

Con Edison, Inc.

September 29, 2015

Wolfe Research Power & Gas
Leaders Conference





Forward-Looking Statements

This presentation includes certain forward-looking statements intended to qualify for safe-harbor provisions of the Federal securities laws. Forward-looking statements are statements of future expectation and not facts. Words such as "expects," "estimates," "anticipates," "intends," "believes," "plans," "will" and similar expressions identify forward-looking statements. Forward-looking statements are based on information available at the time the statements are made, and accordingly speak only as of that time. Actual results might differ materially from those included in the forward-looking statements because of various factors including, but not limited to, those discussed in reports the company has filed with the Securities and Exchange Commission.

Non-GAAP Financial Measure

This presentation contains a financial measure, adjusted earnings (which the Company formerly referred to as earnings from ongoing operations), not determined in accordance with Generally Accepted Accounting Principles (GAAP). Adjusted earnings should not be considered as an alternative to net income. Management uses this non-GAAP measure to facilitate the analysis of the company's operating performance and believes that this non-GAAP measure also is useful and meaningful to investors. A reconciliation of this non-GAAP measure to earnings determined in accordance with GAAP is included in this presentation.

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www.conEdison.com



Consolidated Edison Investment Thesis

- Core regulated energy delivery business with growing renewable energy portfolio
 - Limited commodity exposure
- 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)
- Significant dividend record
 - 41 consecutive years of dividend increases; 3rd longest in electric utility industry
 - 4.0 % yield is the 3rd highest among S&P 500 Dividend Aristocrats
 - The dividend payout ratio was 65% in 2014
- Ability to invest for customer benefit
 - Majority of investment is replacement and upgrade of existing assets
 - Growth opportunity through increased natural-gas conversions
 - Targeted energy efficiency and demand side management
 - Strong, stable balance sheet and conservatively managed liquidity

Where Are Our Growth Opportunities?

- Delivering energy to a growing service area
- Energy conservation programs
- Oil-to-gas conversions
- Development of renewable energy
- Energy infrastructure investments
 - *Electric and gas transmission*
 - *Electric and gas storage*



Business Environment

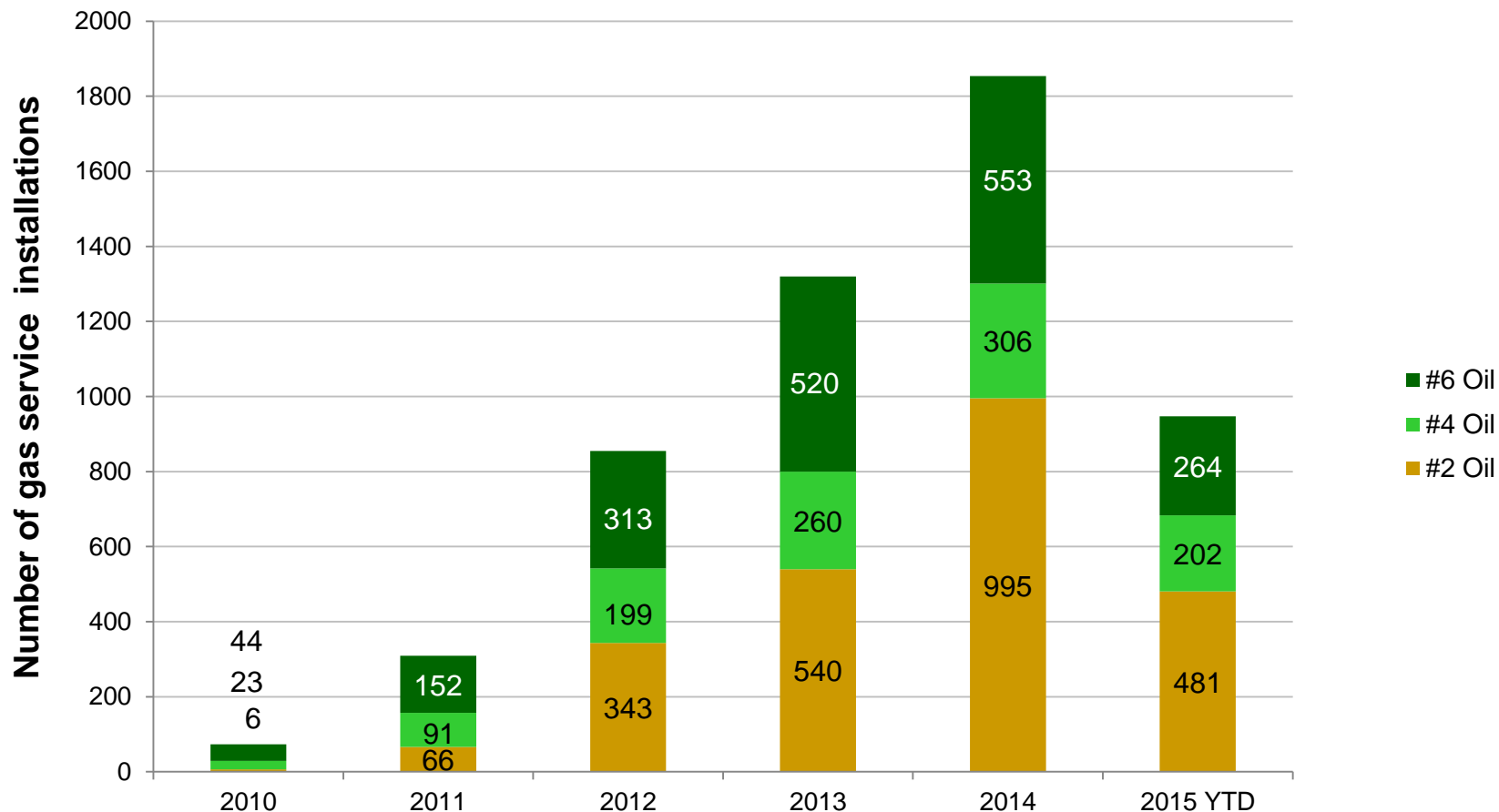
- Vibrant local economy continues to grow
- Job growth in the region is outpacing the nation
- Growing industries include: Technology, Health, Education, Hospitality, Tourism, and Business Services
- Tourism at a record level
- Residential building permits on the rise
- Energy landscape is changing; Con Edison is at the forefront of the transformation
- New technologies are redefining the way we live



We power New York City, one of the most dynamic metropolitan regions of the world

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

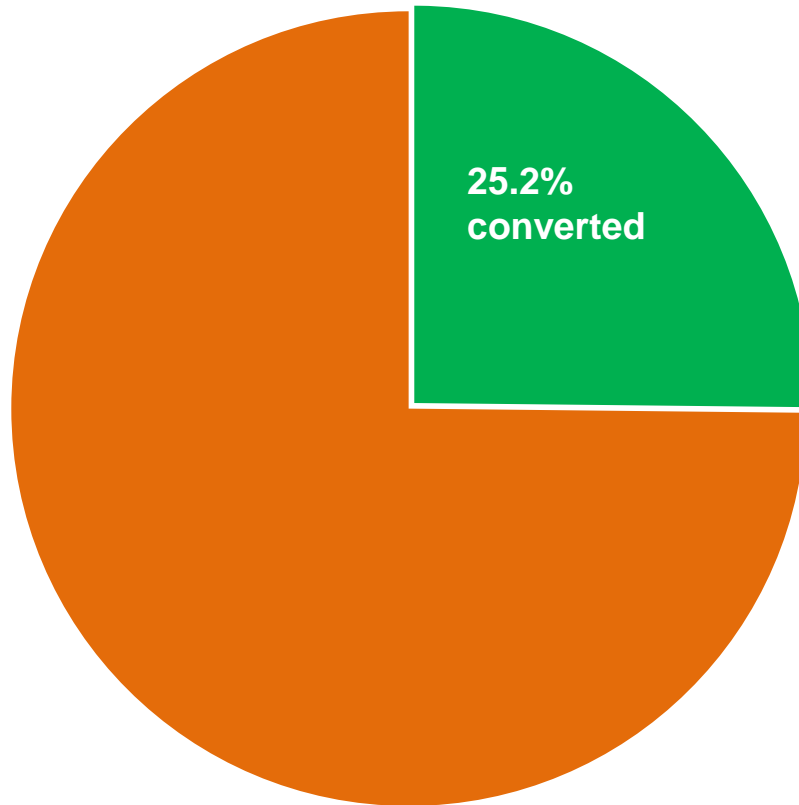
2015 YTD through July 31st



Note: Multi-family buildings include 5 or more families. Figures for #2 oil include burners rated 350,000 BTUs or higher.

Target Market for Conversion of Large Multi-Family and Commercial Buildings from Oil to Gas

July 31, 2015

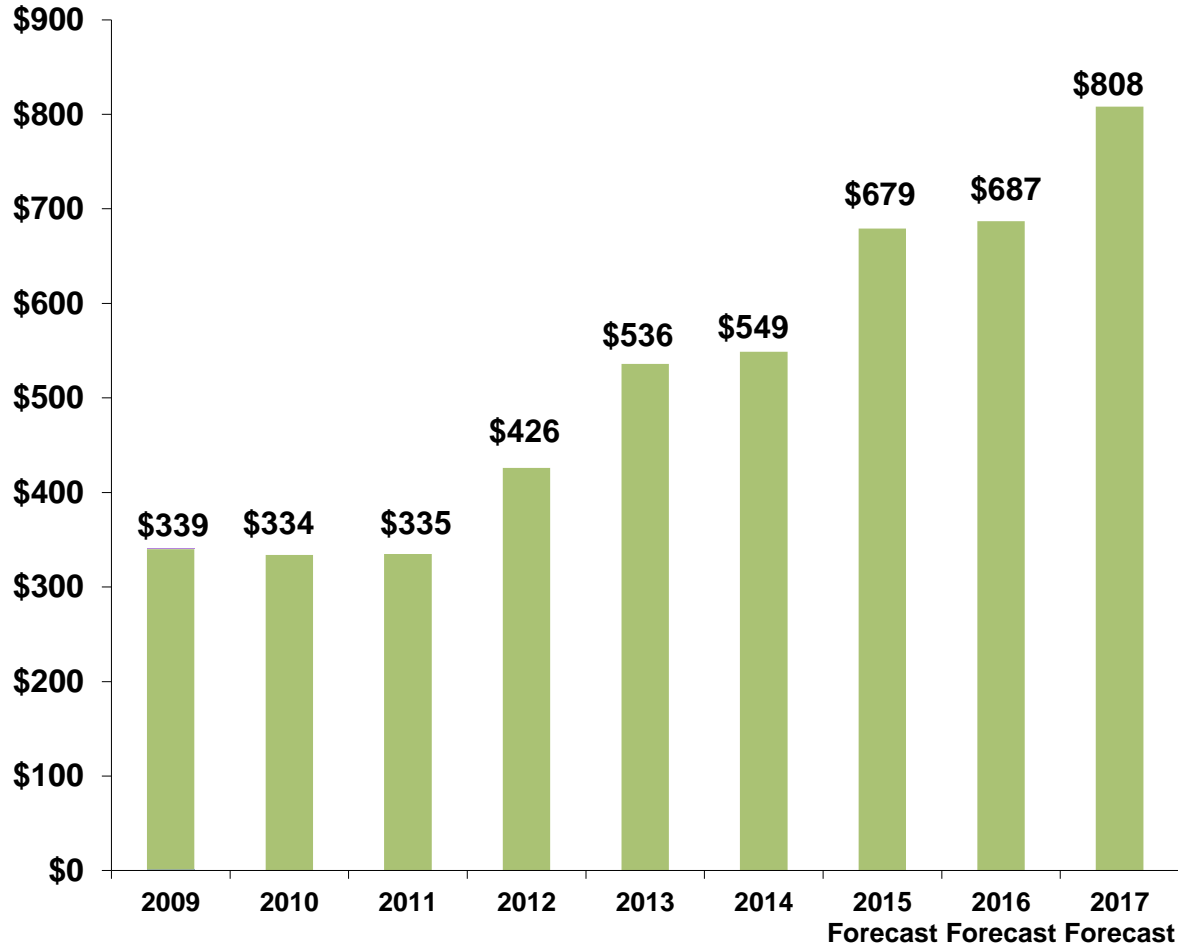


Target Market: 21,000 buildings
Converted: 5,285
Remaining: 15,715

Note: Includes multi-family buildings of 5 or more families, and #2 oil burners rated 350,000 BTUs or higher.

Gas Infrastructure Investment

(\$ millions)

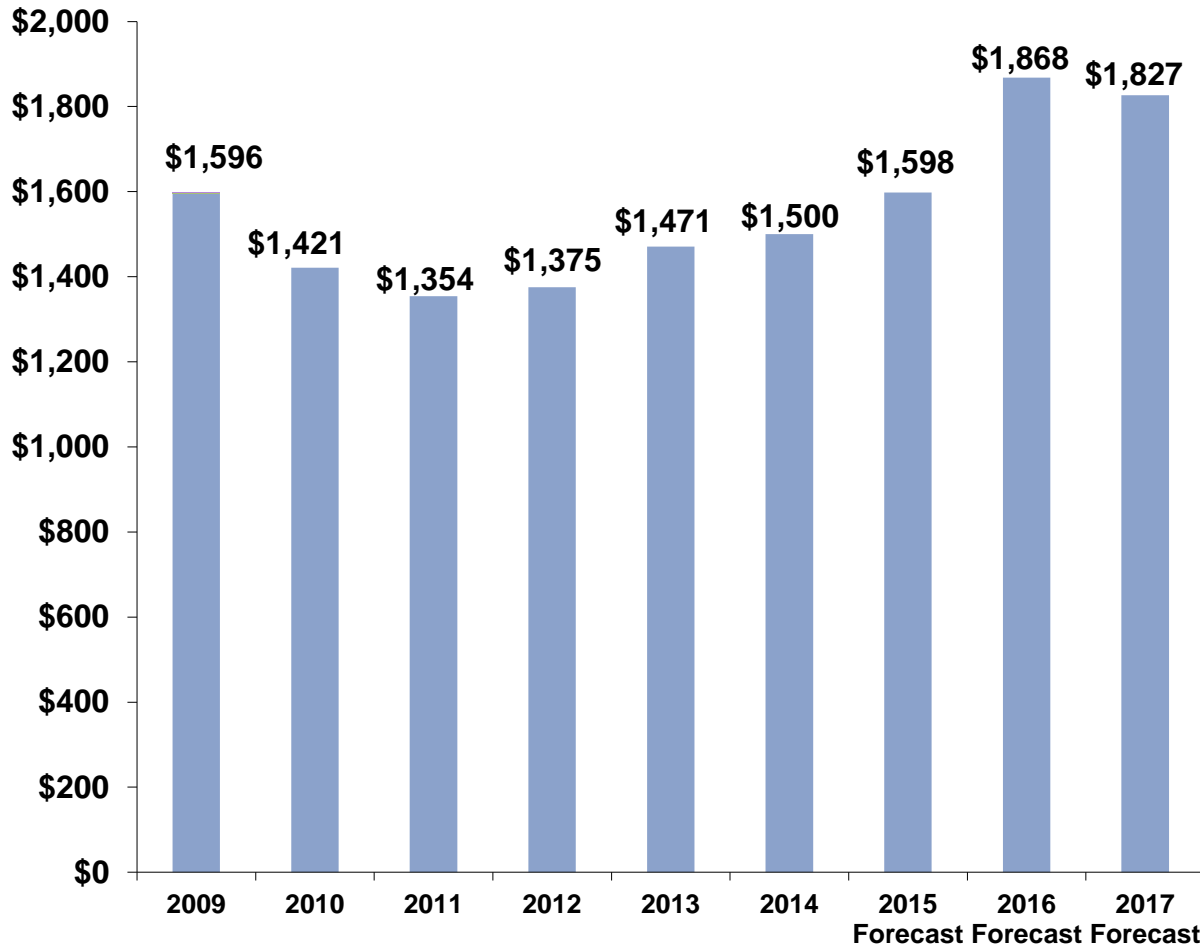


(miles)	2014 Actual	2015 Target	2016 Target	2017 Target
Gas Main Replacement	65	65	70	80

Source of capex forecasts: 2014 10-K.

Electric Infrastructure Investment

(\$ millions)



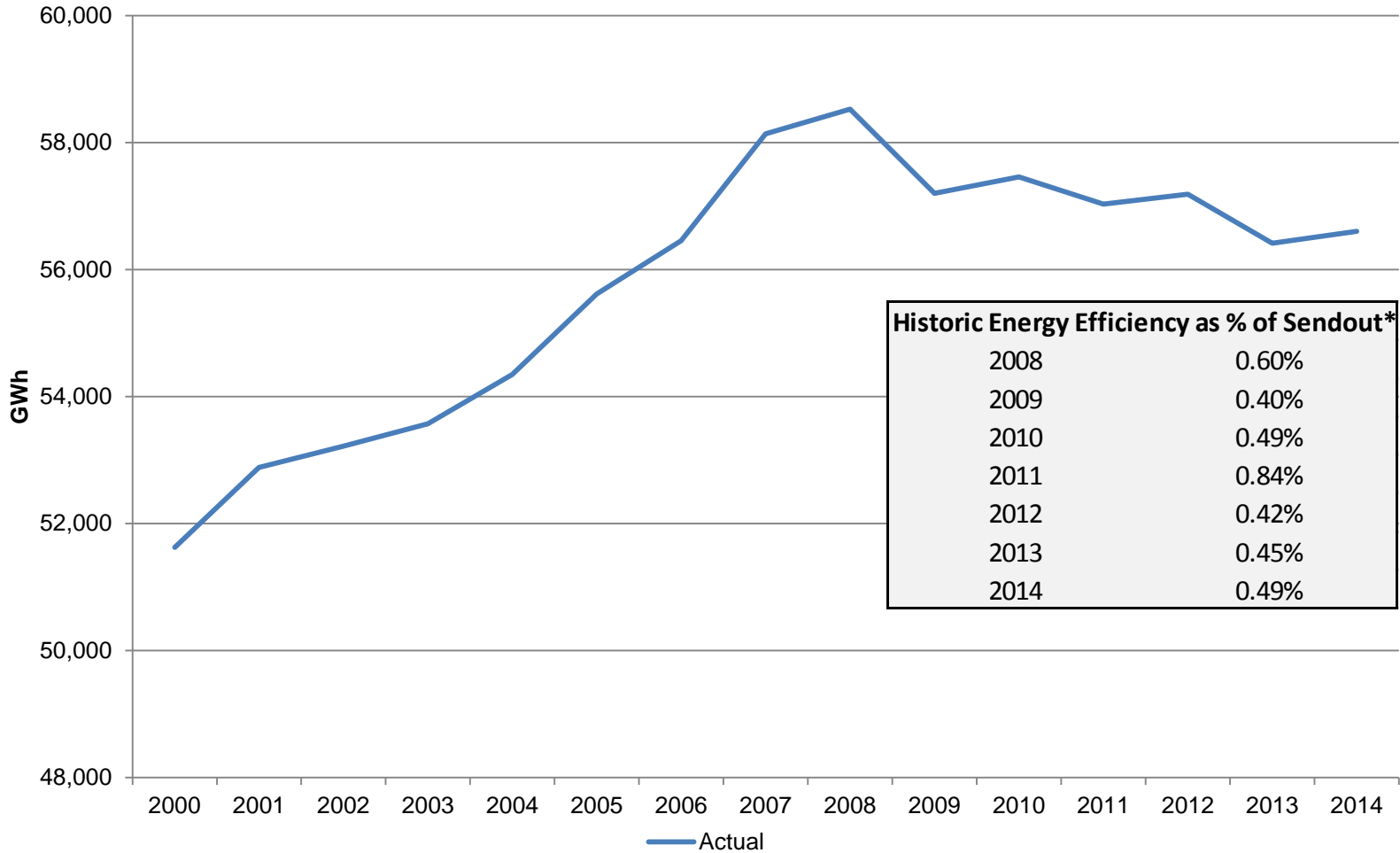
Includes:

(\$ millions)	2015 Forecast	2016 Forecast	2017 Forecast
Advanced Metering Infrastructure	\$ 8	\$ 69	\$174

Source of capex forecasts: 2014 10-K. Estimates do not include Con Edison Transmission projects.

Energy Efficiency Impacts Historic Electric Volumes

(Weather Normalized)



* Includes CECONY and NYSERDA EEPS, NYSERDA SBC, and NYPA projects.

Source: Consolidated Edison Company of New York, NYISO.

An Initial Demonstration Brooklyn-Queens Demand Management



- \$200 million investment to defer a \$1.2 billion substation configuration using portfolio of alternative investments
 - Deferral of about 5 years
 - 41 MW customer and 11 MW utility solutions
- Allowed ROE on invested capital plus incentive adder
- Challenges include developing portfolio of assets to meet a 12-hour peak
 - Traditional solutions include energy efficiency and targeted demand-side management
 - Other solutions include solar PV coupled with battery storage



Reforming the Energy Vision Proposed Demonstration Projects

CECONY

- Residential Solar and Energy Storage Aggregation
 - *Partnering with SunPower and SunVerge*
- Commercial Distributed Energy Resources Marketplace
 - *Partnering with Retroficiency*
- Residential Targeted Offerings
 - *Partnering with Opower, SunPower, Nest and HomeServe*

Orange & Rockland Utilities (O&R)

- Residential Marketplace
 - *Partnering with Simple Energy*

Aggregate proposed investment of about \$40 million

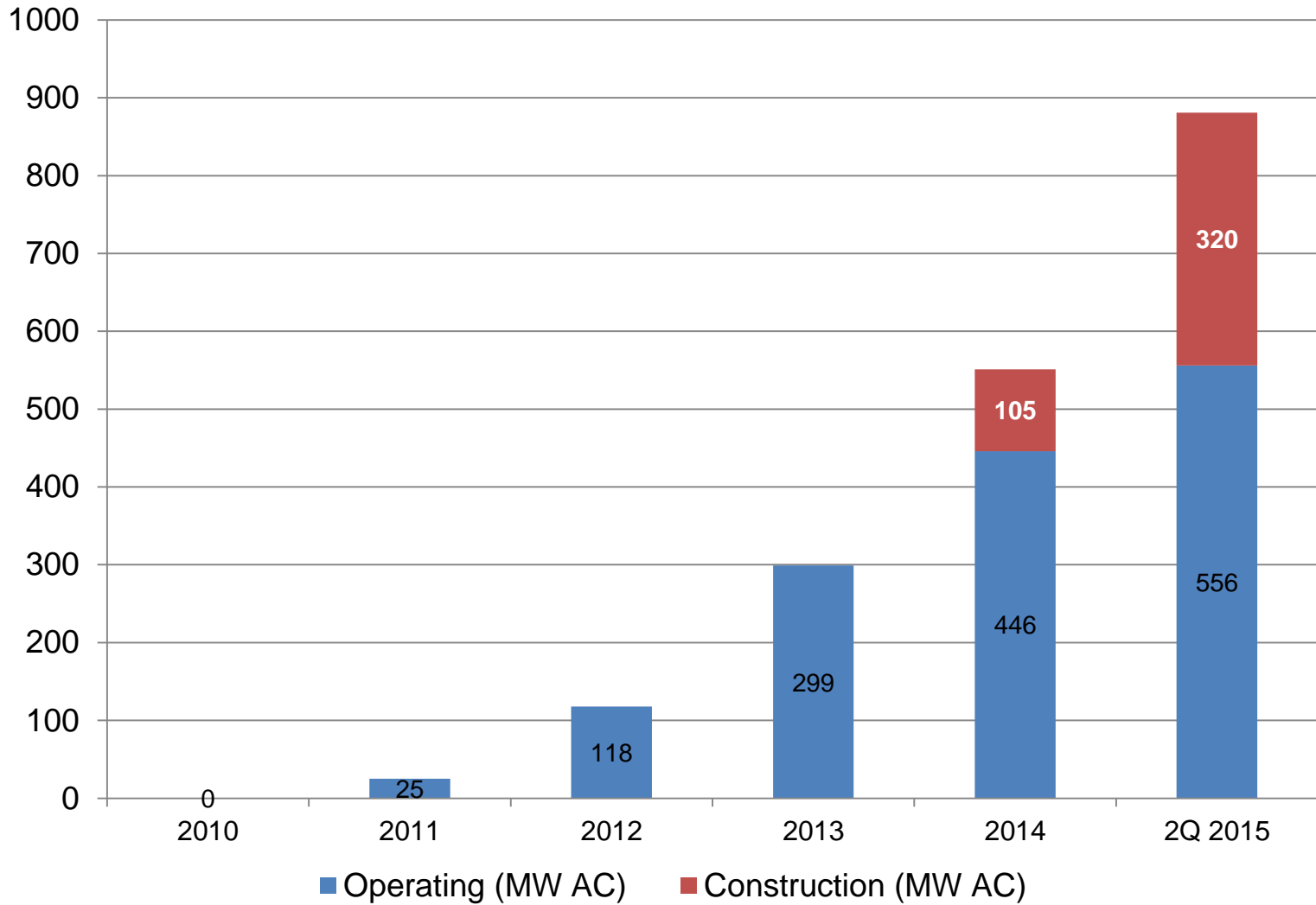


Advanced Metering Infrastructure (AMI) is Foundational to Reforming the Energy Vision

- AMI includes smart meters and a two-way communications network between the customer and the utility
- 50 million AMI meters deployed in U.S reaching 43% of homes nationwide*
- CECONY-proposed \$1.5 billion capital investment over eight years
 - \$69 million tentatively approved for 2016
 - Updated proposal to be submitted on October 15, 2015
- O&R investment
 - \$11.9 million for 2016 and \$8.9 million for 2017 included in Joint Proposal for NY
 - \$7.3 million for 2016 and \$3.9 million for 2017 proposed for NJ

* Source: Institute for Electric Innovation September 2014 report – *Utility Scale Smart Meter Deployments: Building Block of the Evolving Power Grid*

Con Edison Development Renewable Portfolio



NY Transco Projects for Indian Point Contingency and Proposed AC Transmission Upgrades

- Con Edison, National Grid, Iberdrola and Central Hudson (Fortis) own NY Transco
- NY Transco filed jointly for FERC wholesale transmission rates on December 4, 2014
- Con Edison ownership share: 46%

Edic-to-Pleasant Valley
(\$1,200 million estimated cost
– nearly 1,000 MW of
additional capability)
NYPSC Trial Staff
recommended dividing into
two segments for competition
in the NYISO planning process

Fraser-to-Coopers Corners
Reconductoring project

Oakdale-to-Fraser
NYPSC Trial Staff recommended eliminating

Ramapo-to-Rock Tavern

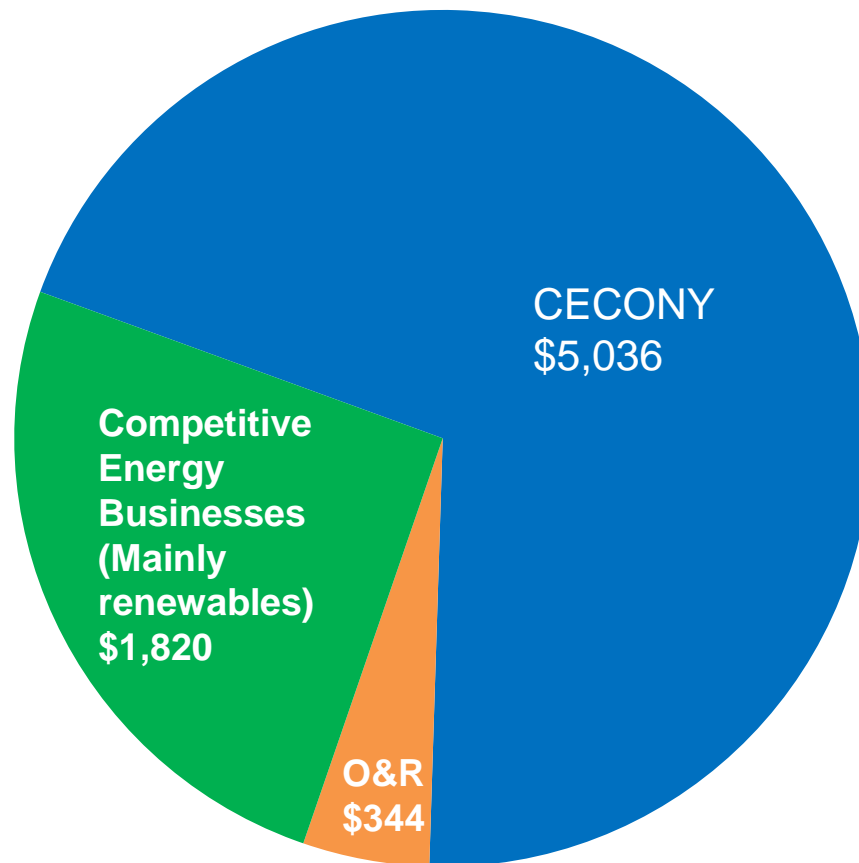
Staten Island Unbottling

Indian Point Contingency Plan projects
approved in October 2013 and currently
under development

Incremental projects proposed in
AC Transmission Upgrade filing
up to \$1.2 billion; NYPSC Final Trial Staff
report released on September 22, 2015

Forecasted Capital Expenditures by Segment (\$ millions)

2-Year Forecast 2015-2016
Total investment \$7,200



Growth Opportunities Benefit Customers, Shareholders and the Environment

- Delivering energy to a growing service area
- Energy conservation programs
- Oil-to-gas conversions
- Development of renewable energy
- Energy infrastructure investments
 - *Electric and gas transmission*
 - *Electric and gas storage*

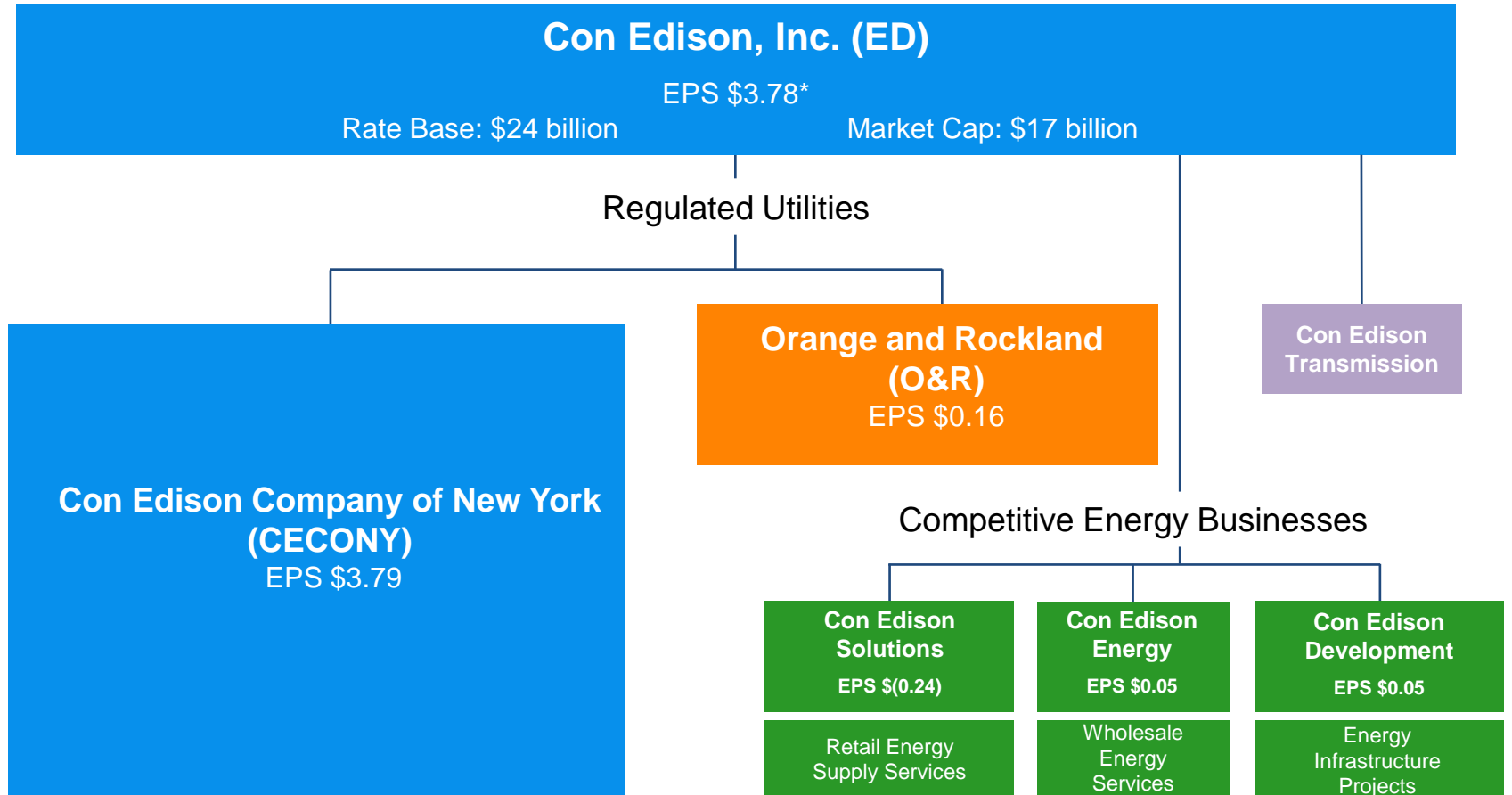




Appendix

Regulated Transmission and Distribution Focused

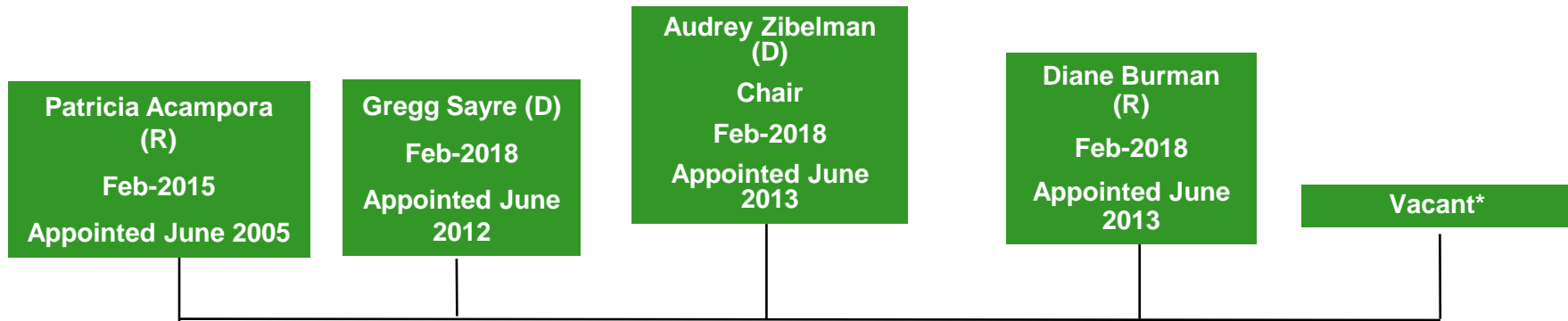
(EPS – Twelve Months Ended June 30, 2015)



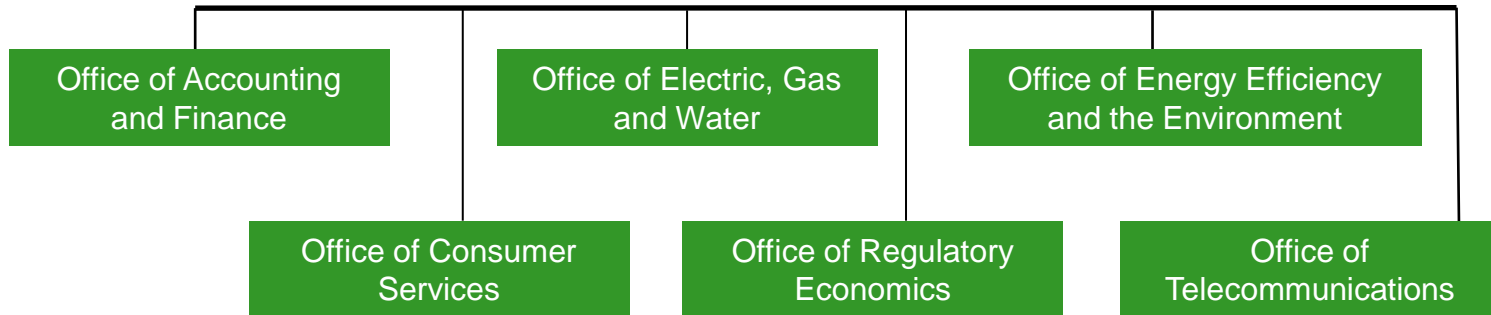
*Earnings include after-tax net mark-to-market effects of \$(0.30) and the impact of LIFO transactions of \$(0.02).

New York Public Service Commission (NY PSC)

Commissioners



PSC Staff



- Annual budget: \$84 million; Staffing: 533 employees
- Regulates: Electric (7 companies), Gas (10), Water (300), Telecom (5), Cable (30)

* Gubernatorial appointee will need Senate confirmation.

NY PSC Staff's Discounted Cash Flow Model

- The Staff employs a dividend discount model.

$$\text{Value} = \frac{D_1}{(1+R)} + \frac{D_2}{(1+R)^2} + \frac{D_3}{(1+R)^3} + \dots$$

- Solving for an equity return, R, where:
 - D_1 through D_4 = Value Line estimates
 - D_5 through D_∞ = Value Line estimates based on future earnings retention and share growth
 - Value = average of prior three monthly high and low proxy group stock prices

NY PSC Staff's Capital Asset Pricing Model

- Staff solves for an equity return, R

$$R = R_{UST} + (R_{MKT} - R_{UST}) * \beta$$

- Where:
 - R_{UST} is the risk-free return: average of prior three monthly yields for 10-year and 30-year Treasuries
 - R_{MKT} is the market rate of return: BofA Merrill Lynch's monthly *Quantitative Profiles* report (three month average)
 - β is the risk of the individual share relative to that of the market: Value Line estimate for peer group

NY PSC's Formulaic ROE Approach: Recent Decisions

Date	Company	ROE	Term	Date	Company	ROE	Term
09/06	CECONY Steam	9.80%	2 years	09/10	Energy East (RGE/NYSEG)	10.00%	40 months
10/06	O&R Gas	9.80%	3 years	06/11	Niagara Mohawk Electric	9.30%	2 years
08/07	Keyspan Gas	9.80%	5 years	06/11	O&R Electric	9.20%	1 year
09/07	CECONY Gas	9.70%	3 years	04/12	Corning Gas	9.50%	3 years
10/07	O&R Electric	9.10%	1 year	06/12	O&R Electric	9.40%	1 st year
12/07	National Fuel Gas	9.10%	1 year			9.50%	2 nd year
03/08	CECONY Electric	9.10%	1 year			9.60%	3 rd year
06/08	O&R Electric	9.40%	3 years	04/13	Niagara Mohawk Electric & Gas	9.30%	3 years
09/08	CECONY Steam	9.30%	2 years	06/13	Keyspan Gas	9.40%	2 years
04/09	CECONY Electric	10.00%	1 year	02/14	CECONY Gas and Steam	9.30%	3 years
05/09	Niagara Mohawk Gas	10.20%	2 years	02/14	CECONY Electric	9.20%	2 years
06/09	Central Hudson	10.00%	1 year	05/14	National Fuel Gas	9.10%	2 years
09/09	Corning Gas	10.70%	2 years	06/15	Central Hudson Gas & Electric	9.00%	3 years
10/09	O&R Gas	10.40%	3 years	06/15	CECONY Electric extension	9.00%	3 rd year
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				

Rate of return on equity



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

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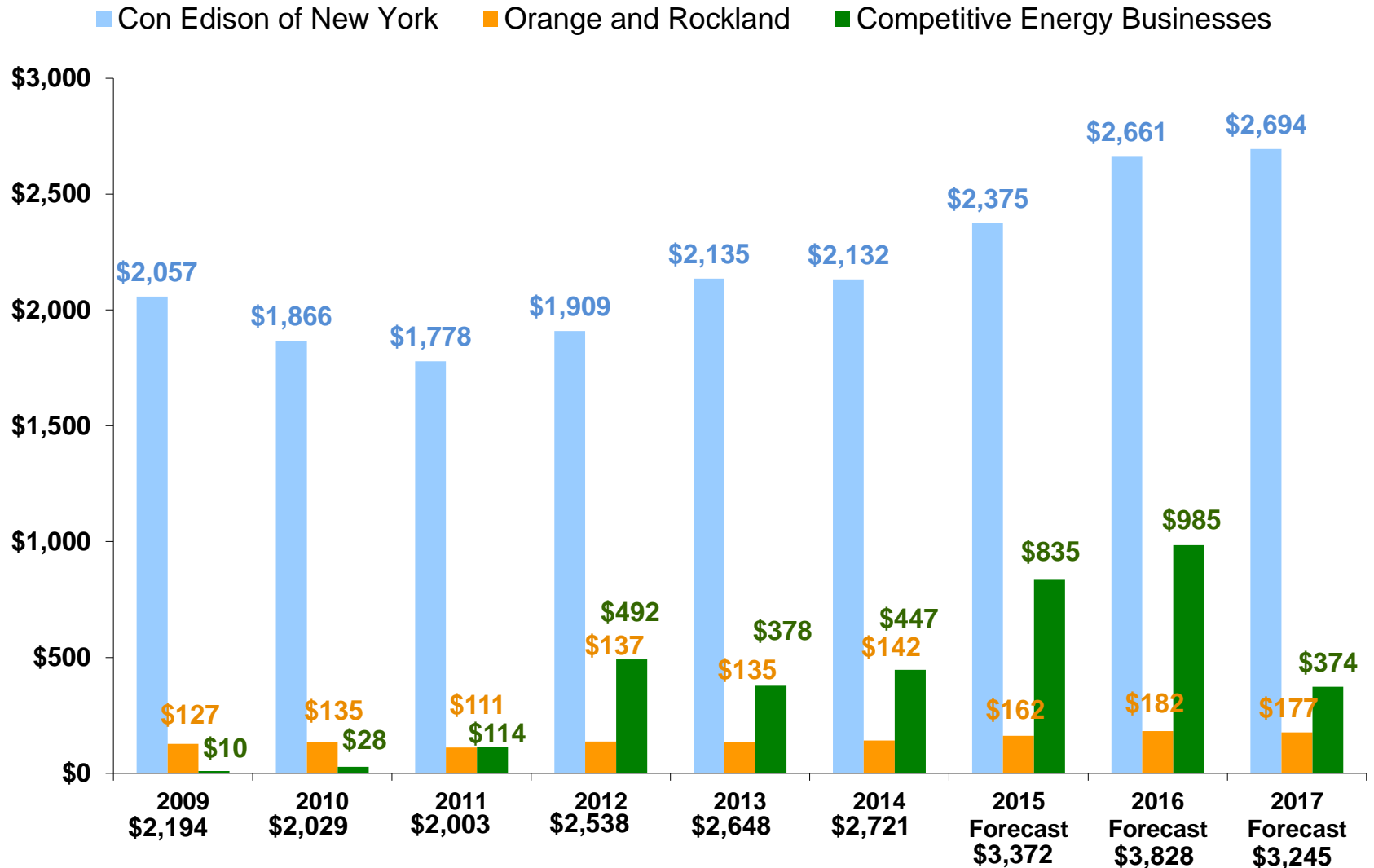
Annual Growth Rates in Weather-Adjusted Peak Usage

	10-Year Historic 2004 - 2014*	5- Year Forecast 2015 - 2020
CECONY (%)		
Electric	0.6	0.9
Gas	3.2	2.3
Steam	-1.0	-0.8
O&R (%)		
Electric	1.1	0.9
Gas	-0.4	0.6

* For Gas and Steam, historical CAGR's are from winter ending 2005 through winter ending 2015.

Capital Expenditures

(\$ millions)

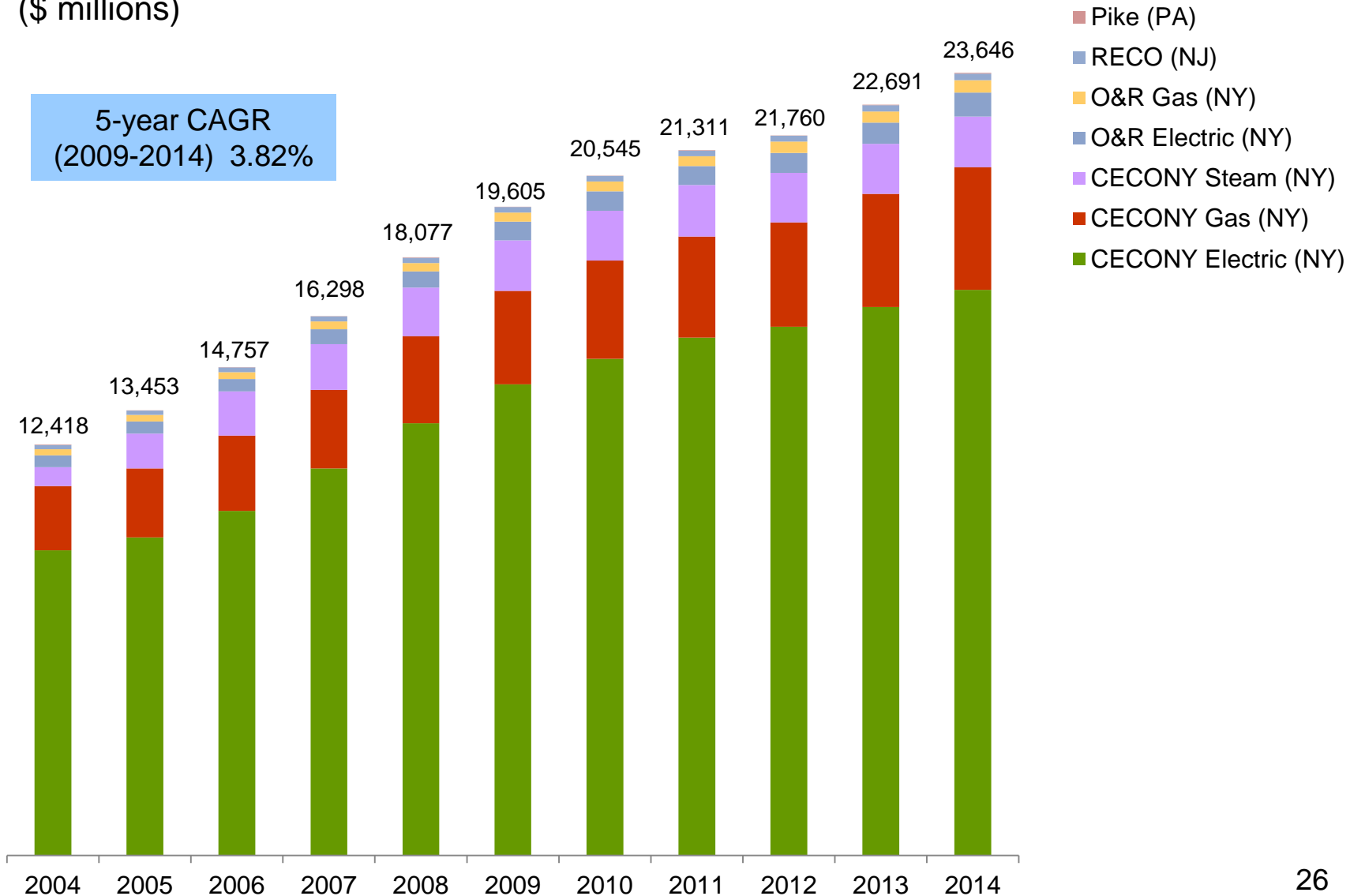


Source of forecasts: 2014 10-K, 1Q & 2Q 2015 10-Q. Estimates do not include Con Edison Transmission projects.

Consolidated Edison, Inc. Rate Base Growth

(\$ millions)

5-year CAGR
(2009-2014) 3.82%



Composition of Rate Base

(as of June 30, 2015)

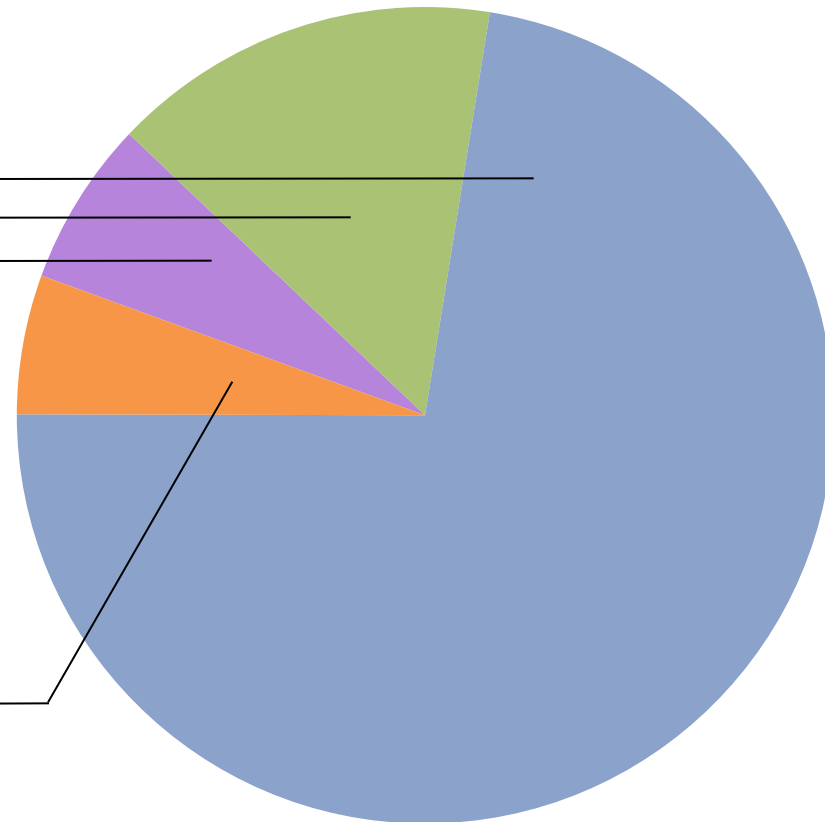
Rate Base* (\$ millions)

Con Edison of New York

Electric	(NY)	\$ 17,342
Gas	(NY)	\$ 3,826
Steam	(NY)	\$ 1,537
Total CECONY		\$ 22,705

Orange and Rockland

Pike Gas	(PA)	\$ 2
Pike Electric	(PA)	\$ 16
Rockland Electric	(NJ)	
(distribution)		\$ 180
(transmission)		\$ 20
O&R Gas	(NY)	\$ 382
O&R Electric	(NY)	\$ 755
Total O&R		\$ 1,355



Total Rate Base \$24,060

* Average rate base for 12 months ending 6/30/2015.

1H15 vs 1H14 Earnings Per Share

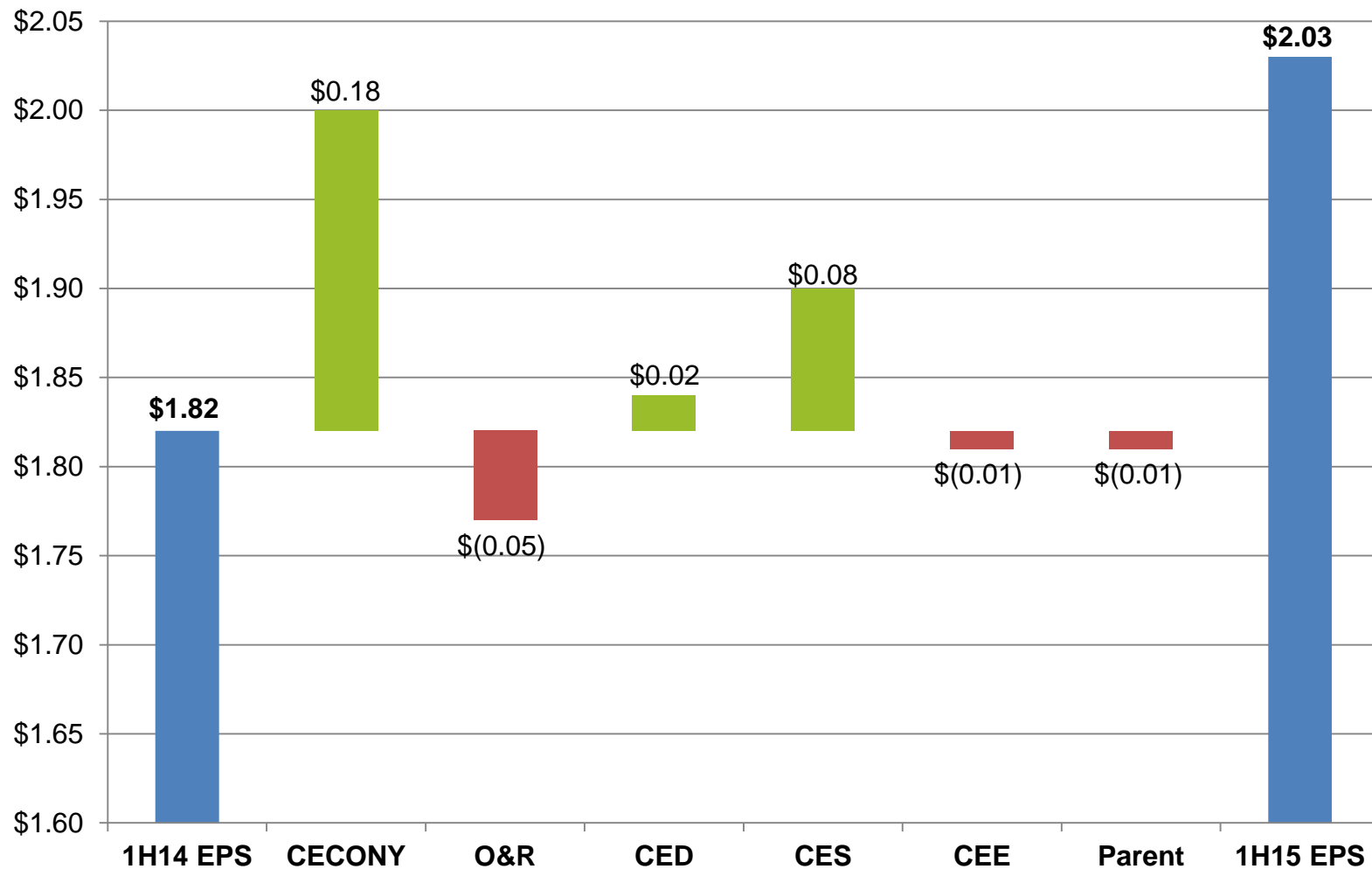
ED's 1H15 Adjusted EPS of \$2.03 compares to \$1.82 in 1H14

6 months ending June 30, 2015	CECONY	O&R	Con Edison Development	Con Edison Energy	Con Edison Solutions	Parent	Total
Reported EPS – GAAP basis	\$1.91	\$0.05	\$0.05	\$0.02	\$-	\$(0.02)	\$2.01
Mark-to-market losses/(gains)	-	-	-	-	0.02	-	0.02
Adjusted earnings	\$1.91	\$0.05	\$0.05	\$0.02	\$0.02	\$(0.02)	\$2.03

6 months ending June 30, 2014	CECONY	O&R	Con Edison Development	Con Edison Energy	Con Edison Solutions	Parent	Total
Reported EPS – GAAP basis	\$1.73	\$0.10	\$0.14	\$0.03	(\$0.03)	\$(0.01)	\$1.96
Gain on sale of solar electric production projects	-	-	(\$0.09)	-	-	-	(\$0.09)
Mark-to-market losses/(gains)	-	-	-	-	(\$0.03)	-	(0.03)
Lease In/Lease Out transactions	-	-	(\$0.02)	-	-	-	(0.02)
Adjusted earnings	\$1.73	\$0.10	\$0.03	\$0.03	(\$0.06)	\$(0.01)	\$1.82

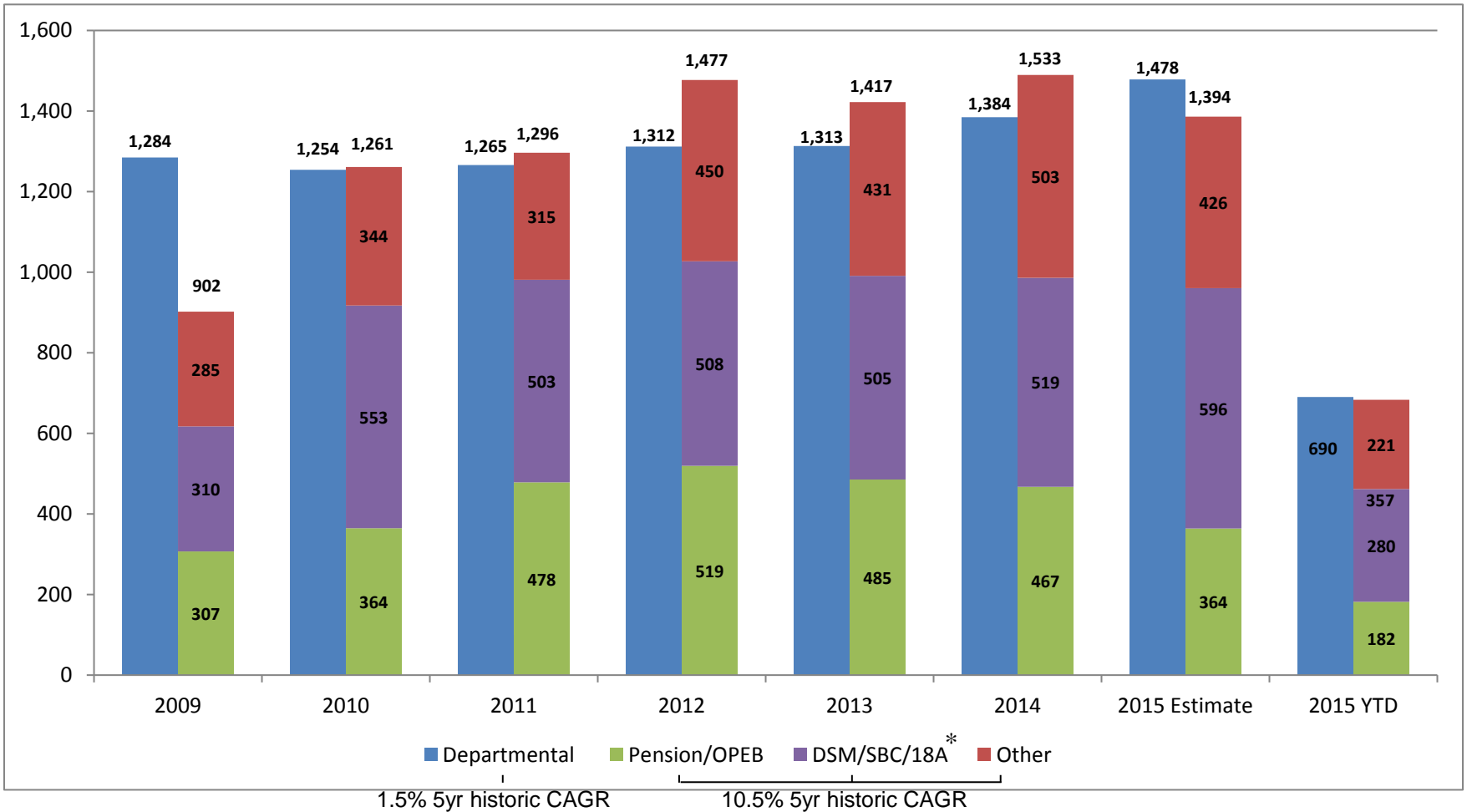
Improvement in 1H15 EPS Over 1H14 EPS

ED's 1H15 Adjusted EPS of \$2.03 compares to \$1.82 in 1H14



Departmental and Other Expenses

June 30, 2015 (\$ millions)



* Includes Demand Side Management, System Benefit Charges and 18A assessment.

Rates of Return and Equity Ratio

(for twelve months ended June 30, 2015)

	Regulated Basis		SEC Basis
	Allowed	Actual	
CECONY			
Electric	9.2%	10.0%	
Gas	9.3%	7.5%	
Steam	9.3%	12.1%	
Overall - CECONY	9.2%*	9.7%	10.0%
<i>CECONY Equity Ratio**</i>	48.0%	49.8%	
O&R			
Electric	9.6%	9.5%	
Gas	NA	0.9%	
RECO	9.8%	8.4%	
Overall – O&R	9.8%*	6.9%	7.7%
<i>O&R Equity Ratio</i>	48.0%	51.1%	

* Weighted by rate base and for O&R, reflects the last allowed return for gas of 10.4%.

** Average for trailing twelve months.

2015 Financing

- Issue between \$1,000 million and \$1,500 million of long-term debt, including maturities
- Activity so far: In June 2015, O&R issued \$120 million aggregate principal amount of 4.95% debentures, due 2045. Also in June 2015, a Con Edison Development subsidiary issued \$118 million aggregate principal amount of 3.94% Senior Notes, due 2036. The Notes are secured by four of the company's solar projects
- No equity issuance other than through the company's stock plans

Schedule of Debt Maturities

(\$ millions)	2015	2016	2017	2018	2019
Con Edison, Inc. – parent company	\$ 2	\$ 2	\$ 2	\$ 2	\$ 3
Con Edison of New York	350	650	-	1,200	475
Orange and Rockland	143	79	4	58	62
Competitive energy businesses	65	-	-	-	-
Total	\$ 560	\$ 731	\$ 6	\$ 1,260	\$ 540

2015

- CECONY \$350 million debenture maturing in December, 5.375%
- O&R \$40 million debenture matured in April, 5.3%
- O&R \$55 million debenture matured in August, 2.5%
- O&R \$44 million debenture maturing in August, variable rate

2016

- CECONY \$400 million debenture maturing in September, 5.5%
- CECONY \$250 million debenture maturing in December, 5.3%
- O&R \$75 million debenture maturing in October, 5.45%

Capital Structure — June 30, 2015

(\$ millions)

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

Debt	\$12,385	49%
Equity	12,788	51
Total	\$25,173	100%

Con Edison of New York A2 / A- / A-

Debt	\$11,215	50%
Equity	11,232	50
Total	\$22,447	100%

Orange and Rockland A3 / A- / A-

Debt	\$678	54%
Equity	585	46
Total	\$1,263	100%

Competitive and Parent

Debt	\$492	34%
Equity	971	66
Total	\$1,463	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; each rating has a stable outlook.

Liquidity Adequacy

\$2,250 million CEI Consolidated revolving credit facility

