBs	13	13
O&M	10	(19)	Expiring credits	15	11
Depr. rate changes	1	1	O&M	8	(7)
Non-firm revenues	-	(18)	Income taxes	(6)	(6)
Sales growth	(10)	(16)			
<b>Rate increase</b>	<b>\$146</b>	<b>\$38</b>	<b>Rate increase</b>	<b>\$111</b>	<b>\$73</b>
<b>Rate base</b>	<b>\$3,058</b>	<b>\$3,019</b>	<b>Rate base</b>	<b>\$1,614</b>	<b>\$1,587</b>
<b>ROE</b>	<b>10.80%</b>	<b>9.40%</b>	<b>ROE</b>	<b>10.80%</b>	<b>9.40%</b>

## Key Regulatory Dates

Date	Service	Docket	File Date		
May 12, 2010			NJ	BPU meeting	
May 13, 2010	Rockland Electric	ER09080668	NJ	Aug 17, 2009	New rates go in effect
May 14, 2010	CECONY – Steam CECONY – Gas	09-S-0794 09-G-0795	NY	Nov 6, 2009	Initial briefs
May 28, 2010	CECONY – Steam CECONY – Gas	09-S-0794 09-G-0795	NY	Nov 6, 2009	Reply briefs
October 1, 2010	CECONY – Steam CECONY – Gas	09-S-0794 09-G-0795	NY	Nov 6, 2009	New rates go in effect

## Con Edison of New York

### Composition of Monthly Residential Electric Bill New York City – 300kWh – Total Bill of \$82.99



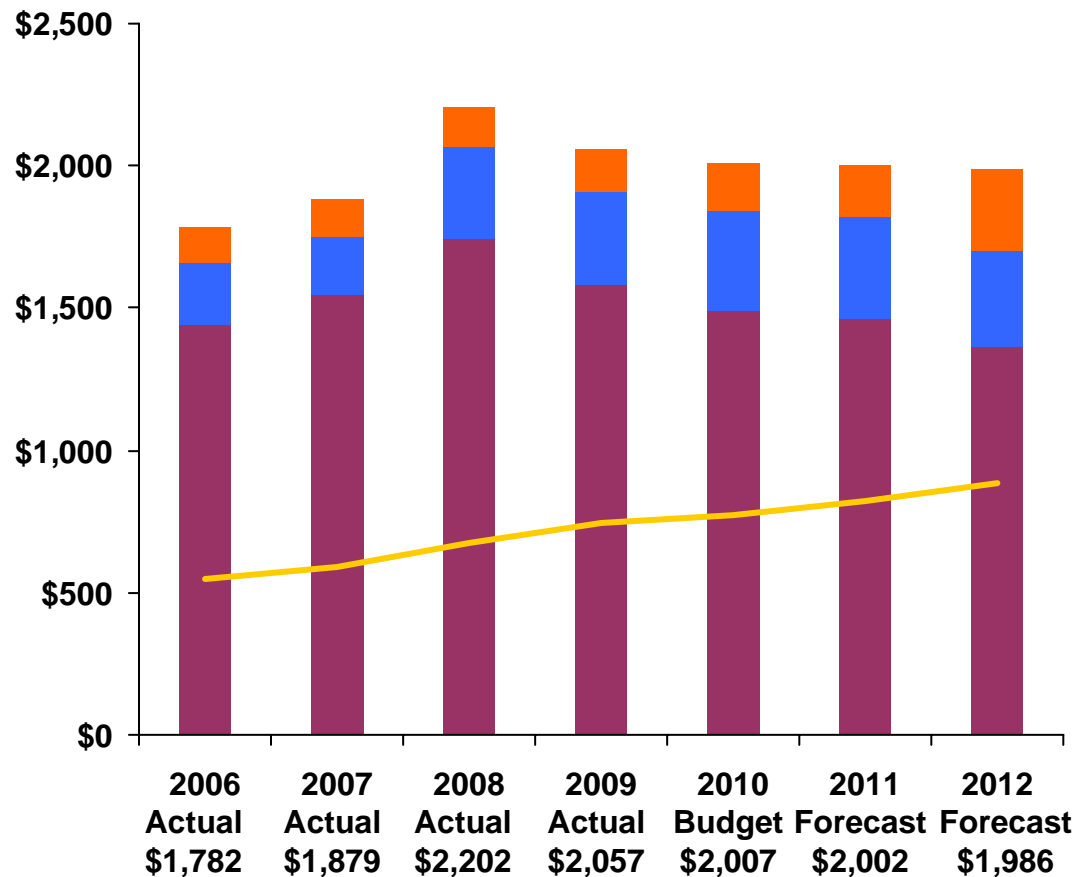
Represents forecasted supply costs for the rate year ending March 2010

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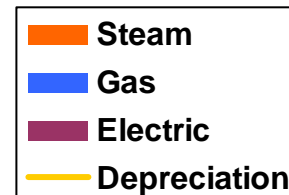
## Reconciliation of Con Edison's Q1 2010 vs 2009 Earnings Per Share

<b>2010</b>	<b>CECONY</b>	<b>O&amp;R</b>	<b>Con Edison Development</b>	<b>Con Edison Energy</b>	<b>Con Edison Solutions</b>	<b>Parent</b>	<b>Total</b>
Reported EPS – GAAP basis	\$0.86	\$0.05	\$-	\$0.03	\$(0.13)	\$(0.01)	\$0.80
Mark-to-Market losses/(gains)	-	-	-	(0.04)	0.17	-	0.13
Ongoing operations	\$0.86	\$0.05	\$-	\$(0.01)	\$0.04	\$(0.01)	\$0.93
<b>2009</b>	<b>CECONY</b>	<b>O&amp;R</b>	<b>Con Edison Development</b>	<b>Con Edison Energy</b>	<b>Con Edison Solutions</b>	<b>Parent</b>	<b>Total</b>
Reported EPS – GAAP basis	\$0.72	\$0.05	\$-	\$0.04	\$(0.13)	\$(0.02)	\$0.66
Mark-to-Market losses/(gains)	-	-	(0.01)	(0.02)	0.15	-	0.12
Ongoing operations	\$0.72	\$0.05	\$(0.01)	\$0.02	\$0.02	\$(0.02)	\$0.78

## Con Edison of New York Infrastructure Investment (\$ millions)

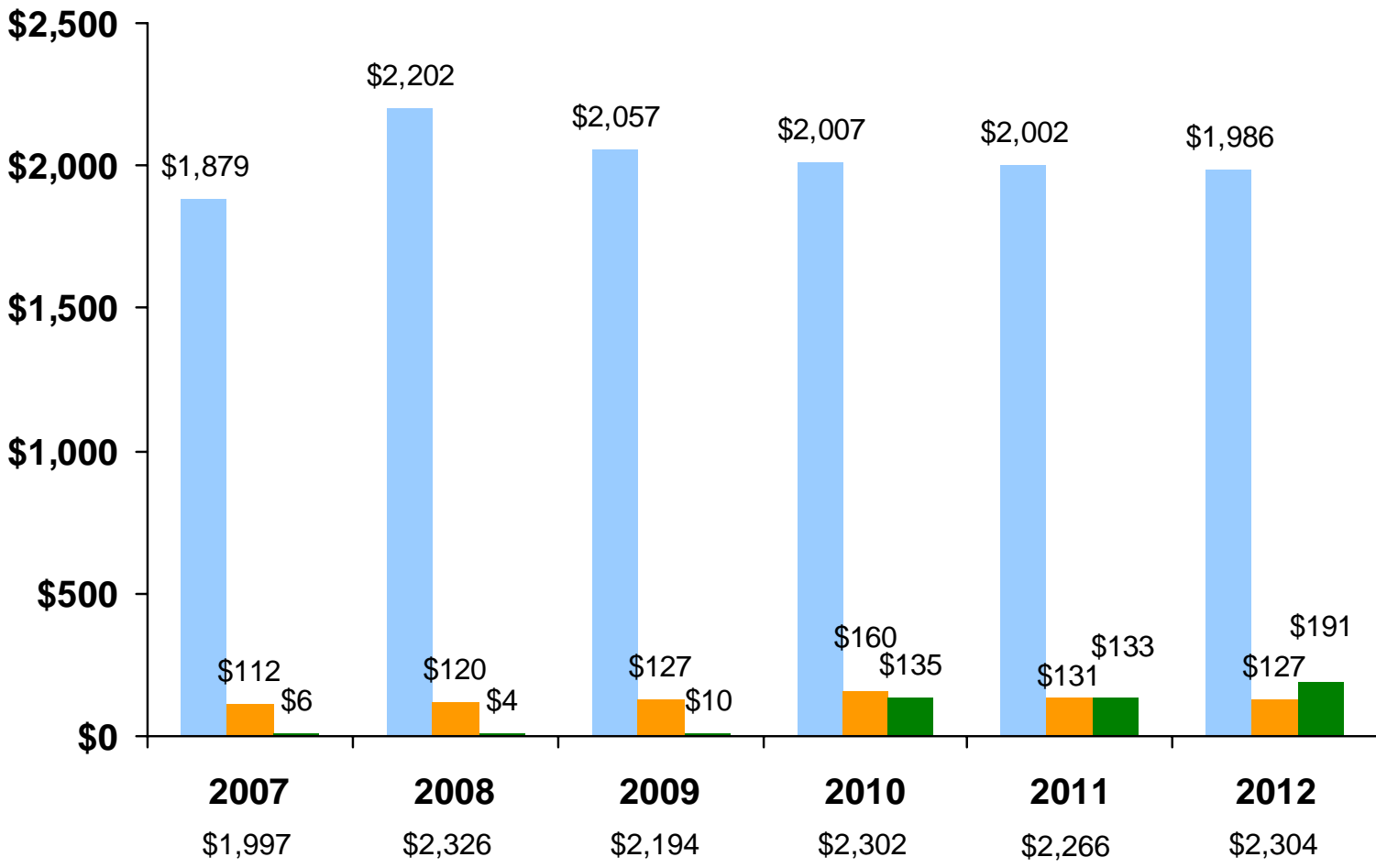


	Electric	Gas	Steam	Depreciation
Actual				
2006	1,438	216	128	545
2007	1,548	204	127	592
2008	1,740	326	136	672
2009	1,580	328	149	742
Forecast				
2010	1,487	353	167	775
2011	1,463	353	186	823
2012	1,360	338	288	886



# Capital Expenditures (\$ millions)

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



## Long-term Debt Maturities (\$ millions)

	2010	2011	2012	2013	2014
Con Edison, Inc. – parent company	\$ 2	\$ 1	\$ 2	\$ 1	\$ 2
Con Edison of New York	625	-	300	700	475
Orange and Rockland	103	3	3	3	58
Competitive energy businesses	1	1	1	1	1
<b>Total</b>	<b>\$ 731</b>	<b>\$ 5</b>	<b>\$ 305</b>	<b>\$ 705</b>	<b>\$ 536</b>

### 2010

- CECONY \$325 million debenture maturing in May, 8.125%
- CECONY \$300 million debenture maturing in September, 7.50%
- O&R \$55 million debenture maturing in June, 7.50%
- O&R \$45 million debenture called on 1/11/10, 7.0%

### 2012

- CECONY \$300 million debenture maturing in July, 5.625%

### 2013

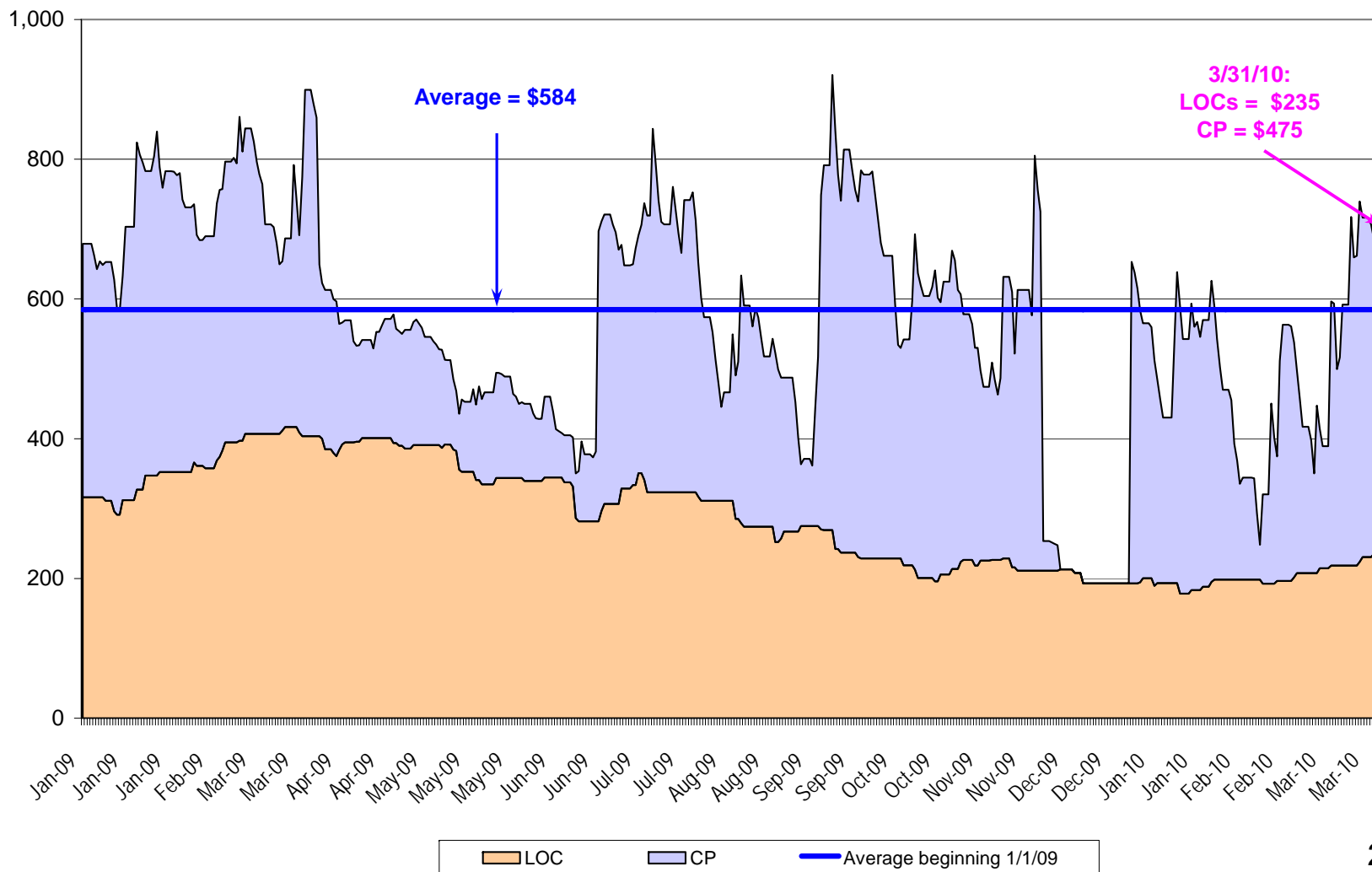
- CECONY \$500 million debenture maturing in February, 4.875%
- CECONY \$200 million debenture maturing in June, 3.85%

### 2014

- CECONY \$200 million debenture maturing in February, 4.7%
- CECONY \$275 million debenture maturing in April, 5.55%
- O&R \$55 million debenture maturing in October, 6.09%



# Commercial Paper and Letters of Credit Outstanding \$2,250 million Under the Revolver (\$ millions)





Capital Structure  
 March 31, 2010  
 (\$ millions)

Con Edison, Inc.

Debt	\$9,855	48%
Preferred	213	1
Equity	10,339	51
<b>Total</b>	<b>\$20,407</b>	<b>100%</b>

Con Edison of New York

Debt	\$9,038	48%
Preferred	213	1
Equity	9,435	51
<b>Total</b>	<b>\$18,686</b>	<b>100%</b>

Orange and Rockland

Debt	\$498	49%
Preferred	-	-
Equity	514	51
<b>Total</b>	<b>\$1,012</b>	<b>100%</b>

Competitive and Parent

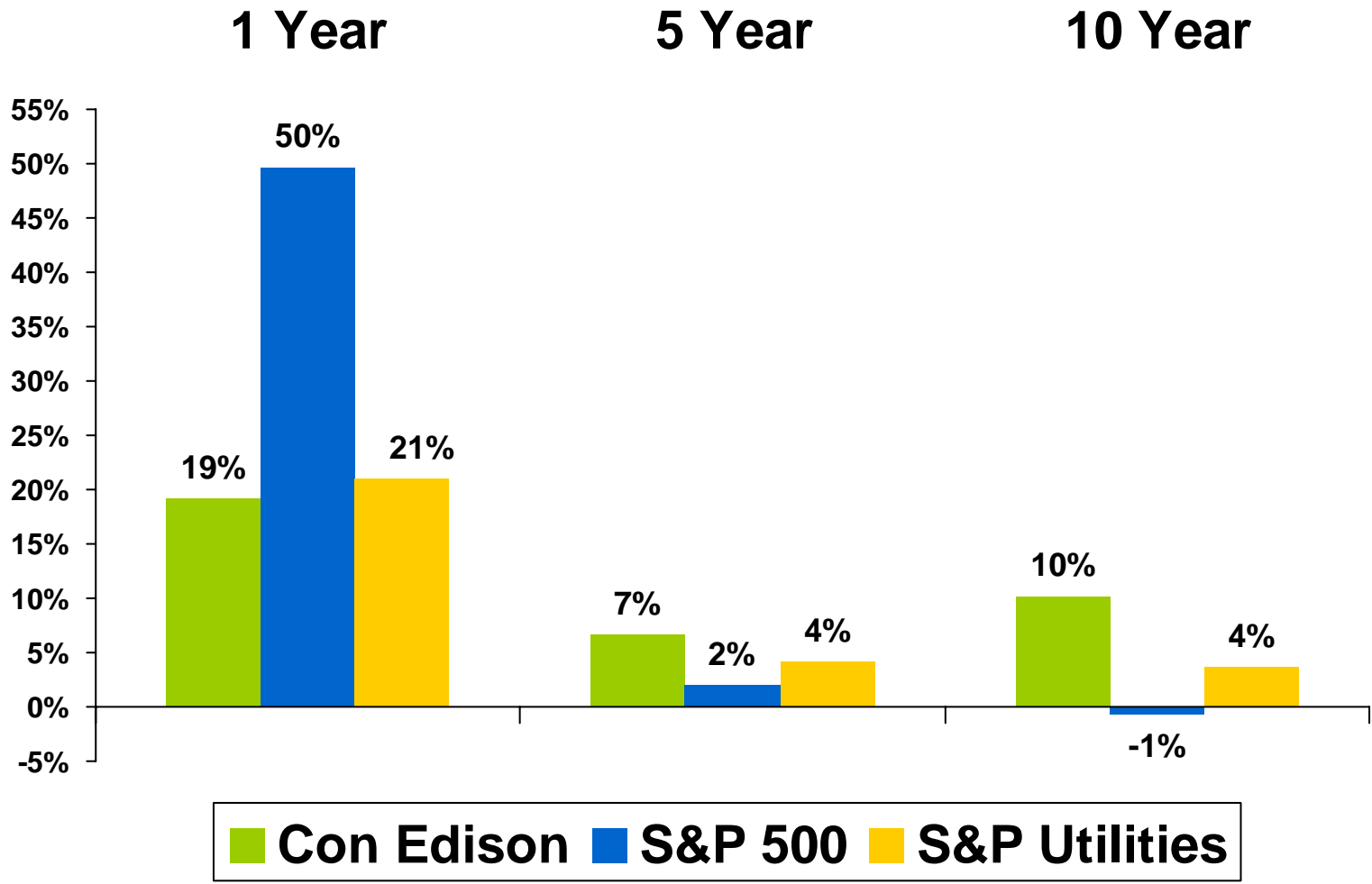
Debt	\$319	45%
Preferred	-	-
Equity	390	55
<b>Total</b>	<b>\$709</b>	<b>100%</b>

# Credit Ratings Summary

	Standard & Poor's	Moody's	Fitch
<b>Consolidated Edison, Inc.</b>			
Long-term credit rating	BBB+	Baa1	BBB+
Commercial paper	A-2	P-2	F2
<b>Consolidated Edison Co. of New York</b>			
Senior unsecured debt	A-	A 3	A-
Commercial paper	A-2	P-2	F2
<b>Orange and Rockland Utilities, Inc.</b>			
Senior unsecured debt	A-	Baa1	A
Commercial paper	A-2	P-2	F2

Fitch has a Negative Outlook for Orange and Rockland Utilities, Inc. All other ratings carry a Stable Outlook.

# Total Shareholder Return Periods Ended March 31, 2010





**conEdison, inc.**