

Chairman's Letter

Con Edison is committed to being a next-generation clean energy company. As we move forward, we are finding encouraging growth and development opportunities. To enhance our company's sustainability, we have a strategy in place to guide our success.

With a focus on preserving and protecting the environment, adhering to sound business practices, and maintaining our position as a leader and innovator in the energy industry, our company will continue to integrate sustainability into our programs and policies to ensure that we deliver results for our customers, employees, communities, and shareholders.

We maintain a keen focus on our three corporate priorities – the safety of our people and the public, operational excellence in all we do, and providing a great customer experience. We finished 2017 with the lowest injury rate in our company's history, and we're equally focused on public safety.

We are positioned to excel in a new business environment where customers want clean and renewable energy, as well as reliability and affordability. This year, the company purchased nearly 1,000 MW of renewable energy projects from Sempra Energy, a west coast company, worth \$2.1 billion. Adding these valuable renewable projects to the portfolio of our Clean Energy Businesses moves us from the sixth to the second largest solar producer in North America. We're now an even bigger player in the fastest growing field in the energy industry: renewable power.

The new assets include nine solar and one wind generating facilities. The move makes us the owner and operator of some of the premier solar farms in the country. They cement our national reach of renewable energy in 17 states.

At the same time, our commitment to sustainability at home never wavers. When the New York League of Conservation Voters honored us last year, the group said we are "forging the path for a new energy future," and because of our "significant investments in smart meters, resilient cables and flood-proof equipment, Con Edison has established itself as an innovative leader on the front lines of mitigating and adapting to the effects of climate change."

Our programs are strongly aligned with New York City and New York State's energy initiatives, which have the goals to reduce greenhouse gas emissions, generate more energy from renewable resources, and increase energy efficiency. Since 2005, we have reduced our carbon footprint by 49 percent. That's equal to taking 500,000 cars off the road. We have also converted 6,800 large buildings in New York City from higher-polluting, higher-cost liquid fuels to cleaner natural gas.

Since 2009, our energy efficiency programs have helped more than 600,000 customers make upgrades that have prevented 1.4 million tons of carbon emissions. That's equal to removing almost 300,000 vehicles from the streets. Another benefit to the environment is already underway: We are installing 5.3 million smart meters in our service territory by 2022, making it easier for customers to make more informed decisions about how they use energy and to integrate solar energy into the grid.

Over the next three years, we will double the level of gas energy efficiency we can offer customers and reduce overall usage during peak demand periods while supporting the city and state's climate and clean-energy goals.

We take seriously the challenges posed by climate change. We expect to invest \$9.5 billion in the next three years on our energy systems to improve safety, maintain reliability, and reduce risk. Our core energy systems are the backbone of our operations today and will continue to serve as the connective tissue for new technologies.

The need to have a positive impact in our communities has always been of paramount importance to us. In keeping with that mission, we will use solar panels on our rooftops to provide renewable energy for low-income customers. Throughout our communities in 2017, our company gave \$12.6 million to support local nonprofits and our employees donated thousands of hours volunteering.

We know that our employees are among our biggest strengths. Our diversity and inclusion strategy aims to create a culture that celebrates fairness, respect, and inclusion. Employee resource groups, such as those organized by veterans, Hispanics, and LGBTQ employees, help make us a stronger and more sustainable company.

It takes teamwork, a consistently concerted effort, and a commitment to succeed to meet the needs of the more than 10 million people in our service area while also safeguarding the environment. In our Sustainability Report, we will show you how the women and men of Con Edison are doing exactly that.

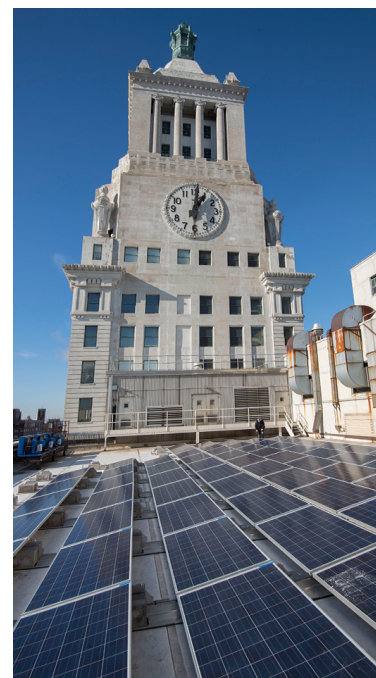
— **John McAvoy,**
Chairman, President, and Chief Executive Officer, Consolidated Edison, Inc.

Company Profile

Consolidated Edison, Inc. is one of the nation's largest investor-owned energy companies, with approximately \$12 billion in revenues and \$50 billion in assets. The company provides a wide range of energy-related products and services to its customers through the following subsidiaries:

- **Consolidated Edison Company of New York, Inc. (CECONY)** (<http://www.coned.com/>), a regulated energy company providing electric, gas and steam service to customers in New York City and Westchester County
- **Orange & Rockland Utilities, Inc. (O&R)** (<http://www.oru.com/index.html>), a regulated energy company serving customers in a 1,300-square-mile area in southeastern New York State and northern New Jersey
- **Con Edison Clean Energy Businesses, Inc. (CEB)** (<https://conedceb.com/>), which through its subsidiaries develops, owns and operates renewable energy infrastructure projects and provides energy-related products and services to wholesale and retail customers
- **Con Edison Transmission (CET)** (<http://www.conedtransmission.com/>), which through its subsidiaries invests in electric and natural gas transmission projects

Read our 2017 Annual Report (<http://investor.conedison.com/phoenix.zhtml?c=61493&p=irol-reportsannual>).



Revenue by Business

• CECONY Electric	\$7,972
• CECONY Gas	\$1,901
• CECONY Steam	\$595
• O&R Electric	\$642
• O&R Gas	\$232
• CEB	\$694



Sustainability Strategy

Con Edison embeds sustainability goals, processes, and metrics into our core business strategy and operations to create lasting value for our communities and customers. To that end, we have developed a tighter integration between our sustainability priorities and our long-range planning. Additionally, we have established a Vice President-level Environment, Social, and Governance Committee as well as a Sustainability Leadership Council to strengthen sustainability governance across all aspects of our company.

We worked with BSR, a leading sustainability consulting firm, to help us refresh our materiality assessment and determine our key sustainability priorities.

These sustainability priorities, listed below, reflect our core business areas of focus: Safety & Environment, Operational Excellence, and Customer & Community. More details on each of these priorities can be found in this report.

Safety & Environment

- [Employee Health & Safety](http://coned2016.dev.limusdesign.com/safety-and-environment/employee-health-safety/) (<http://coned2016.dev.limusdesign.com/safety-and-environment/employee-health-safety/>)
- [Public Safety](http://coned2016.dev.limusdesign.com/safety-and-environment/public-safety/) (<http://coned2016.dev.limusdesign.com/safety-and-environment/public-safety/>)
- [GHG Emissions Reductions](http://coned2016.dev.limusdesign.com/safety-and-environment/ghg-emissions-reductions-introduction/) (<http://coned2016.dev.limusdesign.com/safety-and-environment/ghg-emissions-reductions-introduction/>)
- [Air Quality/Non-GHG Emissions](http://coned2016.dev.limusdesign.com/safety-and-environment/air-quality-non-ghg-emissions/) (<http://coned2016.dev.limusdesign.com/safety-and-environment/air-quality-non-ghg-emissions/>)
- [Waste Management](http://coned2016.dev.limusdesign.com/safety-and-environment/waste-management/) (<http://coned2016.dev.limusdesign.com/safety-and-environment/waste-management/>)
- [Habitat & Biodiversity](http://coned2016.dev.limusdesign.com/safety-and-environment/habitat-biodiversity/) (<http://coned2016.dev.limusdesign.com/safety-and-environment/habitat-biodiversity/>)
- [Electric Vehicles](http://coned2016.dev.limusdesign.com/safety-and-environment/electric-vehicles/) (<http://coned2016.dev.limusdesign.com/safety-and-environment/electric-vehicles/>)
- [Oil-to-Gas Conversions](http://coned2016.dev.limusdesign.com/safety-and-environment/oil-to-gas-conversions/) (<http://coned2016.dev.limusdesign.com/safety-and-environment/oil-to-gas-conversions/>)
- [Water](http://coned2016.dev.limusdesign.com/safety-and-environment/water/) (<http://coned2016.dev.limusdesign.com/safety-and-environment/water/>)
- [ISO Certification](http://coned2016.dev.limusdesign.com/safety-and-environment/iso-certification/) (<http://coned2016.dev.limusdesign.com/safety-and-environment/iso-certification/>)

Operational Excellence

- [Physical/Cyber Security & Data Privacy](http://coned2016.dev.limusdesign.com/operational-excellence/physical-cybersecurity-data-privacy/) (<http://coned2016.dev.limusdesign.com/operational-excellence/physical-cybersecurity-data-privacy/>)
- [Ethical Business Practices](http://coned2016.dev.limusdesign.com/operational-excellence/ethical-business-practices/) (<http://coned2016.dev.limusdesign.com/operational-excellence/ethical-business-practices/>)
- [Climate Resilience](http://coned2016.dev.limusdesign.com/operational-excellence/climate-resilience/) (<http://coned2016.dev.limusdesign.com/operational-excellence/climate-resilience/>)
- [Core System Upgrades](http://coned2016.dev.limusdesign.com/operational-excellence/core-system-upgrades/) (<http://coned2016.dev.limusdesign.com/operational-excellence/core-system-upgrades/>)
- [Supply Chain](http://coned2016.dev.limusdesign.com/operational-excellence/supply-chain/) (<http://coned2016.dev.limusdesign.com/operational-excellence/supply-chain/>)
- [Governance](http://coned2016.dev.limusdesign.com/operational-excellence/governance/) (<http://coned2016.dev.limusdesign.com/operational-excellence/governance/>)

Customer & Community



- [Stakeholder Engagement & Collaboration](http://coned2016.dev.limusdesign.com/customer-and-community/stakeholder-engagement-collaboration/) (<http://coned2016.dev.limusdesign.com/customer-and-community/stakeholder-engagement-collaboration/>)
 - [Energy Efficiency, Renewables, & Distributed Energy](http://coned2016.dev.limusdesign.com/customer-and-community/distributed-energy-resources/) (<http://coned2016.dev.limusdesign.com/customer-and-community/distributed-energy-resources/>)
 - [Talent Attraction, Development, & Retention](http://coned2016.dev.limusdesign.com/customer-and-community/talent-attraction-development-retention/) (<http://coned2016.dev.limusdesign.com/customer-and-community/talent-attraction-development-retention/>)
 - [Workforce Diversity & Inclusion](http://coned2016.dev.limusdesign.com/customer-and-community/workforce-diversity-inclusion/) (<http://coned2016.dev.limusdesign.com/customer-and-community/workforce-diversity-inclusion/>)
 - [Training & Professional Development](http://coned2016.dev.limusdesign.com/customer-and-community/training-professional-development/) (<http://coned2016.dev.limusdesign.com/customer-and-community/training-professional-development/>)
 - [Volunteerism](http://coned2016.dev.limusdesign.com/customer-and-community/volunteerism/) (<http://coned2016.dev.limusdesign.com/customer-and-community/volunteerism/>)
-

R&D/Innovation

Innovative spirit and hard work are two of our company's greatest assets. Our research and development teams work diligently to find solutions that make the workplace safer and improve our customers' quality of life. Our numerous ongoing projects are described below.

Safety

We are using:

- a machine with advanced automated technology that allows workers to remotely perform key cable-splicing operations, first of its kind for a utility company
- drones to inspect steam boilers as high as 150 feet; a spherical cage protects the drone from making contact with the boiler tubes and burners
- two ergonomic devices that reduce the risk of back injuries caused by repetitive motion or heavy work; one device is worn over a worker's clothes, the other clips onto a worker's belt

Operational Excellence

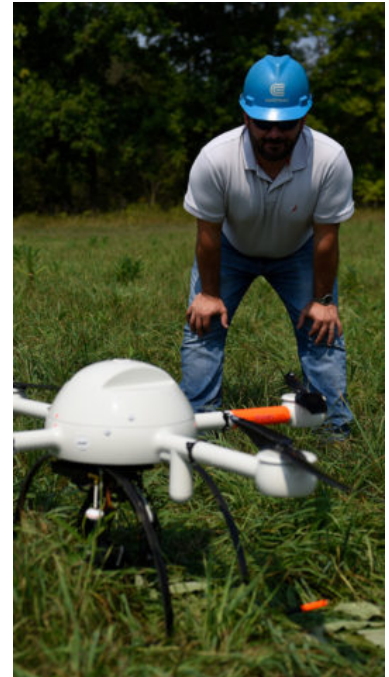
We are:

- employing technologies that estimate emissions from non-hazardous leaks in our gas distribution system to repair leaks with the highest natural gas emissions
- conducting non-intrusive detection for anomalies (disbondment) on the corrosion-protective coating on buried transmission pipes to reduce dielectric fluid leaks
- collaborating with energy companies and the Department of Homeland Security to review best practices in cybersecurity at electric-steam generating plants and at our gas facilities
- endeavoring to better control voltage levels on feeder lines that run from substations to the electric distribution system to increase efficiency, reduce overall energy use, manage energy demand during peak periods, and help facilitate the integration of solar and other distributed energy resources

Customer Experience

We have:

- installed advanced steam-heating control in a Long Island City building that lets occupants use a smart wall thermostat to schedule their desired apartment temperature, giving customers control to save money and increase comfort
- implemented testing software that can provide financial incentives to customers who charge their electric vehicles during our system's off-peak periods and we are deploying the Connect DER meter collar to facilitate customer installations of solar generation; the meter collar fits right onto the Con Edison electric meter, obviating the need for a separate device to meter the output of the solar panels and renewable energy credits generated
- worked with the Fire Department of New York on a first-of-its-kind program to test the safety of lithium ion and other battery chemistries before they are installed in large city buildings
- been pursuing improvements to residential natural gas detector technology since 2014 that includes lowering the technology's detection level; in 2016, New York City enacted Local Law 157, requiring the Department of Buildings to create standards and regulation for widespread customer adoption, and we are working with the agency to do so



Awards & Recognition

As we continue to serve our customers, promote safety and help preserve the environment, we receive many plaudits and prestigious awards for our projects and operational excellence. Here is a sample from our list of recent honors:

- **The New York League of Conservation Voters**, a group that includes business leaders, politicians and environmental leaders, honored us for “forging the path for a new energy future” at its 2017 gala
- Our company was recognized by **PA Consulting Group** with their ReliabilityOne Northeast Region Award for Outstanding Reliability Performance
- Our company has been recognized as one of the nation’s top employers: **Hispanic Network** named us to its “Best of the Best” list of America’s top companies; **Latina Style** selected us as one of the 50 best companies for Latinas for the 13th year; **Black Enterprise** magazine included us on their list of the top 50 companies for diversity; **Forbes** put us on their best employers list at #176 – in the top 10 of 22 energy companies; **DiversityInc** ranked us #6 for top energy companies in hiring, training, and promoting a diverse workforce
- Con Edison has been honored in 2018 as an Energy Star® Partner of the Year by the **Environmental Protection Agency** for our “outstanding support of Energy Star-certified products as it leverages the Energy Star certification platform to guide its customers to better energy usage decisions”
- Con Edison is #48 overall among U.S. companies – and #5 among U.S. energy companies – in the 2017 **Newsweek Green** Rankings; Newsweek ranks companies based on corporate sustainability and environmental impact
- 10 Con Edison employees won Technology Transfer Awards from the **Electric Power Research Institute**, a national energy research organization
- Con Edison won the prestigious award for Outstanding Corporate Supplier Diversity Program at the 45th Anniversary Reception & Awards Program held by the **National Minority Business Council**, one of the nation’s oldest minority business development & advocacy organizations
- Con Edison scored 95 out of 100 on the **Human Rights Campaign’s** 2018 Corporate Equality Index, which rates workplaces on lesbian, gay, bisexual, and transgender equality
- Con Edison and O&R was one of **EEL’s Emergency Assistance Award** winners for our response to Hurricanes Harvey and Irma
- O&R has been **United Way of Rockland County’s** largest corporate donor for 17 consecutive years, contributing \$4.5 million since partnering with the organization in 1993
- O&R became the first East Coast-based utility to be **Gold Shovel Standard**-certified; all employees who break ground as part of their job completed their excavator training

Sustainability is an umbrella that covers everything we do as a company.

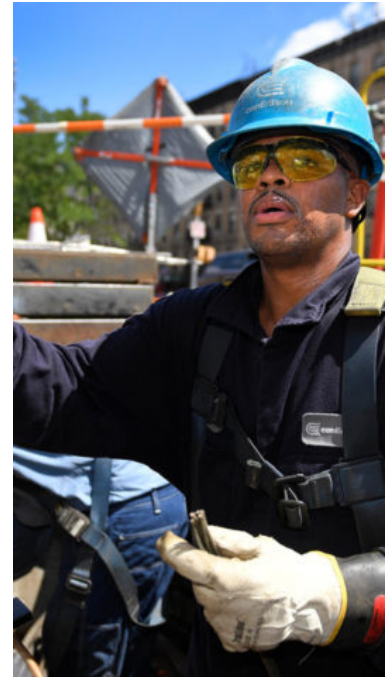
Employee Health & Safety

As a measurement of progress toward a zero-harm workplace, the company is pursuing a reduction in the OSHA injury and illness incidence rate to 1.00 by 2019 (calculated in accordance with Bureau of Labor Statistics' methodology). We are also specifically focused on the elimination of severe injuries and have set a goal of zero high-hazard injuries.

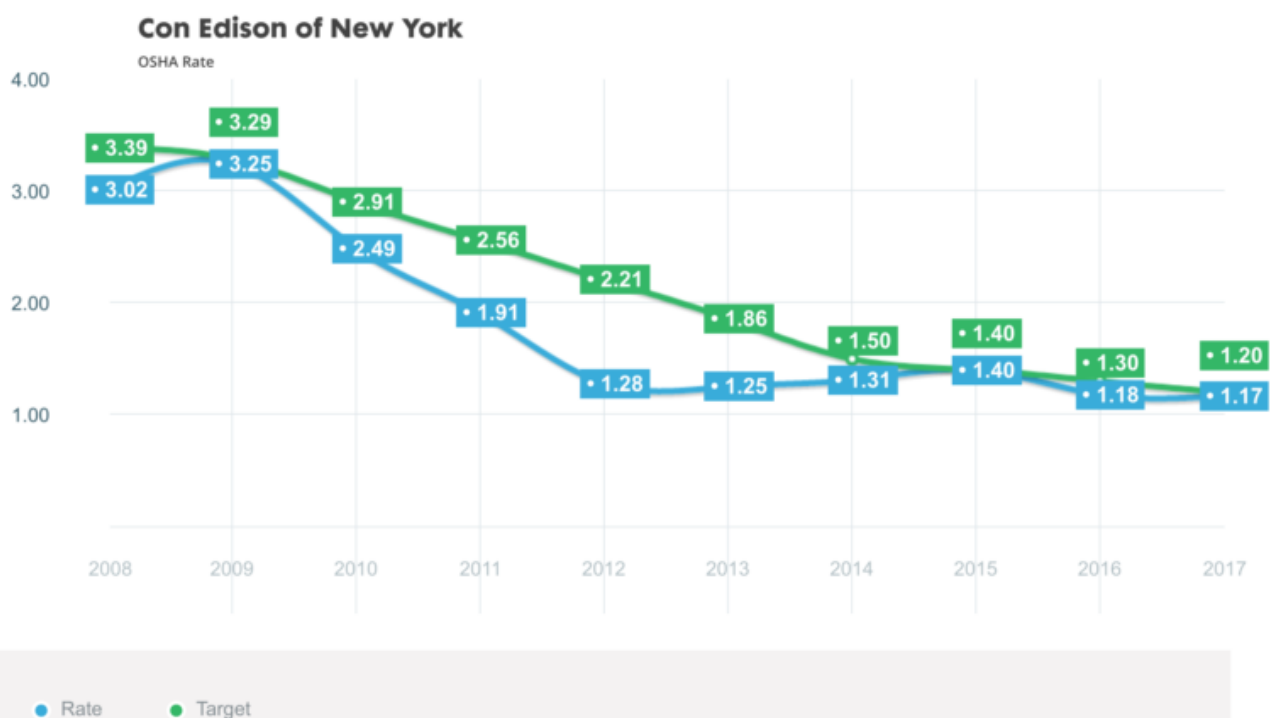
CECONY's 1.17 injury and illness rate in 2017 surpassed our goal of 1.20. We had 126 recordable employee injuries last year, an improvement from 137 in the previous year. CECONY has reduced injuries by more than 60% since 2009; O&R has seen a 50% reduction in injuries since 2009.

Among the reasons for the improvement:

- strong, constructive partnerships between management and union leadership on safety
- formalized job planning, with special emphasis on high-energy jobs, in every organization
- open communication and inclusion on every job at every level
- pursuit of event precursors as means to promote further improvement
- institutionalization of error-avoidance tools

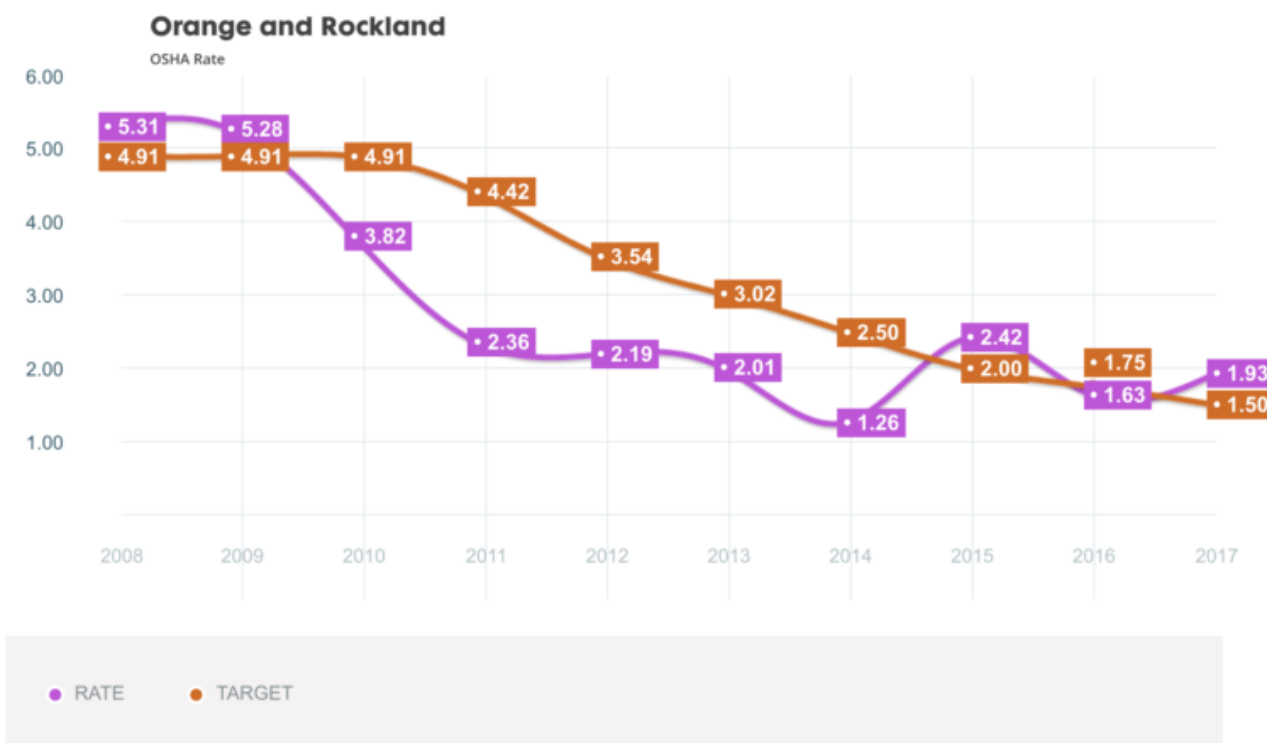


Con Edison of New York



Orange and Rockland continues our progress toward a zero-harm workplace, with continued improvement thanks to our joint union-management Corporate Safety Committee, Company Safety Team, and 12 organization-specific safety teams. The company is seeking to have an injury and illness incidence rate in the first quartile when compared to our utility peers; our 2019 target is 1.0. We are trying to improve our driving performance and have installed outward- and inward-facing cameras in many of our vehicles. Our communications program incorporates lessons learned from these cameras, root cause analysis results (from injury and collision reviews), close call reporting, and other measures that have also contributed to our overall performance.

Orange and Rockland



Public Safety

We invested more than \$2.9 billion in 2016 to fortify our electric, gas, and steam infrastructure. This investment underscores our commitment to providing energy to millions of customers efficiently and responsibly while protecting the environment and keeping people safe throughout our service area.

ELECTRIC

CECONY continues to develop tools, techniques, and management strategies to improve safety, troubleshooting, and program efficiency. Distribution Engineering and Electric Operations teams developed thermal imaging of secondary assets and mobile contact voltage (also known as stray voltage) scanning in high-activity areas, and introduced latched vented covers. These efforts complement previously existing programs including contact-voltage detection, cover venting, and underground inspection.

CECONY's underground networks are surveyed for contact voltage 12 times a year, using mobile detectors. In 2017, we found and eliminated 9,856 cases of contact voltage. Of those, 9,150 cases (93%) were on non-CECONY equipment (streetlights, electric signs, and other structures). We performed more than 26,000 inspections of our underground system (manholes, service boxes, and transformer vaults).

O&R's electric system testing is completed at least once every five years. In 2017, O&R found and eliminated 12 cases of contact voltage, all on company-owned equipment, and performed 34,426 inspections and 29,307 tests.

In an emergency, our crews serve the public wherever we are needed. In 2017, we supported restoration in Binghamton and Rochester NY, Puerto Rico, Florida and South Carolina.

GAS

As part of our ongoing effort to reduce our carbon footprint and sharpen our focus on natural gas safety, we worked with the New York State Public Service Commission, New York City and the Environmental Defense Fund to develop a program to identify and reduce emissions from small volume, non-hazardous leaks of methane gas. Although not mandated by regulations, non-hazardous leaks were historically prioritized and scheduled for repair based on the availability of resources and other factors such as age of leak and complexity of the repair. In 2017, we focused on reducing the backlog of the non-hazardous leaks by successfully prioritizing and eliminating 140 out of the top 150 gas emitters. We continued to maintain historically low levels of our total leaks through 2017 and reduced the time it takes to repair all of our leaks to less than 30 days on average.

We have greatly increased investments in modernizing our gas infrastructure to further enhance public safety and reduce leaks, including accelerating our cast iron and unprotected steel gas main replacement program. We continue to perform monthly system-wide gas leak patrols of our entire gas distribution system, and improved our emergency response procedures with the Fire Department of New York as well as our coordination with key city agencies. We are also working closely with the New York City Department of Buildings to establish requirements and protocols related to building gas pipe inspections (Local Law 152) and the mandated use of residential methane detectors in most living spaces (Local Law 157). Additionally, we launched a pilot program in fourth quarter 2018 to install natural gas detectors near the gas service entry inside buildings that will communicate leakage alarms to our emergency response center.

Con Edison has a comprehensive, multi-channel and multilingual campaign to educate customers and the public at large – an estimated nine million people across New York City and Westchester County – about gas safety and the urgency of reporting gas leaks. The company reaches customers primarily through direct mailings, youth outreach efforts, advertising, digital initiatives (such as email campaigns, conEd.com and social media), and community events.

We also continued our successful media campaign, "Smell Gas, Act Fast," featuring videos and social media posts that inform customers on what to do if they smell gas. The videos are communicated in English, Spanish, Chinese, and Korean.

STEAM



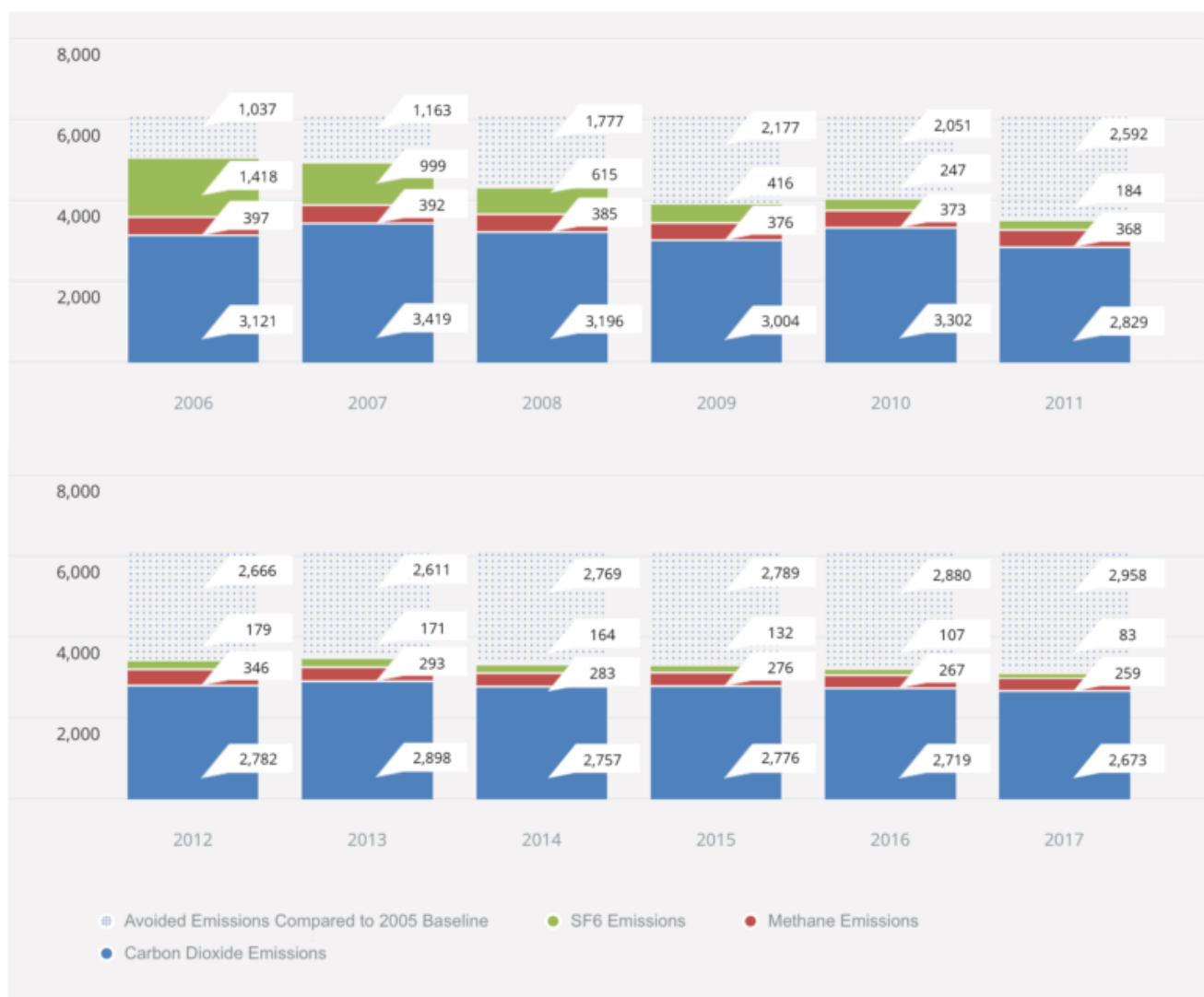
We provide steam service for approximately 2.5 million people in Manhattan through an underground network of pipes. By generating steam primarily through co-generation, we provide efficient production and reduce emissions that would otherwise be generated by localized boilers and equipment. We focus on identifying ways to lower costs to customers, maintain high reliability, improve resiliency, and protect the environment. In 2017, we continued to achieve safe and efficient operations while meeting our customers' needs and maintaining focus on continued bill reductions. We maintained an overall reliability rate of 100% and met a peak demand of 7.8 million pounds of steam on January 9, 2017.

GHG Emissions Reductions

We are committed to reducing our carbon footprint and firmly support efforts by local, state, and federal agencies to reduce greenhouse gas (GHG) emissions. We have reduced our carbon emissions by 49% since 2005. Sixty percent of CECONY's annual steam production comes from co-generation, which lowers emissions by one million tons of carbon dioxide (CO₂) per year. We work voluntarily with the U.S. Environmental Protection Agency (EPA) to lower emissions of sulfur hexafluoride (SF₆) from our electrical equipment. We joined 40 other companies as a founding partner in the EPA's Natural Gas STAR Methane Challenge Program with the aim of reducing methane emissions. Our residential methane detectors provide customers with a vital warning signal for potential gas leaks. After collaborating with the Environmental Defense Fund, we developed improvements to our leak-detection and repair programs.

We also have begun installing smart meters in our service area, which helps lower carbon emissions through conservation voltage optimization – giving customers just the right amount of voltage they need at their outlets and not more.

Con Edison, Inc. Direct GHG Emissions - Scope 1



Scope 1: Direct greenhouse gas emissions from CEI-owned or controlled sources (e.g., steam generating stations)

STEAM ENVIRONMENTAL EFFORTS

We strive to provide customers with FDA quality steam, of which 60% is co-generated. Because the steam is co-generated, customers can apply for points toward their Leadership in Energy and Environmental Design (LEED) certification and increase their score in Energy Star's Portfolio Manager. Our co-generated steam reduces CO₂ emissions by approximately 25% of what would have been otherwise emitted through traditional boilers – that's equal to removing approximately 200,000 vehicles from the road every year. Our customers also benefit from the advantages of steam being a district heating system through the absence of onsite emissions.

In 2016 and 2017, the steam system achieved its lowest historical fuel oil usage levels, using only 2% fuel oil and 98% natural gas. This was a result of steam system enhancements such as using natural gas as a primary fuel instead of fuel oil and the warmer-than-normal weather that minimized limitations on the gas supply system, which would have required backup fuel.



ENERGY EFFICIENCY CUSTOMERS' EMISSIONS

Con Edison and O&R continued to excel in energy efficiency, resulting in lower bills for customers, cleaner air and a solidifying of our No. 1 position for reliable service. We gave customers who chose energy-saving HVAC, lighting, building management systems and other equipment more than \$40 million in incentives. As of June 2018, customers got a discount of up to 50% on energy-saving light-emitting diode (LED) bulbs bought directly from Con Edison Marketplace. For a household that uses 10 LED bulbs an average of six hours a day, there's a potential annual energy savings of \$121.65 compared to using incandescent bulbs.

We're offering households and businesses better ways to reduce their energy usage through advice on how to take advantage of programmable thermostats, sophisticated building management systems, the latest in lighting, and other technologies. Upgrades made by CECONY customers through our energy efficiency programs in 2017 reduced electrical usage by 354,000 megawatt hours and saved 416,000 dekatherms of gas – equal to taking more than 61,000 cars off the road. Since 2009, CECONY has paid customers more than \$343 million to make upgrades.

Energy Efficiency – Avoided Emissions (thousand metric tons)

2009	2010	2011	2012	2013	2014	2015	2016	2017
0.4	33	94	104	99	118	107	191.6	285.5

In 2018, through our residential energy efficiency program, we provided food banks in New York City and Westchester County with 200,000 high-efficiency light bulbs; the food banks then work with affiliated organizations to distribute the packs to Con Edison residential customers who meet income guidelines. The LED bulbs will save an estimated 7.1 terawatt hours of power per year.

We also have energy efficiency programs for multi-family and business customers that offer upgrade incentives to save energy and lower bills. In 2017, CECONY paid out approximately \$13 million to commercial and industrial customers, \$18 million to small businesses, \$7 million to owners of multi-family buildings, and \$6 million to residential customers.

O&R energy efficiency programs lowered electrical usage by 32,116 megawatt hours (MWh) and saved 9,202 dekatherms of gas, which is equal to taking 4,522 cars off the road.

Of the total O&R rebates issued during 2017, two large projects are highlighted. One is a large pharmaceutical company in Rockland County, NY, with the total project estimated to save the facility 2,926 MWh, equating to approximately \$270,000 per year. The other is a large industrial company in Orange County, NY, estimated to save the customer 2,030 MWh, equating to approximately \$220,000 per year.

O&R expanded [My ORU Store \(https://www.myorustore.com/\)](https://www.myorustore.com/), its online customer marketplace for energy efficiency products and services. This single online platform delivers a branded marketplace experience offering energy-wise products, home services, and program enrollments. Product categories include LED lighting, advanced power strips, water-energy saving devices, Wi-Fi thermostats, connected home products, portable power, electric vehicle chargers and home services provided by local contractors. My ORU Advisor was also launched, providing customers personalized usage analysis along with comparisons to efficient and similar homes, customized energy saving tips, product recommendations, and the ability to earn rewards for taking simple steps that help save energy and money.

Through My ORU Store, O&R partnered with the local water utility, SUEZ NY, to help support their water conservation program by offering instant rebates to mutual customers on water and energy efficient products. The program strives to help customers save water and energy and in turn lower their utility bills.

Learn more about how energy-efficiency upgrades can save money and protect the environment at our [Manage Energy \(http://manage-energy.coned.com/#front\)](http://manage-energy.coned.com/#front) microsite.

O&R 2017 Energy Efficiency Program Savings

Program	Dth	MWh	GHG Reduction (short tons CO ₂)	Cars Taken Off the Road	\$ Rebates Paid	# Rebates Paid
Commercial Program	-	30,142	20,717	4,408	\$3,502,675	481
Residential Program	9,202	1,974	538	115	\$536,212	3,781
Total	9,202	32,116	21,255	4,522	\$4,038,887	4,262

O&R 2009-2017 Energy Efficiency Program Savings

Program	Dth	MWh	GHG Reduction (short tons CO ₂)	Cars Taken Off the Road	\$ Rebates Paid	# Rebates Paid
Total	118,673	148,972	103,009	21,917	\$25,240,880	25,923

REDUCTION OF SF₆ EMISSIONS

In the past decade, we have greatly reduced emissions of SF₆ (sulfur hexafluoride), a greenhouse gas with a warming potential more than 22,000 times higher than carbon dioxide. SF₆ is a non-toxic, non-flammable gas that can remain in the atmosphere for up to 3,200 years. There is no viable alternative to SF₆, which is a highly efficient insulating medium and arc extinguisher used throughout the energy industry in different types of equipment, including high-voltage breakers and gas-insulated switchgear. But limiting SF₆ emissions is imperative for a cleaner environment.

In accordance with a 1999 Memorandum of Understanding between the U.S. Environmental Protection Agency and Con Edison, we agreed to reduce SF₆ emissions by 5% annually from a 1996 baseline. In 2017, we released about 97% less SF₆ than in 1999. Our reductions in SF₆ emissions have resulted from maintenance programs that address SF₆ gas leaks and targeted replacement of our equipment. To further limit SF₆ emissions, our Fix-It-Now team makes rapid repairs a priority and emphasizes best management practices for gas handling.



Con Edison, Inc. GreenHouse Gas Emissions (Pie Chart)

• CO ₂	2.67
• CH ₄	0.26
• SF ₆	0.08



LEAKS

Con Edison performs gas leak surveys that far exceed the survey interval requirements prescribed by Federal and NY State regulations for identifying natural gas leaks on a timely basis. And to continuously improve our leak survey process, we seek out new leak detection technology that includes piloting Picarro Surveyor, evaluating ABB Mobileguard, and working with Colorado State University – an expert on methane emissions.

In 2016, as part of the gas rate case settlement, we committed to continue our work with the Environmental Defense Fund and others to further enhance our leak detection efforts.

METHANE CHALLENGE

In 2016, Con Edison joined 40 other local distribution companies as a founding partner in the EPA's Natural Gas STAR Methane Challenge program to reduce methane emissions through significant levels of main replacement. As a founding participant in the Natural Gas STAR program since 1993, we welcomed the opportunity to participate in this new partnership as well.

The Natural Gas STAR Methane Challenge program is a partnership that allows the EPA to collaborate with partners in promoting and tracking ambitious, transparent commitments to voluntarily reduce methane emissions beyond regulatory requirements. Our company's goal was to replace 4% of our cast iron and steel mains (without cathodic protection) by the end of 2018; since entering this partnership, we have exceeded that replacement goal by over six miles – having replaced in 2017 86.3 miles of our mains, which represents 4.3% of our total mains inventory. We are also on track to meet or exceed our 2018 goal of 85 miles. (Specific details on how we would reach our goals were in our implementation plan, submitted to the EPA in 2016.) This represents an increase from the period 2014-2016, when we replaced an average of over 70 miles of main annually.

Air Quality/Non-GHG Emissions

We predominantly use natural gas for our energy production; however, to maintain reliability during periods of gas system limitations, we retain a backup fuel source. While we had been using No. 6 oil as a backup fuel, we are converting the generating equipment at our steam and electric generating stations to be able to burn No. 4 oil instead – which is lighter and has a lower concentration of criteria pollutants. All Con Edison units will be converted to have the capability to burn this oil by the winter of 2019–2020 as currently required by Local Law 38, in keeping with New York City's goal of reducing GHG emissions.

DIRECT EMISSIONS (thousand metric tons)

	NO _x	SO ₂
2017	1.16	0.11
2016	1.24	0.13
2015	1.49	0.32
2014	1.65	0.33
2013	1.9	0.54
2012	1.79	0.56
2011	2.17	0.93
2010	2.47	1.28
2009	2.49	1.53
2008	2.31	1.41
2007	2.79	1.92
2006	2.27	1.73
2005	3.33	2.63

Waste Management

Tons of hazardous waste are captured and shipped by CECONY and O&R each year to licensed commercial waste-handling facilities. Most of this waste is presumed lead-contaminated and comes from cleaning our underground electric facilities, including manholes and transformer vaults. The costs of cleaning these facilities and the amount of hazardous waste generated have been reduced substantially since 1998 – the year we launched a waste program managed by our employees that rendered lead virtually inert and therefore no longer hazardous.

O&R's recycling program continues a long-established partnership with Rockland ARC, a local organization that provides support for the mentally disabled. Since 1991, O&R recycling has saved more than one million cubic feet in landfill space.

CECONY and O&R recycle or auction for sale tons of non-hazardous waste, including retired fleet vehicles, forklifts, tool carts, old cables, streetlights, reflectors, meters, and paper products.

Con Edison of New York Waste (tons)

	2014	2015	2016	2017
Hazardous waste generated	17,547	11,371	12,070	10,600
Remediation waste	545	31	18	7,195

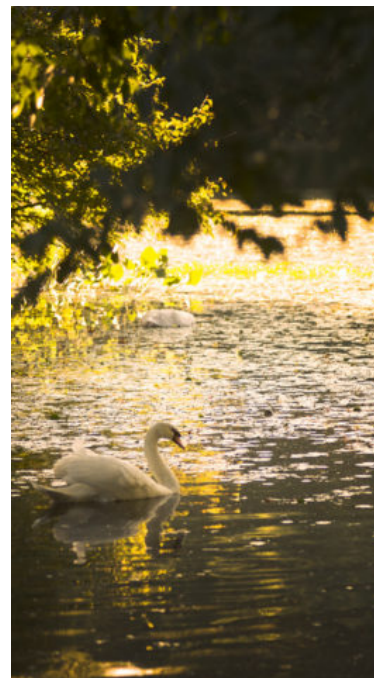
Habitat & Biodiversity

We continue to work closely with our stakeholders to promote biodiversity and protect environmentally sensitive areas throughout the company's service territory.

As part of our project design phase, environmental issues are identified – such as impact to wetlands, threatened and endangered species, and the general community – and are properly addressed and mitigated. For certain projects, community meetings are held to discuss the project and solicit concerns.

We also maintain best management practices to protect city trees and waterways while minimizing our work footprint, and fully restore areas to preconstruction conditions. If a tree is removed because of infrastructure repairs and upgrades, for example, restitution fees are used to plant a replacement tree. We understand how vital trees are to New York City's infrastructure, contributing to clean air and water, reducing energy costs, increasing property values, and beautifying streets and parks.

In keeping with this effort, one of the goals of our Overhead Transmission Vegetation Management program, which encompasses over 2,000 acres, is to encourage biological diversity by using an integrated vegetation management practice and communicate with neighbors to increase public awareness.



Electric Vehicles

In April 2017, the company launched SmartCharge New York, an electric vehicle (EV) off-peak charging incentive program. Con Edison provides EV owners who charge their vehicles in our service territory a free device that plugs into the vehicle's onboard diagnostic port. This device reads charging information – when, where and how much energy is consumed. In 2017, program participants earned 5 cents per kilowatt hour (kWh) for any off-peak charging in our service territory, in addition to other monthly smart charging rewards. This off-peak charging incentive was doubled to 10 cents per kWh in April 2018, allowing an average EV owner to earn up to \$500 per year plus an enrollment bonus of \$150. In 2017, the program acquired 0.6 megawatts (MW) in peak load reduction. As of July 2018, almost 1400 EVs were actively enrolled in the program.

In 2017, Con Edison purchased 12 Chevrolet Bolts (BEV), 10 Chevrolet Volts (PHEV), three Chrysler Pacific Hybrids (PHEV), four Ford C-Max Energis (PHEV) and two Ford Fusion Energis (PHEV); Transportation purchased five additional step vans with eAPU technology. At the close of the 2017 calendar year, Con Edison's electric fleet contained 66 plug-in vehicles comprised of 12 BEVs, 32 PHEVs, and 18 ePTO/eAPU bucket trucks/step vans. We also have more than 200 conventional hybrids, approximately 300 vehicles operating on compressed natural gas, and more than 1400 vehicles running on biodiesel blends.

During 2017, the company invested over \$5.2M in EV-charging infrastructure for the fleet as part of its three-year (2016-2018), \$10M project to install EV-charging infrastructure at 12 company locations. The locations were chosen because they support over 80% of the company's fleet. Most locations will have three levels of charging:

- Five level 1 chargers (110V) for charging bucket trucks with JEMS Technology as well as vans with eAPU technology
- Four level 2 chargers (208/240V) for charging PHEVs and BEVs
- One DC fast charger (480V) for charging BEVs

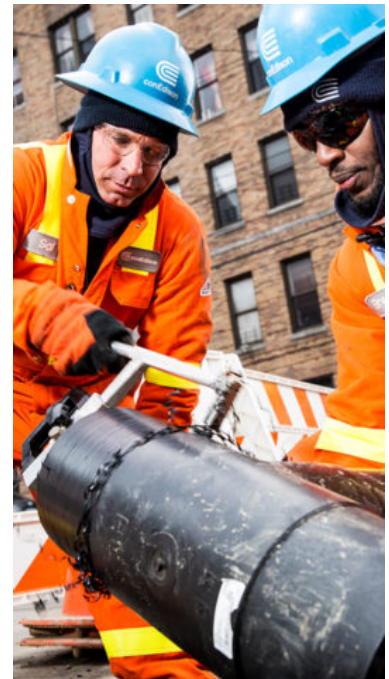
Additionally, the project design includes the necessary electrical power infrastructure to support five additional level 2 charging stations that may be considered for future installation as the need arises.



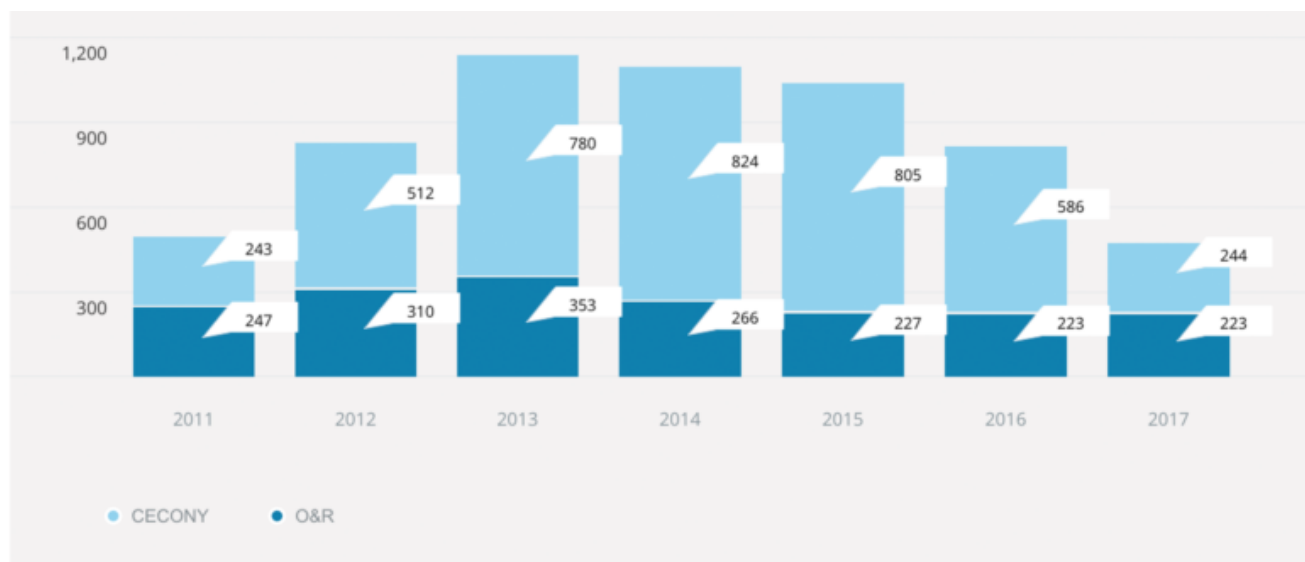
Oil-to-Gas Conversions

In 2017 Con Edison converted 244 buildings from heavy heating oil to gas. Since the start of our conversion program in 2011, we have converted more than 4,200 large buildings burning heavy heating oil; we also converted more than 2,600 customers from No. 2 grade oil. The company's program has kept more than 520 tons of fine particulate matter from the air, which is a significant impact on air quality within the New York City portion of our service territory. New York City has the cleanest air in five decades, largely as a result of these building conversions.

While adhering to best practices to achieve operational excellence, the Gas Marketing and New Business teams at O&R added 1,295 new customers in 2017. These additions included 223 conversions from oil/propane to cleaner natural gas. Among the factors spurring our growth were a gas conversion rebate program, entitlement changes, and a 15-year economic feasibility analysis, up from 10 years previously. In addition to gas expansion efforts, significant community growth is expected in southeastern Orange County that will contribute to substantial use of natural gas within the next five years.



Con Edison, Inc. Utility Customer Conversions to Gas

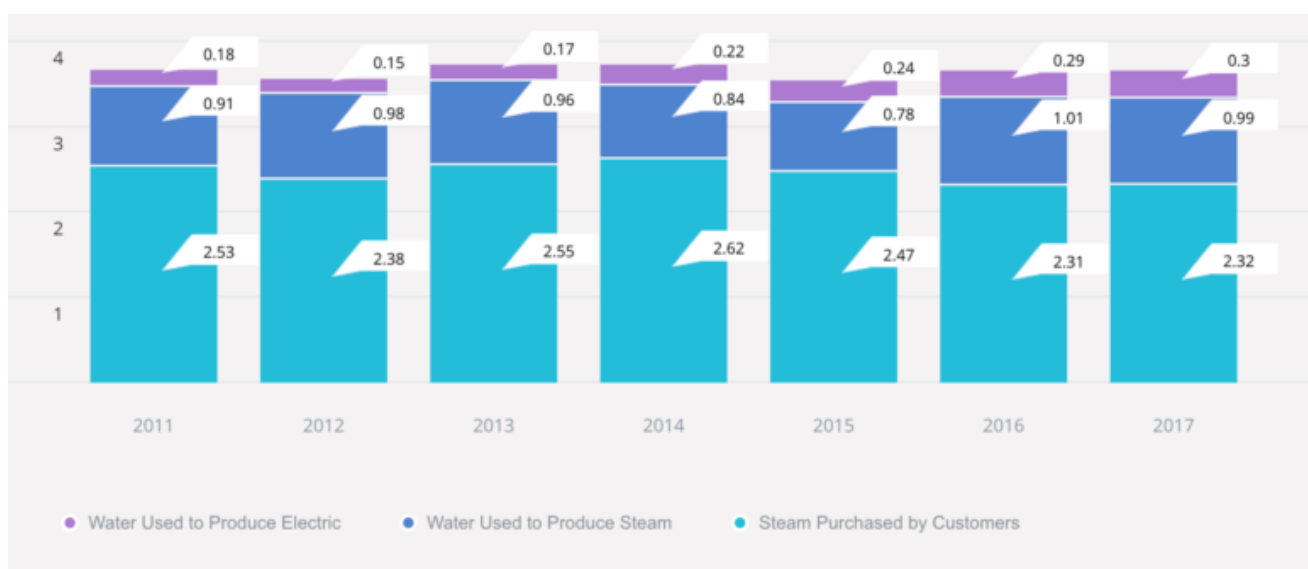


Water

We recognize the importance of preserving natural resources. As one of the New York City Department of Environmental Protection's largest water customers, it is our obligation to produce steam through the most efficient processes available to us to maximize our steam energy output from our water input. The company's overall water footprint is largely converted into steam, which is an integral source of clean, efficient energy distributed to our customers for a variety of purposes such as heat, hot water, air conditioning, sterilization, and food processing.

We have ongoing efficiency improvement initiatives to minimize our water footprint that include reducing the rate of water consumption at two of our steam generating stations.

Con Edison Steam Operations - DEP Municipal Water Use



On average, more than 65% of Steam Operations' water footprint is distributed to customers as steam energy purchased for their needs.*

*This chart displays steam operations data only and is not representative of CECONY's water footprint.

ISO Certification

The CECONY environmental management system is certified to International Organization for Standardization (ISO) 14001:2015, a systematic approach to environmental management. Through this implementation, we are committed to:

- improving safety and environmental performance
- identifying and reducing significant EH&S risk potential
- promoting wise and effective use of natural resources
- verifying our regulatory compliance
- strengthening relationships with stakeholders

ISO 14001 certification requires a commitment from all levels of CECONY, led by the top management, which we have maintained for 16 consecutive years using a rigorous third-party certification process. In 2017, certification covering all CECONY sites was updated from the latest ISO 14001:2004 to the most current ISO 14001:2015 through a two-week audit conducted by Intertek Testing Services NA.

CECONY's chemical laboratory operations are third-party certified to ISO/IEC 17025:2005, general requirements for the competence of testing and calibration laboratories standard.



Physical/Cyber Security & Data Privacy

New technology brings new challenges. We continue to work with local, state, and federal agencies, as well as our colleagues in the energy business, to identify and employ the latest technological tools to protect our customers and our equipment.

The threat of cybercrime has become more acute. Our data-protection efforts include 24/7 monitoring, vulnerability assessments, employee education, regular drills and phishing tests, and close cooperation with government and industry partners. We consistently earn passing grades on audits that assess our cybersecurity and data- protection standards.

Con Edison's Sidney Alvarez spoke with Vice President and Chief Information Officer Manny Cancel about how our company works with local, state, and federal agencies to protect our customers' data and our own data and equipment:

Ethical Business Practices

Our strong business ethics are founded on our corporate values and help us achieve our three priorities – safety, operational excellence, and customer service. We are committed to conducting business using the highest ethical standards. How we do business, how we treat our customers and business partners, and how we treat one another all contribute to how we are perceived in the marketplace and, ultimately, to our long-term viability. Our Values in Action Advisor network of 110 employees and our Business Ethics Council with 15 members assist the organization in maintaining a culture of integrity in their departments. We conduct ethics and compliance training for all employees. The Compliance Management team works with organizations throughout the company to build and maintain the infrastructure for our compliance programs.



Climate Resilience

CECONY invested \$1 billion in Fortify the Future, a program to protect our energy-delivery systems and customers from extreme weather events. O&R spent \$12 million on storm hardening last year, enhancing system resiliency with distribution automation, strategic undergrounding of critical circuits, and transmission line structure replacement. In addition, taller, stronger poles were installed at key locations to fortify the infrastructure. The upgrades to CECONY's overhead delivery system included stronger wiring, poles that can withstand 110-mile-per-hour winds, and sophisticated smart switches that limit outages. To protect our underground delivery system from flooding, we built walls at substations and other important locations, raised equipment and installed submersible equipment. We split two networks in Lower Manhattan, so that we can take customers near the coast out of service while keeping power flowing to inland customers. For restoring power to 1.1 million customers after Superstorm Sandy and the punishing Nor'easter that followed, CECONY received an Emergency Response Excellence Award from Davies Consulting. The enhancements to our systems have helped prevent hundreds of thousands of outages and keep the public safe.

To address future climate change risks, the company is conducting a study to understand the vulnerability of our energy systems to climate change and identify adaptation options to enhance system resiliency. The study is using the latest available climate science to project future weather scenarios for our service territory to the year 2080. The weather scenario projections will be used to evaluate potential impacts to the company's electric, gas and steam systems. Based on these impacts, we will review adaptation options such as revisions to design standards and operating processes. A risk mitigation plan will then be created with a portfolio of solutions to provide the required resiliency.

We have completed the analysis of ambient temperature on our assets and processes. By the end of 2018, we plan to have completed the analysis of humidity, precipitation and sea level rise.



Core System Upgrades

The Advanced Meter Infrastructure (AMI) project is the largest project in company history. Approximately 5.3 million smart meters – comprised of roughly 3.9 million AMI electric meters and 1.4 million gas devices – will be deployed across our service territory and result in significant environmental, operational and customer benefits.

This project will actually put unprecedented control into the hands of Con Edison's customers. With the company's updated website and digital customer experience, customers can see their energy usage in near real-time and make smarter, more informed decisions about managing their energy usage, controlling costs and helping the environment.

The deployment of the communications network and smart meters is from 2017-2022, and began with the communications installation in Staten Island in January 2017. Since then, over 3,000 communications network devices have been installed throughout the company's entire service area. In June 2017, a number of back office IT systems were placed into service in advance of AMI meter deployment, which began the following month in Staten Island and then in Westchester in October; meters were installed in Brooklyn and Manhattan in April and July 2018, respectively, totaling nearly 700,000 to date. The AMI Operations Center is currently staffed 24/7 to monitor the communications network as well as the meters and gas modules connected to the network.

In August 2017, Con Edison worked with the MTA in its emergent MTA signal meter circuits initiative and completed the installation of AMI meters and communications network devices in Brooklyn, Manhattan, Queens and the Bronx. We also created a monitoring dashboard providing insight into MTA signal power events, preventing outages before they occur; since November 2017, approximately 50 events have been mitigated.

The AMI project team has worked closely with Gas Operations and the AMI vendor to develop a first-of-its-kind, battery-powered natural gas detector that will be integrated with the AMI network. Con Edison plans to begin a pilot to install these sensors in the fourth quarter of 2018. The natural gas detectors are safety devices that monitor the air where Con Edison's gas pipes enter our customers' homes and buildings and provide an alert when natural gas levels in that area indicate a potential leak, which could become dangerous. The natural gas detectors will leverage the communications network, sending a wireless alert to Con Edison if a potential gas leak has been detected, allowing Con Edison and the fire department to respond quickly.

The AMI project will enable the company to operate the system at optimal voltages – conservation voltage optimization (CVO) – reducing total energy consumption as well as associated power generation emissions. Analysis shows the AMI system can be leveraged to reduce energy usage across our service territory by approximately 1.5% on average, decreasing associated fuel use for committed generation resources. This results in an environmental impact of 1.9% fewer total CO₂ emissions due to reduction of power generated by fossil plants annually across our service territory and 1% total reductions in NYS. AMI will be providing engineers and planners with more granular data, enabling potential design and operational improvements. Con Edison is targeting to begin implementing CVO in Staten Island by the end of 2018.

CECONY invested \$1.5 billion in its transmission and distribution systems in New York City and Westchester County to prepare for summer 2018. The investment included upgrades and reinforcements of 18 network transformers and 74 overhead transformers; the company also upgraded 37 underground feeder sections and 136 overhead spans.

Con Edison projected that peak demand for electricity in the summer of 2018 would reach 13,300 megawatts – the actual peak summer demand was 12,766 megawatts, on Sept 6, 2018. (The record is 13,322 megawatts, which occurred at 5 p.m. on July 19, 2013.) The company is always exploring new ways to keep service reliable. Con Edison has installed 1,000 devices in manholes to detect heat and gas in underground structures and communicate this information back to the control room. By remotely monitoring these conditions, the company is advancing towards making preemptive repairs prior to a cable failure. In addition, Con Edison is using infrared imaging across the system to identify and repair hot spots in cable and connections that are not visible to the human eye.

ELECTRIC TRANSMISSION PIPE ENHANCEMENT

We are investing \$47 million for the refurbishment of 8,400 trench feet of leak-prone pipe in 2018, and refurbished 7,737 trench feet of piping in 2017. We invested \$5 million in spill remediation efforts to improve the environment. We expect to make significant progress in research and development to reduce the potential for future oil spills. We're also investing in research and development that can replace existing oil-filled feeders with solid dielectric cable.

Our underground transmission system consists of 660 miles of 69, 138, and 345 kilovolt feeders encased in steel pipe surrounded by high-pressure dielectric fluid (a non-toxic synthetic compound similar to mineral oil). The conductors inside our steel pipes are wrapped in paper insulation, impregnated and pressurized by the dielectric fluid at a nominal pressure of 200 pounds per square inch. In some feeders the dielectric fluid is circulated and cooled to provide enhanced current-carrying capability. Approximately nine million gallons of dielectric fluid is contained within the feeders, the pressurization plants, and the cooling plants.

Our leak-detection methods are some of the most sophisticated in the world:

- We use real-time monitoring of some of the largest volume feeders to constantly check their integrity.
- We infuse our oil with a special tracer gas to help us rapidly locate and uncover leaks.
- If significant leaks occur, we often remove feeders from service to allow them to be placed on reduced pressure to slow the leak rate.
- We use proactive tracer patrols to find and repair incipient leaks before they worsen to minimize environmental impact.

To repair leaks, we excavate to uncover the feeder pipes and apply a mechanical clamp to stop the flow. Permanent repairs are complete when a concentric steel barrel is welded over the clamp and the pipe. The pipe is then re-coated before the excavation is restored.



RELIABILITY PERFORMANCE

The standards for measuring the reliability of distribution service are the System Average Interruption Frequency Index (SAIFI) and the Customer Average Interruption Duration Index (CAIDI). SAIFI is compiled annually, and the figure represents the number of service interruptions divided by the number of customers served. CAIDI, also compiled annually, represents the average time to restore service to interrupted customers. The CAIDI figure results from the total customer minutes of interruption divided by the total number of customers affected. For both figures, a low number indicates a better performance.

2017 NUMBERS FOR CECONY (electric)

SAIFI: 0.110

CAIDI: 166.2 minutes

2017 NUMBERS FOR O&R (electric)

SAIFI: 0.920

CAIDI: 100.8 minutes



GAS MAIN REPLACEMENT



In 2017, CECONY replaced over 86 miles of cast iron and unprotected steel pipe. This replacement level exceeded our company's commitment to the New York State Public Service Commission by more than six miles and was the company's highest ever in a single year. It also met the 4% replacement rate that we targeted in accordance with the EPA's Methane Challenge.

Methane is the primary element in natural gas and a major greenhouse gas. Replacement of cast iron and unprotected steel pipe with polyethylene plastic pipe or protected steel pipe prevented an estimated 11.3 million cubic feet of annual natural gas leakage. This amount of methane leakage is equivalent to the annual greenhouse gas emissions associated with driving approximately 1,700 vehicles.

In 2017, O&R replaced 24 miles of leak-prone pipes, and eliminated all cast iron pipes in Rockland County.

Supply Chain

Our Supply Chain organization embraces sustainable supply chain best practices to support Con Edison's commitment to environmental and social responsibility, cost savings and operational excellence.

By collaborating with our internal operating groups, key vendors, and peers within the utility industry, Supply Chain has helped us enhance safety, reduce our carbon footprint, and support economic growth within the communities we serve.

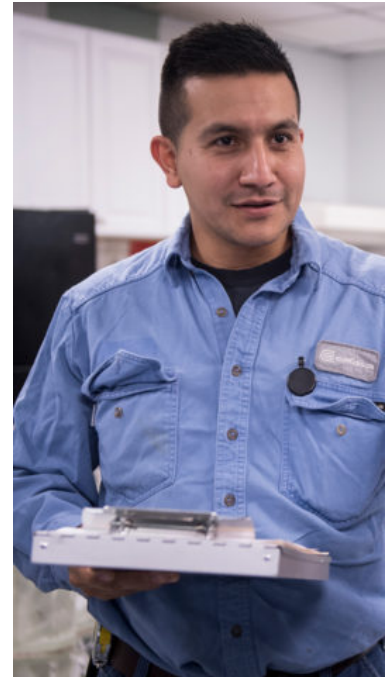
In 2017, we continued our Gold Shovel Program – a safety training program for all our construction vendors involved in excavation work. We also demonstrated our commitment to lowering our greenhouse gas emissions by awarding over \$100 million in contracts to help our customers convert from oil to cleaner natural gas.

Supply Chain purchased over \$9 million of environmentally-friendly products (e.g. hybrid vehicles, low-carbon fuels, recycled paper, toner, and carpet) and awarded over \$5 million in contracts to support infrastructure for electric vehicle charging stations.

In addition to supporting these safety and environmental initiatives, Supply Chain led efforts to divert waste from landfills and support small businesses and minority- and women-owned businesses. We diverted more than \$11 million of waste from landfills by focusing on items such as scrap cable, meters, transformers and paper.

Thanks in part to the recruitment and development efforts of our Supplier Diversity Team, we made positive contributions to job creation and economic growth within the communities we serve. In 2017, we purchased \$307 million in goods and services from women- and minority-owned companies. Including expenditures from non-diverse small businesses, these efforts yielded over \$600 million in purchases.

Members of our Supply Chain team are working to extend the impact of our sustainability efforts by collaborating with some of the nation's largest energy companies. Con Edison recently took on a leadership role within the Electric Utility Sustainable Supply Chain Industry Alliance and we are working with our colleagues to develop and share best practices with our major suppliers to reduce water, energy, waste, emissions, risks and costs.



Governance

Experience has taught us that the combination of a solid financial foundation, operational excellence, the highest ethical standards, and the utmost regard for our employees and the people and communities we serve are the bedrock qualities of a successful company.

A standing committee of the company's Board of Directors, referred to as the Planning and Environmental Committee, existed as early as 1973. By 1995, this committee evolved into the company's present-day Environment, Health and Safety Committee ("EH&S Committee"), whose primary responsibility is to oversee the company's efforts relating to the protection of the environment, sustainability, and the health and safety of company employees and the public. Since its inception, the EH&S Committee has met at least four times a year. At the management level, the company's EH&S vice president, together with senior management, is responsible for developing strategic goals and programs to ensure compliance and support the company's commitment and continued work to achieve EH&S excellence.

Part of senior management's commitment to EH&S includes independent oversight. The Office of the Corporate Ombudsman, reporting directly to the chairman, provides employees with an independent office to which they may confidentially report suspected violations of our Standards of Business Conduct, including ethical, legal or EH&S concerns.

Our Environment, Health & Safety Review Board ("EH&S Review Board") consists of outside consultants who are independent attorneys. The EH&S Review Board reports directly to the chairman. The role of the EH&S Review Board is to review the company's management of both regulatory and internal requirements and assess whether its implementation is consistent with the company's commitment to strive for excellence.

Public policy decisions can have significant implications for our customers, the energy systems we manage, and the future direction of our company. That's why we participate in the political process, adhering to all the national, state, and local laws and regulations. Our engagement in the political process is grounded in and guided by our commitment to our Standards of Business Conduct.

For further details: <https://www.conedison.com/en/about-us/corporate-governance/political-engagement> (<https://www.conedison.com/en/about-us/corporate-governance/political-engagement>)

Stakeholder Engagement & Collaboration

Con Edison works closely with communities to keep them informed, address their concerns and ensure our company's operational mission is understood. For example, we inform local community groups – including business improvement districts, chambers of commerce, and local development corporations – about major capital projects, new initiatives such as smart meters, energy efficiency programs and how to do business with Con Edison.

POLICY & REGULATORY IMPACT

CECONY and O&R support New York State's clean energy policies and goals, including plans to reduce GHG emissions 40% from 1990 levels by 2030, provide customers with 50% of their energy from renewable resources by 2030, and increase energy efficiency in buildings 23% by 2030.

We work in partnership with our customers, various third parties, and other energy companies to seek innovative ways to achieve the state's clean energy goals. This includes our exploration of new ways to advance clean energy technologies such as energy storage connected to the distribution system and solar for low-income customers. We are also installing smart meters throughout our service areas, and support various initiatives with our state regulator to test new rate designs that enable customer choice and are equitable for all customers.

We are active participants in a number of regulatory proceedings which seek to expand energy efficiency, develop offshore wind, and advance transportation electrification. We work with regulators, customers and other stakeholders to develop solutions that advance the state's objectives in a cost-effective way for all New Yorkers.

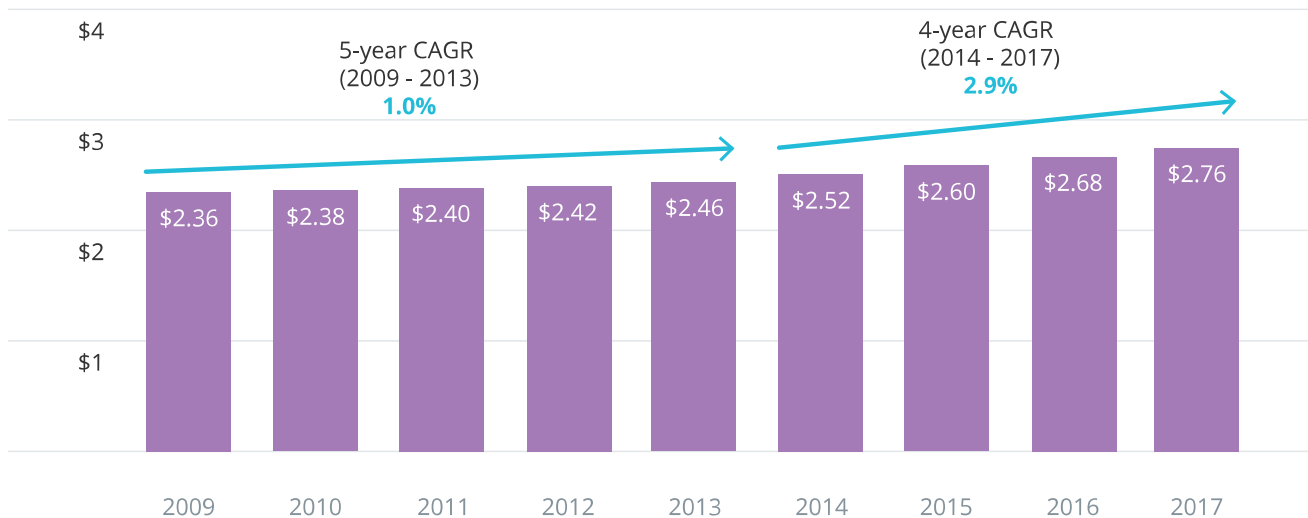
SHAREHOLDERS

We are the longest-listed company on the New York Stock Exchange and have increased dividends to shareholders for 44 consecutive years.

For more information, refer to our [Shareholder Services page \(https://www.conedison.com/en/investors/shareholder-services\)](https://www.conedison.com/en/investors/shareholder-services).

Con Edison, Inc. Dividend Growth for Shareholders

(per share)



STRATEGIC PARTNERSHIPS

Feeding Westchester

Feeding Westchester supplies 95% of all the food distributed to Westchester's food pantries, soup kitchens, day care and residential programs. Every year, Feeding Westchester recovers 2.7 million pounds of food that would have been otherwise wasted and delivers it to the people who need it most. Saving this food from being wasted keeps it out of landfills, where it would release the powerful greenhouse gas methane into the atmosphere.

New York-New Jersey Trail Conference

The New York-New Jersey Trail Conference engages volunteers to build, maintain and protect 2,100 miles of public trails so everyone, regardless of age, ability or location, can connect with nature. They rebuild heavily used trails with sustainable building techniques in order to manage the stress of both increasing usage and climate change.

Energy Efficiency, Renewables & Distributed Energy

As part of our commitment to alternative forms of energy, Con Edison Clean Energy Businesses has invested approximately \$4 billion in renewable projects in 17 states. Con Edison Development added 260 megawatts of aggregate capacity (MW AC) of renewable projects to our portfolio, for a total of 1,358 MW AC at year-end 2017. In 2018, the company announced a ~~\$1.6 billion~~ purchase of solar and wind plants worth \$2.1 billion from Sempra Energy which makes us the second largest owner of solar photovoltaic assets in North America.

Renewable sources, such as solar and wind, produce energy when the sun is shining or the wind is blowing. That means the value of batteries to store power when it is produced, and deliver power when it is needed, is especially important to the electricity grid in terms of ensuring reliability and reducing peak demand.

Twenty-four percent of electricity used by O&R customers was generated from renewable energy resources. We continue to make our customers aware of energy efficiency improvements that will help them save money on their bills and give them more control over their energy usage. We work regularly with customers and regulators to test new models for the distribution of energy.

ENERGY EFFICIENCY & DEMAND RESPONSE

Customers who chose energy-saving HVAC, lighting, building management systems, and other equipment received \$6.2 million in incentives from us in 2017. O&R customers purchased 649 six-packs of LED lights the Monday after Thanksgiving (Cyber Monday) – the highest single-day sales for a specific product since the O&R online store went live January 2016.

Technology is giving households and businesses new ways to reduce their energy use, and we are in the forefront helping customers get more value for their money while protecting the environment. For example, upgrades made by customers in 2017 through our energy efficiency programs reduced electrical usage by 32,116 megawatt hours and saved 9,202 dekatherms of gas – equivalent to taking more than 4,200 cars off the road.



Of the total O&R rebates issued during 2017, two large projects are highlighted. One is a large pharmaceutical company in Rockland County, NY, with the total project estimated to save the facility 2,926 MWh, equating to approximately \$270,000 per year. The other is a large industrial company in Orange County, NY, estimated to save the customer 2,030 MWh, equating to approximately \$220,000 per year.

O&R expanded [My ORU Store \(https://www.myorustore.com/\)](https://www.myorustore.com/), its online customer marketplace for energy efficiency products and services. This single online platform delivers a branded marketplace experience offering energy-wise products, home services, and program enrollments. Product categories include LED lighting, advanced power strips, water-energy saving devices, Wi-Fi thermostats, connected home products, portable power, electric vehicle chargers and home services provided by local contractors. My ORU Advisor was also launched, providing customers personalized usage analysis along with comparisons to efficient and similar homes, customized energy saving tips, product recommendations, and the ability to earn rewards for taking simple steps that help save energy and money.

Through My ORU Store, O&R partnered with the local water utility, SUEZ NY, to help support their water conservation program by offering instant rebates to mutual customers on water and energy efficient products. The program strives to help customers save water and energy and in turn lower their utility bills.

Learn more about how energy efficiency upgrades can save money and protect the environment at our [Manage Energy microsite \(http://manage-energy.coned.com/%22%20%5C%20%22front\)](http://manage-energy.coned.com/%22%20%5C%20%22front).

O&R 2017 Energy Efficiency Program Savings

Program	Dth	MWh	GHG Reduction (short tons CO ₂)	Cars Taken Off the Road	\$ Rebates Paid	# Rebates Paid
Commercial Program	-	30,142	20,717	4,408	\$3,502,675	481
Residential Program	9,202	1,974	538	115	\$536,212	3,781
Total	9,202	32,116	21,255	4,522	\$4,038,887	4,262

O&R 2009-2017 Energy Efficiency Program Savings

Program	Dth	MWh	GHG Reduction (short tons CO ₂)	Cars Taken Off the Road	\$ Rebates Paid	# Rebates Paid
Total	118,673	148,972	103,009	21,917	\$25,240,880	25,923

REFORMING THE ENERGY VISION PROJECTS

Con Edison continues to take a leading role in making distributed energy resources (DER) available to customers. Our Brooklyn-Queens Demand Management project aligns very nicely with New York's Reforming the Energy Vision initiative. Instead of spending \$1.2 billion to build a substation to serve Brooklyn and Queens, we issued an RFI that provided alternative forms of energy. We awarded contracts and procured smart thermostats, lighting controls, batteries, and other distributed energy resources to meet the demands of customers during the peak period of 4:00 p.m. to midnight while easing the burden on our substations.

Additionally, our Customer Energy Solutions group is running new business model demonstrations in the areas of storage integration; electric vehicle (EV) infrastructure; community distributed generation; energy efficiency/DER marketplaces for residential and commercial customers; and delivering energy services to low- and middle-income (LMI) customers. For example, two front-of-the-meter storage projects, which demonstrate both grid support and energy market revenue-sharing partners, have been selected through a rigorous RFI process and are in the contracting stage. Three LMI demonstration projects will have been filed with the PSC third quarter 2018, including a community solar project. Three EV infrastructure projects to facilitate growth and reduce barriers to EV ownership are expected to be completed in 2018 and 2019. The new residential marketplace site, [marketplace.coned.com \(https://marketplace.coned.com/\)](https://marketplace.coned.com/), has 25 product categories that include a "pick my solar" module; we also have a new EV comparison shopping site, [cars.coned.com \(https://cars.coned.com/\)](https://cars.coned.com/).



RENEWABLES

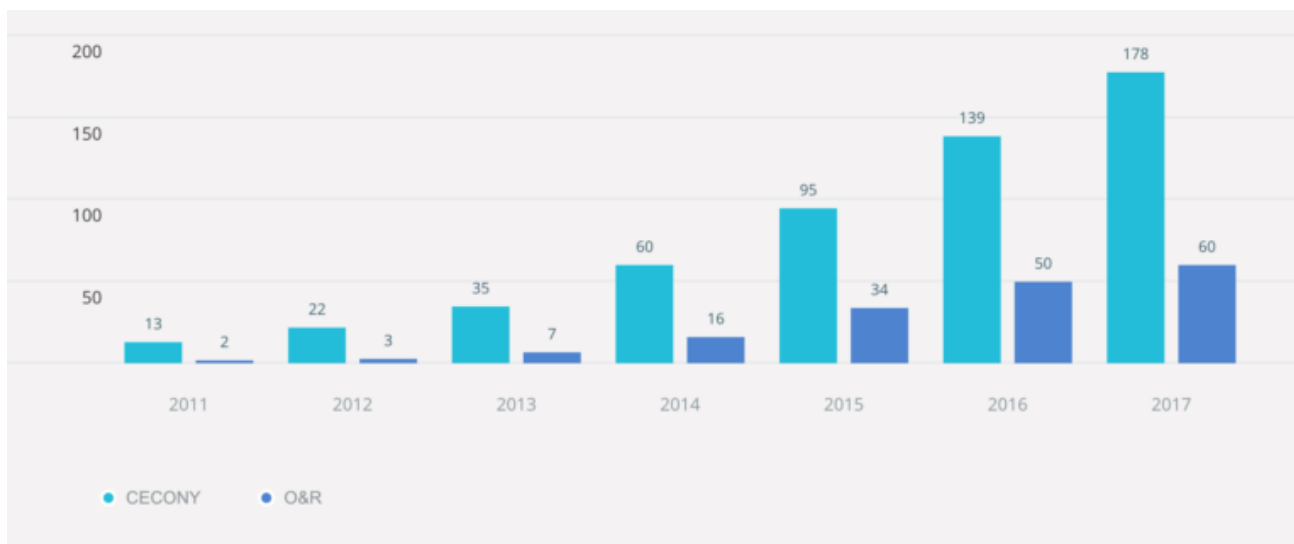
CECONY and O&R continue to support New York State's ambitious clean energy policies – including the state's goal to source 50% of its energy from renewable resources by 2030.

For the past decade, CECONY and O&R along with Sustainable CUNY (at the City University of New York), government agencies, and other parties, have encouraged residents and businesses to consider solar to reduce their energy bills and protect the environment. Our customers are responding, using the power of the sun to have generated by year-end 2017 more than 178 megawatts of clean, renewable power through 17,770 CECONY installations, and 60 megawatts through 5,970 O&R installations – enough to power more than 24,000 homes.

CECONY and O&R believe that all customers, regardless of their income level or whether they live in a house or an apartment, should have access to clean energy. In striving for this, CECONY is working to make renewable energy available to low-income customers by installing solar panels on company roof space and grounds, then transferring the solar power to those customers via bill credits; resources should be online in 2019. The New York Public Service Commission says this innovative solar program “is filling a niche that hasn't been fully served in the state.”

O&R is also working on technology advances in the interconnection process to assist customers with technical evaluations of large (greater than 50 kilowatts) and small (less than 50 kilowatts) projects. O&R is participating in an innovative project developed at the University of Vermont that received a \$1.8 million award from the U.S. Department of Energy SunShot Initiative. As part of this project, O&R will help develop the technology and strategy to improve the electric grid's ability to accommodate power generated from renewable energy sources. The award, one of only 13 given nationally, is part of SunShot's newest program called Enabling Extreme Real-time Grid Integration of Solar Energy, or ENERGISE.

Cumulative Utility Customer Solar MW Installation



ENERGY STORAGE

In 2018, Con Edison interconnected the amount of storage on the system to total 33 behind-the-meter (BTM) batteries representing 2.3 megawatts (MW)/6.5 megawatt hours (MWh) of capability; commissioned utility-owned battery in the Brooklyn Queens Demand Management area, which became fully operational in the summer; advanced demonstration projects totaling 8 MWh to better understand energy storage capabilities and test new business and operational models; opened new opportunities for energy storage to participate in the company's tariffs, procurements, and programs; and continued to reduce technical barriers to interconnecting energy storage, including the development of a process for interconnecting outdoor lithium-ion devices in New York City. Orange & Rockland, as of September 2018, has interconnected 128 kilowatts (kW) worth of BTM energy storage resources, increasing total interconnected capacity to 158kW. O&R is also in the process of implementing between six to eight energy storage systems as part of its non-wire alternative solicitations and a demonstration project, and anticipates having approximately 12MW/46MWh online by the end of 2019.

The demonstration projects will test a customer-sited aggregated model, a mobile battery trailer, and a front-of-the-meter (FTM) model; all are expected to be in service in summer 2019. Each project will provide distribution relief and reduce network peak demand that may have otherwise been served by utility diesel mobile or customer gasoline generators while testing the ability to garner revenues for participating in New York Independent System Operator markets. Additionally, O&R is in the planning stages of a demonstration project which consists of a 4MW/8MWh portfolio of BTM and FTM assets to test a business model aimed at generating revenue streams for multiple stakeholders. This business model will seek to meet system needs, reduce demand charges for customer, and achieve wholesale market revenues for the utility and third-party partner. Target deployment for the BTM and FTM portfolios is second quarter 2019 and fourth quarter 2019, respectively.

Con Edison has taken the lead in addressing battery safety concerns, working closely with the Department of Buildings, the Fire Department of New York (FDNY), battery technology developers, and the New York State Energy Research and Development Authority (NYSERDA) on a battery safety testing program. Con Edison and NYSERDA partnered on an effort to better characterize battery hazards and suppression agent performance through burn tests by an independent lab as well as tests by Con Edison at FDNY's training facility, which this year resulted in a new permitting standard for outdoor and rooftop batteries.

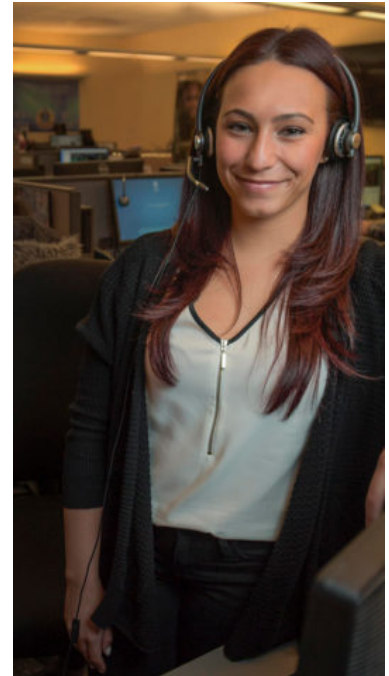
Con Edison and O&R continue to support the state's energy storage goal of 1,500MW by 2025 by providing input to the Department of Public Service and NYSERDA Energy Storage Roadmap, including advocating for cost-effective storage deployments that complement other state clean energy goals and benefit the grid and all customers. As the energy system evolves, Con Edison and O&R envision storage enabling the integration of an increasing amount of intermittent renewable resources, supporting distribution system needs, providing resilience, and reducing greenhouse gas emissions. Broader proliferation of storage will help customers and communications manage their usage to align with system capabilities, participate in other energy programs, support new applications like electric vehicle charging, and respond to more cost-reflective rate designs.

Talent Attraction, Development & Retention

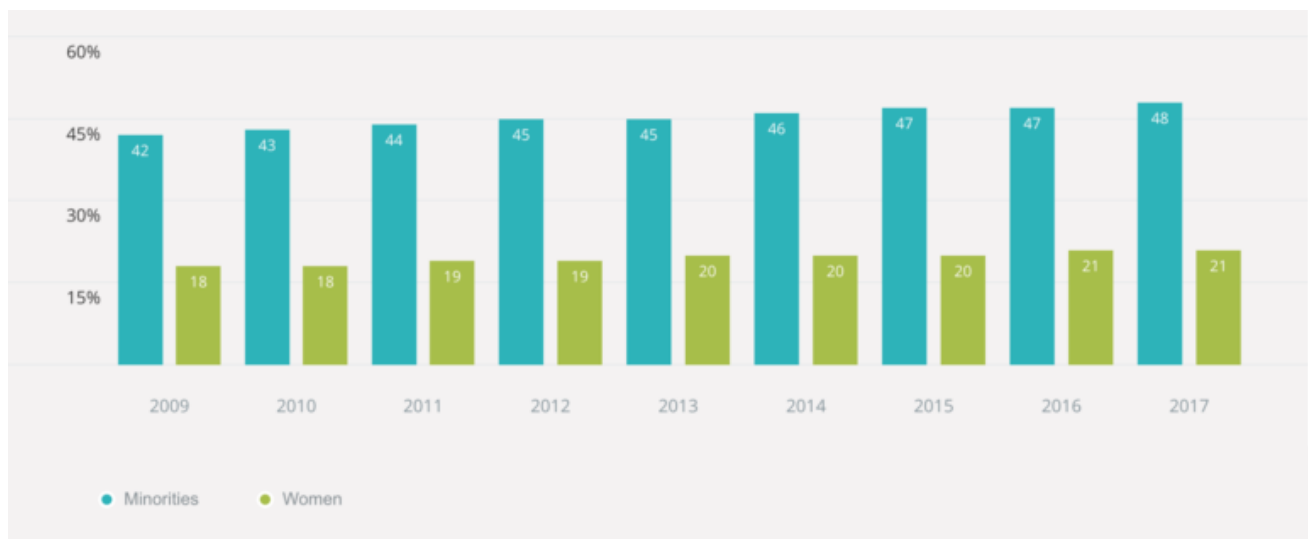
We continually look at who we are, how we work and how we engage with each other to make sure we are valuing the talents, skills, backgrounds and experiences of our diverse and inclusive team. We regularly examine and strengthen our policies and procedures, especially those related to our talent-management processes.

In an effort to attract, develop and retain a diverse and inclusive workforce, we accomplished the following in 2017:

- strategically recruited women in non-traditional careers, veterans, and people with disabilities by forming new partnerships and programs such as STEM education mentorship with Big Brothers Big Sisters; Nassau Community College's URGENT Women to train women seeking careers in energy; and the U.S. Army's Soldier for Life, which provides veterans the resources to learn necessary skills for natural gas jobs
- increased Veterans of Con Edison membership from 100 to more than 325 in just one year, and participated in the 2017 Veterans in Energy Summit in Washington, D.C.
- created groups like Moms ON IT, Dads Matter, and the Well Baby Care Program, as well as expanded access to lactation rooms at work locations to help parents balance work and family
- continued to support the development of a diverse and inclusive workplace by offering tuition reimbursement, internal and external training to enhance job-related skills, mentoring and coaching, career counseling workshops, and online career management resources
- continued to offer conflict management resources that include mediation, training, and coaching to empower employees to accept responsibility for their own performance and their relationships with others



Con Edison, Inc. Minorities and Women in the Workforce



Workforce Diversity & Inclusion

At Con Edison, we know that a diverse and inclusive company is a stronger, more successful company. The diversity of our 15,000 employees continues to be essential to our success. We value diversity of thought, culture and experience among our workforce. And we remain committed to providing a workplace that fosters a culture of inclusion, equity and respect for all. Equal employment opportunities, affirmative action and diversity and inclusion are fundamental principles at our company. Our commitment to these principles is as vital as our mission of providing energy services to customers safely, reliably and efficiently. Diversity and inclusion empower us all to see more clearly, think more broadly and engage more fully as we evolve, innovate and imagine the future ahead.

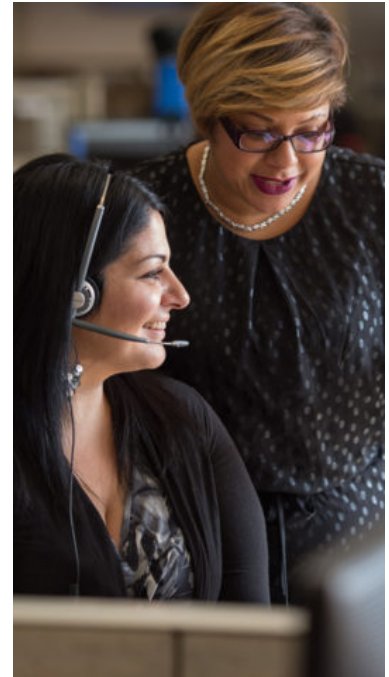
Hispanic Network magazine named us one of its Best of the Best of the nation's top companies. *Latina Style* selected us as one of the 50 best companies for Latinas for the 13th year. We earned a place on *Black Enterprise* magazine's list of the top 50 companies for diversity.

To learn more, read our [2017 Diversity & Inclusion Report](https://www.coned.com/-/media/files/coned/documents/about-us/diversity/diversity-report-2017.pdf) (<https://www.coned.com/-/media/files/coned/documents/about-us/diversity/diversity-report-2017.pdf>).

Training & Professional Development

Training is one of the most significant investments we can make to ensure our workforce has the skills to complete work functions safely, productively, and in compliance with our operational excellence principles.

To prepare employees for the future demands of the workplace, our goal is to continue creating a dynamic learning experience with state-of-the-art technology that builds on our strong learning foundation. The Learning and Inclusion division provides training and development opportunities via The Learning Center (TLC), Talent Management, and Office of Diversity and Inclusion.



- TLC's cross-functional digital learning strategy team continued their work in 2018 to drive student engagement and learning retention – and ultimately enhance the entire learning experience and company performance – by replacing the Learning Management System with a digital learning platform. This multi-year capital project's objective is to incorporate new technology and training methods; meet compliance and regulatory obligations; and provide the best, most convenient training experience that includes mobile learning for anywhere, anytime. Digital learning pilot projects this year included the creation of course eBooks, technical training videos and other digital tools.
- TLC initiated a scheduling and enrollment change that will return approximately 10,000 productive hours to operations in 2018. By pairing the newly redesigned four-hour OSHA refresher course with other four-hour Environment, Health & Safety (EH&S) training – such as emergency response refresher and fire safety – TLC reduces employees' downtime traveling from the training center to their workout location after a four-hour morning class.
- To help employees practice defensive driving skills to reduce motor vehicle accidents, TLC worked with EH&S to implement a driving simulator and develop a multimedia awareness campaign.
- TLC integrated automated external defibrillator (AED) training into the CPR and first aid training, increasing the number of employees qualified to use the AED and thereby substantially decreasing response time for administering critical care during a cardiac first aid event.
- TLC's Gas Training, along with IT and Facilities, partnered with Gas Operations to construct a Prometric-compliant computer testing space to administer Industrial Training Services Operator Qualification written exams in accordance with Northeast Gas Association and regulatory requirements. Additionally, a variety of new hands-on training enhancements were implemented and over 30 new practical evaluations and 10 new written exams were developed specifically for Con Edison work.
- In support of the company's Operational Excellence communications initiative to refocus employees on achieving operational excellence in everything we do, TLC integrated Operational Excellence guiding principles into training curriculum, wallet cards, and screen-monitor information segments and videos. Operational Excellence is founded on a deep respect for the complexity, power and unforgiving nature of our energy systems and that we are entrusted to manage them safely and effectively.

- Talent Management continues to provide quality employee programs and services as well as cultivate leadership standards and expectations – all aligned with our corporate priorities of safety, operational excellence, and customer experience. In 2017:
 - 27 management interns (recent college graduates) graduated from the Growth Opportunities for Leadership Development Program
 - 110 union employees transitioned from union to management positions by completing the Tools for Employees Advancing into Management Program
 - 142 participants completed the Leadership Academy for Supervisors
 - 505 employees completed the Management Associated Results Company training program
 - 54 employees completed the Distribution System Engineering Certificate – Power Technology Institute Program
 - 98 employees completed the Comprehensive Project Management Program
 - 19 employees completed a newly launched pilot course, Project Risk Management Workshop
 - more than 11,000 employees attended leadership, career development, and conflict management courses, seminars and workshops
 - the company celebrated our 20th premier leadership program, Business Academy, facilitated by senior officers
 - the launch of the Career Management Resource Center online hub for employees resulted in more than 4,700 unique visitors by year-end
 - an online Tuition Aid Self Service site was launched, facilitating program enrollment and payment processing for employees choosing to further their education; 119 employees this year completed Associate, Bachelor, or Master program degrees
-

Volunteerism

Enhancing the fabric of our communities is not only what we do, it's who we are. We provide financial support, in-kind contributions, and board service to hundreds of nonprofits dedicated to the arts, environmental stewardship, community, civics, and education.

Employees at CECONY and O&R donate their own time and resources through our volunteer program to give back to the communities we serve. During 2017, CECONY and O&R employees volunteered 9,000 hours of their own time at over 200 events. The happiness, fulfillment, and renewed energy our employees experience is priceless – whether it's helping at a soup kitchen, cleaning up parks, planting and pruning trees, mentoring students, serving disadvantaged people, rehabilitating homes for veterans, career coaching, or any number of other activities.

A dedicated employee engagement platform makes it easy for employees, as well as retirees and their families, to choose how to give back.



COMPANY PROFILE

Consolidated Edison, Inc., is one of the nation's largest investor-owned energy companies, with approximately \$12 billion in annual revenues and \$50 billion in assets. The company provides a wide range of energy-related products and services to its customers through the following subsidiaries: Consolidated Edison Company of New York, Inc., a regulated utility providing electric, gas and steam service in New York City and Westchester County, New York; Orange and Rockland Utilities, Inc., a regulated utility serving customers in a 1,300-square-mile-area in southeastern New York State and northern New Jersey; Con Edison Clean Energy Businesses, Inc., which through its subsidiaries develops, owns and operates renewable energy infrastructure projects and provides energy-related products and services to wholesale and retail customers; and Con Edison Transmission, Inc., which through its subsidiaries invests in electric and natural gas transmission projects.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. (CECONY)

CECONY is a regulated utility providing electric, gas and steam service in New York City and Westchester County, New York. CECONY provides electric service to approximately 3.4 million customers in all of New York City (except a part of Queens) and most of Westchester County, an approximately 660-square-mile service area with a population of more than nine million. CECONY delivers gas to approximately 1.1 million customers in Manhattan, the Bronx, parts of Queens and most of Westchester County. CECONY operates the largest steam distribution system in the United States by producing and delivering approximately 19,410 MMB of steam annually to approximately 1,600 customers in parts of Manhattan.

ORANGE AND ROCKLAND UTILITIES, INC. (O&R)

O&R is a regulated utility serving customers in a 1,300-square-mile area in southeastern New York State and northern New Jersey. O&R and its utility subsidiary, Rockland Electric Company (RECO; together referred to as O&R) provide electric service to approximately 0.3 million customers in southeastern New York and northern New Jersey, an approximately 1,300-square-mile service area. O&R delivers gas to over 0.1 million customers in southeastern New York.

CON EDISON CLEAN ENERGY BUSINESSES, INC. (CEB)

CEB has three wholly-owned subsidiaries: Consolidated Edison Development, Inc. (Con Edison Development), Consolidated Edison Energy, Inc. (Con Edison Energy) and Consolidated Edison Solutions, Inc. (Con Edison Solutions). The Clean Energy Businesses develop, own and operate renewable energy infrastructure projects and provide energy-related products and services to wholesale and retail customers.

CON EDISON TRANSMISSION, INC. (CET)

CET invests in electric and gas transmission projects through its subsidiaries Consolidated Edison Transmission, LLC (CET Electric) and Con Edison Gas Pipeline and Storage, LLC (CET Gas). CET Electric owns a 45.7% interest in New York Transco LLC, which owns and is proposing to build additional electric transmission assets in New York. CET Gas owns, through subsidiaries, a 50% interest in Stagecoach Gas Services, LLC, a joint venture that owns, operates and will further develop an existing gas pipeline and storage business located in northern Pennsylvania and southern New York. Also, CET Gas and CECONY own 71.2% and 28.8% interests, respectively, in Honeoye Storage Corporation, which operates a gas storage facility in upstate New York. In addition, CET Gas owns a 12.5% interest in Mountain Valley Pipeline LLC, a joint venture developing a proposed 300-mile gas transmission project in West Virginia and Virginia (Mountain Valley Pipeline). Con Edison Transmission, Inc., together with CET Electric and CET Gas, are referred to in this report as Con Edison Transmission.

Revenue by Business

• CECONY Electric	\$7,972
• CECONY Gas	\$1,901
• CECONY Steam	\$595
• O&R Electric	\$642
• O&R Gas	\$232
• CEB	\$694



BOARD OF DIRECTORS

Board of Directors

	Audit Committee	Corporate Governance and Nominating Committee	Environment, Health and Safety Committee	Executive Committee	Finance Committee	Management Development and Compensation Committee	Operations Oversight Committee
George Campbell, Jr.		✕		✕		Chair	✕
Ellen V. Futter			Chair				✕
John F. Killian	Chair	✕		✕		✕	
John McAvoy				Chair			
Armando J. Olivera	✕				✕		Chair
Michael W. Ranger	✕	Chair and Lead Director		✕	✕	✕	
Linda S. Sanford		✕	✕		✕		
L. Frederick Sutherland	✕				Chair	✕	
William J. Murrow			✕		✕	✕	
Deirdre Stanley		✕	✕				✕

OUR BUSINESS

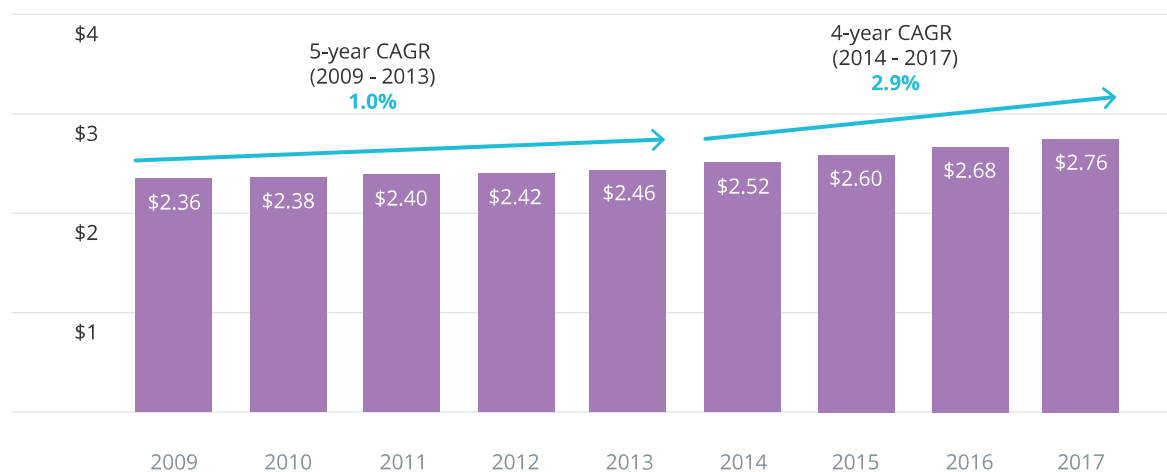
Financial Highlights

	2013	2014	2015	2016	2017
Operating revenues	\$12,354	\$12,919	\$12,554	\$12,075	\$12,033
Net income for common stock	\$1,062	\$1,092	\$1,193	\$1,245	\$1,525
Basic earnings per common share	\$3.62	\$3.73	\$4.07	\$4.15	\$4.97
Dividends per share	\$2.46	\$2.52	\$2.60	\$2.68	\$2.76
Dividend payout ratio	68%	68%	64%	65%	56%
Average common shares outstanding	292.9	292.9	293	300.4	307.1
Total assets	\$40,647	\$44,377	\$45,642	\$48,225	\$48,111
Capital expenditures	\$2,648	\$2,721	\$3,418	\$5,235	\$3,606
Common equity ratio	53.9%	52.1%	52.1%	49.3%	51.1%
Return on equity	8.9%	8.8%	9.3%	9.1%	8.6%
Market capitalization	\$16,200	\$19,300	\$18,800	\$22,100	\$26,100
Stock price per share (year end)	\$55.28	\$66.01	\$64.27	\$73.68	\$84.95
Dividend yield (year end)	4.5%	3.8%	4.0%	3.6%	3.2%
Total shareholder return	3.8%	24.8%	1.4%	18.9%	19.3%

SHAREHOLDERS

Con Edison, Inc. Dividend Growth for Shareholders

(per share)



WORKFORCE DEVELOPMENT

Training

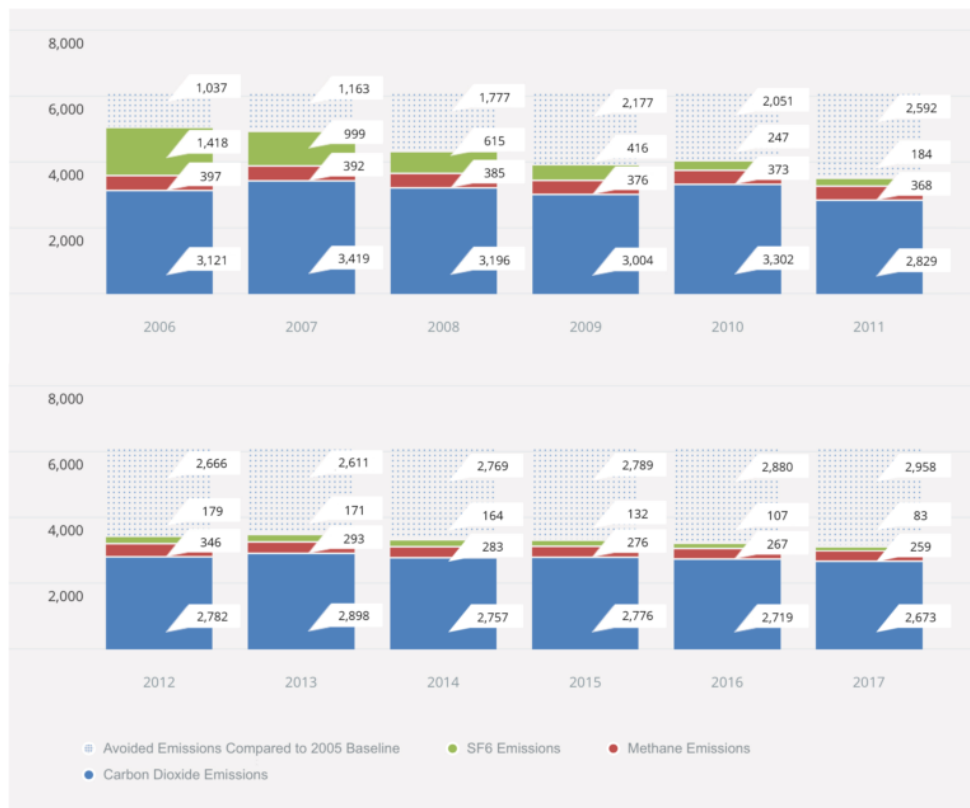
	2015	2016	2017
Hours of instructor-led, skill-based and leadership training	490,257	604,173	703,385
Hours of eLearning	164,519	173,182	157,197
Hours of documented on-the-job training	781,649	777,355	860,582
Employees taking part in a mentoring program	129	97	114
Employees taking advantage of tuition aid	594	607	589

Diversity

	2013	2014	2015	2016	2017
Total workforce	14,653	14,637	14,805	14,941	15,255
Minorities in the workforce	6,639	6,733	6,890	7,025	7,317
Minority share	45%	46%	47%	47%	48%
Women in the workforce	2,942	2,946	3,009	3,063	3,210
Women share	20%	20%	20%	21%	21%
Officer positions	59	57	59	57	61
Minorities in officer positions	15	18	21	19	20
Minority officer share	25%	32%	36%	33%	33%
Women in officer positions	16	14	15	15	18
Women officer share	27%	25%	25%	26%	30%

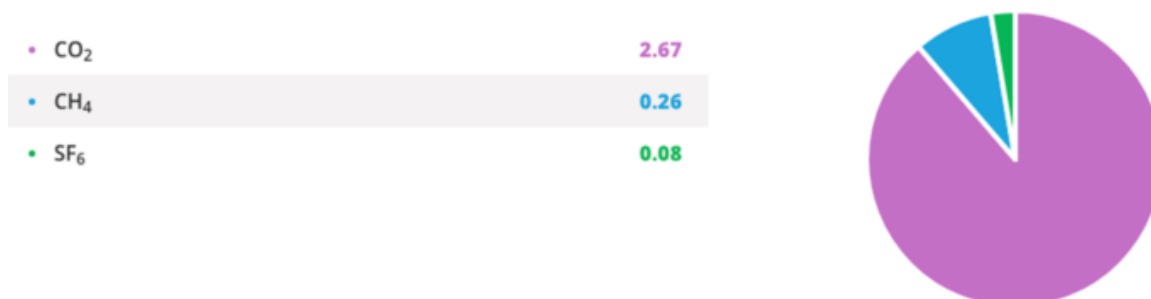
ENVIRONMENTAL PERFORMANCE

Con Edison, Inc. Direct GHG Emissions - Scope 1



Scope 1: Direct greenhouse gas emissions from CEI-owned or controlled sources (e.g., steam-generating stations)

Con Edison, Inc. GreenHouse Gas Emissions (Pie Chart)



INDIRECT EMISSIONS

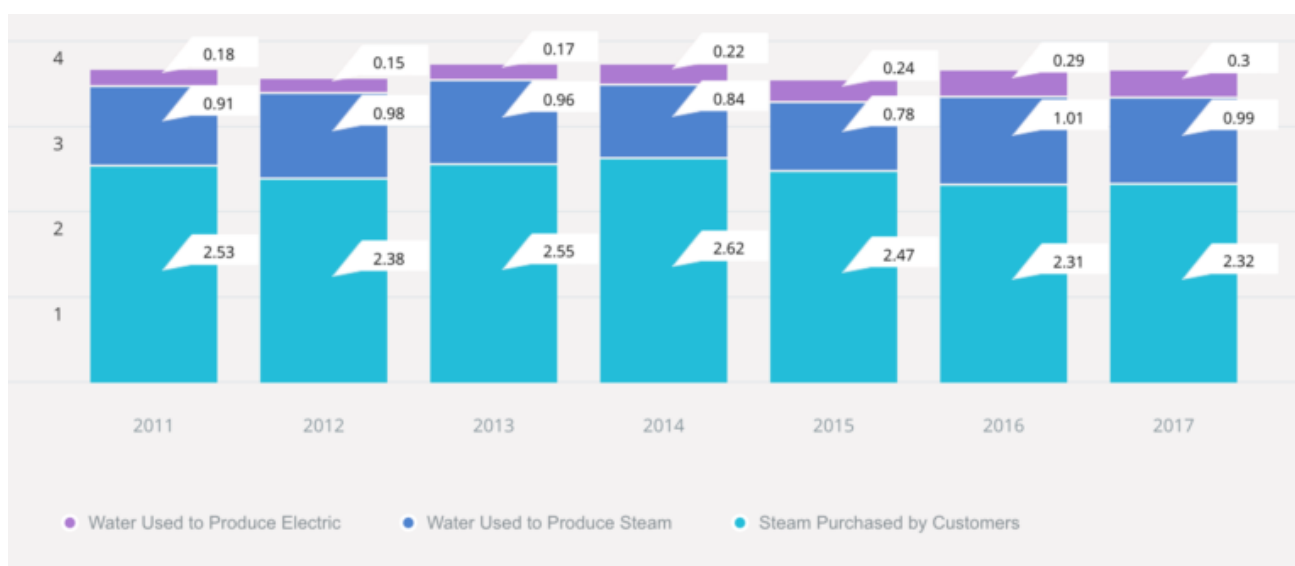
	Indirect emissions - Scope 2 (million metric tons CO ₂ e)	Other indirect emissions or Scope 3 total (million metric tons CO ₂ e)
2017	1.32	33.9
2016	1.32	41.1
2015	1.32	41.8
2014	1.09	40.9
2013	1.19	N/A
2012	1.11	N/A
2011	1.51	N/A
2010	1.37	N/A
2009	1.42	N/A

Scope 2: Indirect greenhouse gas emissions associated with delivering products to customers (e.g., electrical transmission losses)

Scope 3: Indirect greenhouse gas emissions associated with customers using CEI products (e.g., customers' use of delivered gas)

WATER

Con Edison Steam Operations - DEP Municipal Water Use



Con Edison of New York Environmental Releases

	2014	2015	2016	2017
Dielectric fluid released to environment (gallons)	43,439	27,669	76,253	30,998
Reportable oil spills	569	678	796	731
Reportable-quantity chemical spills	30	34	39	28

RESOURCE CONSERVATION

Con Edison of New York Waste

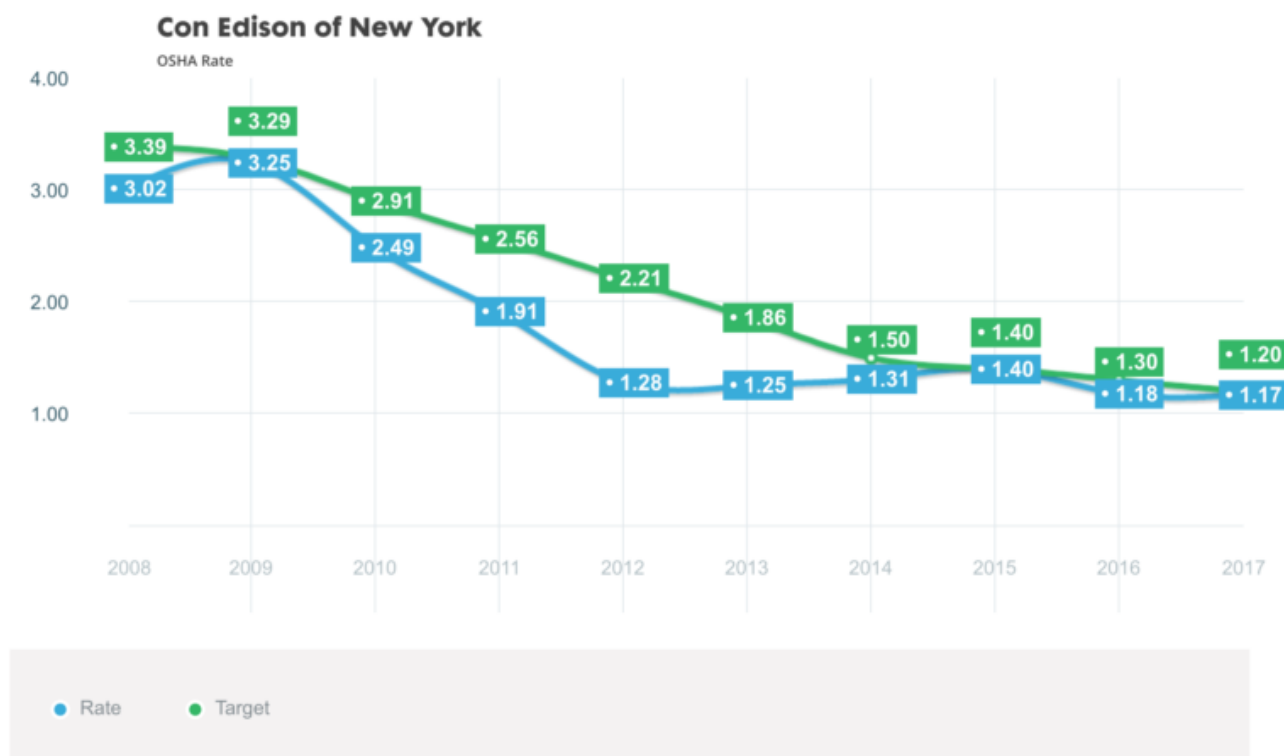
	2014	2015	2016	2017
Hazardous waste generated	17,547	11,371	12,070	12,070
Remediation waste	545	31	18	731

STAKEHOLDER ENGAGEMENT

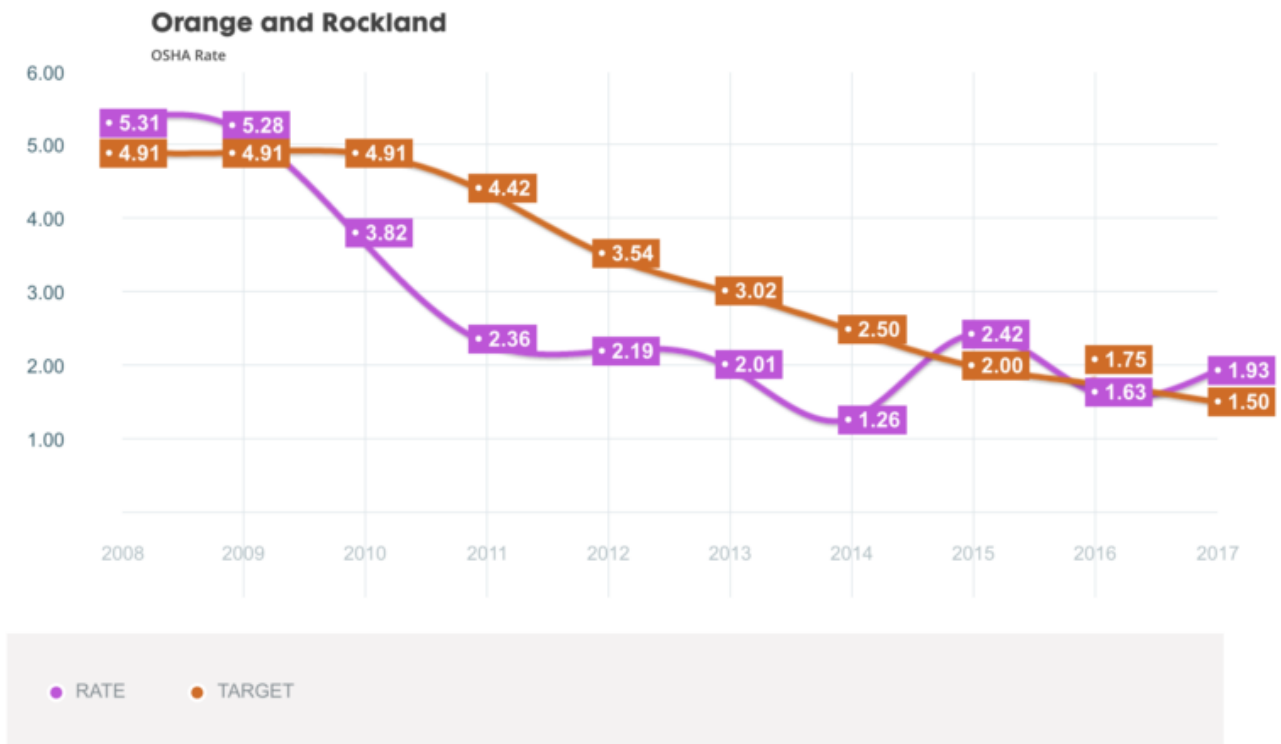
OSHA Rate

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Con Edison of New York Rate	3.02	3.25	2.49	1.91	1.28	1.25	1.31	1.40	1.18	1.17
Con Edison of New York Target	3.39	3.29	2.91	2.56	2.21	1.86	1.50	1.40	1.30	1.20
Orange and Rockland Rate	5.31	5.28	3.82	2.36	2.19	2.01	1.26	2.42	1.63	1.93
Orange and Rockland Target	4.91	4.91	4.91	4.42	3.54	3.02	2.5	2	1.75	1.50

Con Edison of New York



Orange and Rockland



SUPPLIER DIVERSITY

	2013	2014	2015	2016	2017
Green spend	> \$3 million	> \$3 million	\$6.9 million	> \$8 million	\$13 million*
Minority / Women-Owned Supplier Spend	> \$288 million	> \$286 million	\$280 million	\$292 million	\$307 million

*Includes \$5.2 million for electric vehicle infrastructure