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Vice President

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May 11, 2001

Re: Indian Point Unit No. 1
and No. 2
Docket No. 50-003
And 50-247
NL-01-063

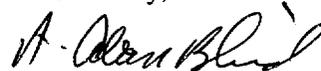
U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Mail Stop O-P1-17
Washington, DC 20555-0001

Subject: Con Edison, Inc. 2000 Annual Report

In accordance with Section 50.71(b) of the Commission's regulations, Consolidated Edison Company of New York, Inc. submits herewith ten (10) copies of the 2000 Annual Report of its parent holding company, Consolidated Edison, Inc.

There are no commitments contained in this letter. Should you or your staff have any concerns regarding this matter, please contact Mr. John McCann, Manager, Nuclear Safety & Licensing at 914-734-5074.

Sincerely,



Enclosure

cc: Mr. Hubert J. Miller
Regional Administrator - Region I
U.S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406

Mr. Patrick D. Milano, Senior Project Manager, Section 1
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Division of Licensing Project Management
U.S. Nuclear Regulatory Commission
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Senior Resident Inspector
U.S. Nuclear Regulatory Commission
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Buchanan, NY 10511

MDDH 1/10
4
COPIES sent to
J. MIANS
5 COPIES sent to P. Milano

Con Edison 2000 Annual Report

On The Move



conEdison, inc.

In 2000, Con Edison launched a major corporate identity campaign, introducing an image that better reflects the values and underlying principles of our expanding company in changing times. The new logo you see on the cover of this report is only the tip of the iceberg: throughout the company, from the doors of our headquarters and the trucks that carry our employees through our service area, to our Web site and "On It" advertising campaign, we're depicting our "right there" relationship to the people, the neighborhoods, the businesses, and the investors we serve.



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To Our Shareholders



The past year was a time of dramatic change in the energy industry. Your company, Con Edison, was on the move, meeting the challenges of an evolving industry, with a firm foundation of leadership and financial strength, and a focus on enhancing shareholder value.

The fundamentals of our business – the characteristics that have made us one of the largest and most successful energy companies in the nation – remain strong.

Dividends and Earnings

We increased our annual dividend per share in 2000 from \$2.14 to \$2.18, and we raised it again in January 2001, to an annualized \$2.20. This is the twenty-seventh consecutive year that we've increased the dividend – that's more than a quarter century of steady growth, a record among the best in the utility industry. The common stock price for the year rose 11.6 percent, and total return to shareholders (which includes dividends) was 19.1 percent.

In 2000, our earnings per share from ongoing operations were \$3.24, a rise of 10 cents over last year. Reported earnings were \$2.75 a share, reflecting non-recurring charges of approximately \$0.40 a share for the possible disallowance of replacement power costs for our nuclear plant, which returned to service in January 2001, and \$0.09 a share for merger-related expenses.

Powering Economic Expansion

We've been on the move in recent years, helping to power our service area's strong economic growth. Job expansion continues at a strong pace. In 2000, New York City's employment base grew by 2.9 percent, the second year in a row that local job growth exceeded that of the country as a whole. More jobs mean greater demand for our electric, gas and steam services.

Furthermore, the information revolution has not only expanded but has also reshaped our service area's

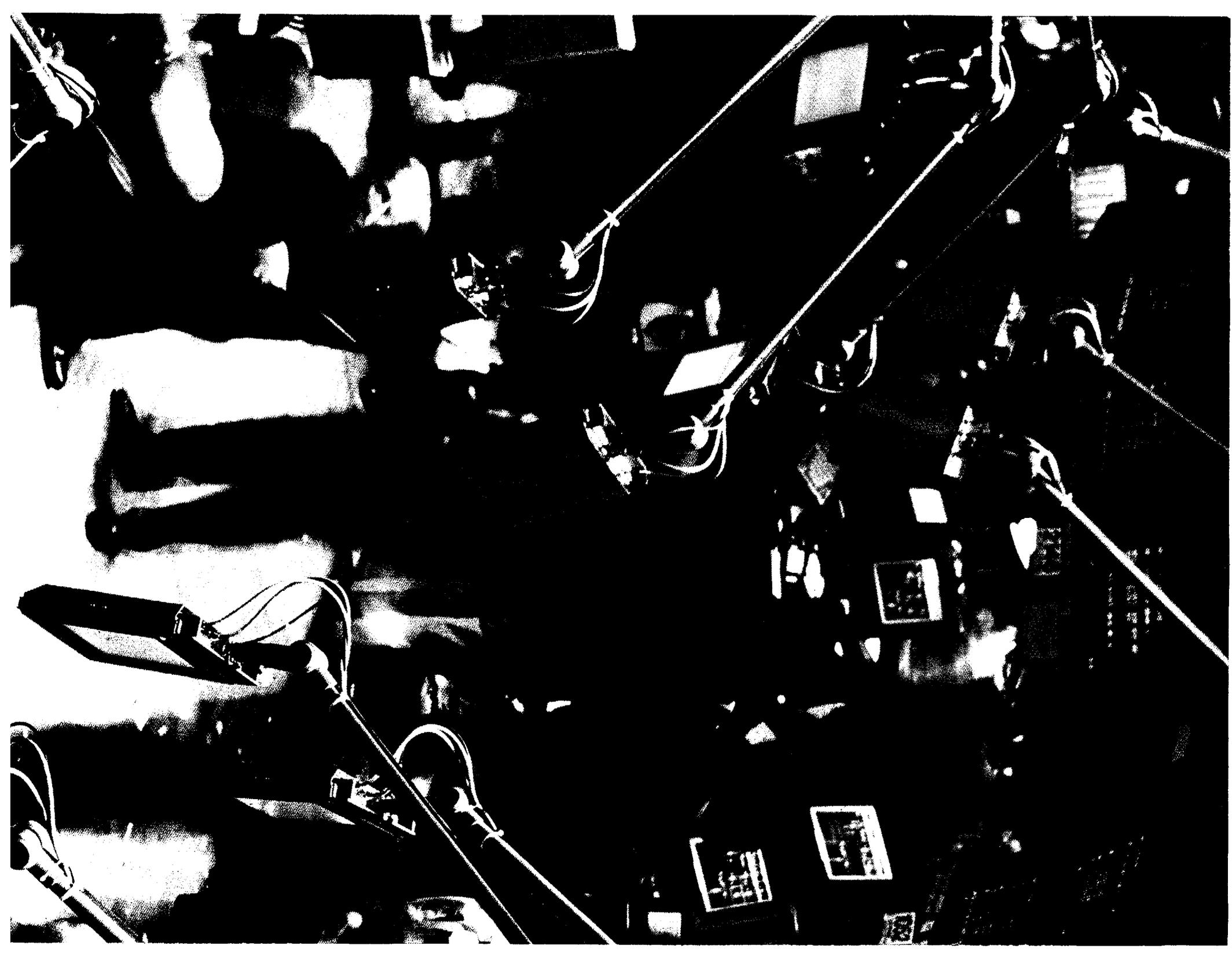
economy. Computer-based technologies have fundamentally changed how people work and live, and the resulting new demands for energy from these new technologies have also meant improving sales for Con Edison's energy delivery business. To put this in perspective, in the 1960s, the Empire State Building had power needs of about five to six watts per square foot. A new high-tech office building of the late 90s has power needs ranging from eight to 12 watts per square foot.

Over the past two years, Con Edison's electric energy sales increased by more than three percent a year, after adjustment to normal weather conditions. This is the highest rate of growth we've seen in 10 years.

As computer and technology businesses with real value continue to thrive, they rely on Con Edison for the energy they need to grow. In the past decade, we helped the New York Stock Exchange modernize its trading floors, allowing for more advanced computerized trading. Now we're helping telecommunications and high-tech companies address their unprecedented power needs, once again contributing to both economic growth and expansion of our company's business.

Virtually every home and business in our service area today is looking to power electronic and telecommunications equipment and appliances that didn't even exist just a few years ago. These new tools have now been integrated into the way we do business and will be part of our business lives in the years to come.

Companies that rely on computers and other sensitive electronic equipment demand the highest possible levels of electric service reliability. Con Edison provides its customers with the most reliable electric service in the country, as our electric distribution system's performance in 2000 reaffirmed. As the demand for our service increases, we're expanding and reinforcing our delivery facilities. We'll



be investing \$2.4 billion in our electric transmission and distribution infrastructures over the next five years – \$483 million in 2001 alone.

Measured Transition to a New Industry Structure

We've been working with regulators, legislators and other important constituents to continue the deliberate transition to a competitive energy environment in New York. This process has taken place in measured steps over the past five years and will continue to evolve over the next several years.

As a result of events in California, the nation's attention is now drawn to the dynamics of energy supply. In New York State, the emphasis has been on creating deregulated wholesale and retail marketplaces. We view the increased national focus on energy issues as an opportunity to expand the important dialogue among all interested parties in this critical period in our industry's and in your company's transformation, and we've acted accordingly to promote the exchange of information, ideas and solutions.

We believe competitive energy markets have the long-term potential to be good for our customers and for our company's growth, and we have supported their development in New York State. Important challenges remain before these markets can operate with the liquidity and efficiency that are necessary for true competition, and we are helping to address these challenges.

Under our restructuring plan, we sold most of our power plants. We now buy the energy we deliver to our full-service customers. Over the past year, several forces have led to higher and more volatile prices for this energy. These include sharp increases in the cost of the fuels used to produce electricity, energy demand that has grown faster than energy supply, and start-up problems in the new wholesale energy marketplace.

In communicating with all involved parties –

including regulators, legislators, customers, investors, our partners in the community, and the media – we stress the need for new generation sources to ensure an adequate supply and to enable a fair and efficient competitive market to develop. In addition, we have taken a lead role in urging the Federal Energy Regulatory Commission and New York's Independent System Operator to implement substantial reforms in the emerging wholesale market in order to promote efficient pricing.

An important factor in the successful transition to a competitive market in New York is the fact that, unlike the model in some other states, our customers pay the actual cost of the energy they use. This encourages both more competitive offerings from unregulated energy suppliers, and greater energy conservation by customers when prices rise.

As competitive energy markets in New York develop, Con Edison's core business and financial strength remain secure.

O&R Acquisition Generating Revenues and Efficiencies

In its first full year as a Con Edison company, Orange and Rockland Utilities (O&R) contributed importantly to the company's growth. Headquartered in Pearl River, New York, and contiguous to Con Edison's existing service area, O&R and its

(Left) Con Edison delivers power for the critical operations of the New York Stock Exchange *(Below)* Orange and Rockland Utilities truck leaving the Spring Valley, New York, Operations Center

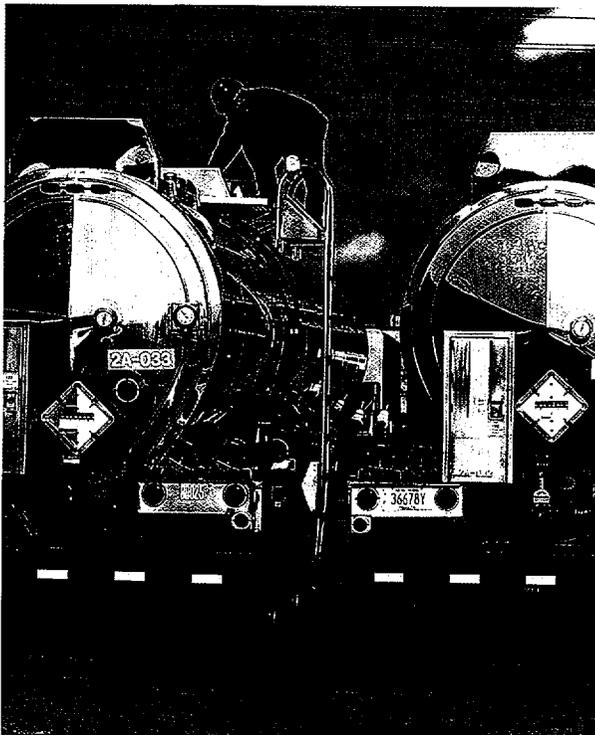


subsidiaries serve a population of about 700,000 in seven counties in New York, northern New Jersey and northeastern Pennsylvania. Earnings for 2000 were \$39.1 million, contributing \$0.18 per share to Con Edison's overall performance.

The acquisition has also meant improved efficiencies and operational value for Con Edison. We've seen positive benefits for both shareholders and customers through the consolidation of major functions like payment processing, information resources, legal services and materials testing. We've also strengthened our purchasing power by combining large-scale, common requirements like gas transportation contracts and general office supplies.

We've integrated our storm response system with O&R's, which means that more crews, equipment and support are available to respond to emergencies and restore service throughout our combined service areas.

(Below) Mario Ciminera, Mechanic, operating the "Silver Bullet," a tanker truck that transports waste water to the Astoria Water Purification Plant for treatment



Our experience to date makes us confident that we can continue to increase the benefits of this strategic merger in the coming years.

Putting Our Shareholders First

In October 1999, we announced an agreement to acquire Northeast Utilities (NU), a large neighboring utility. Earlier this year, after thorough analysis and deliberation, we concluded that Northeast Utilities had not met several conditions to the merger, and that unless those conditions were satisfied we would not go forward with the merger at the price set forth in the agreement. NU has filed a lawsuit against us for failing to commit to the merger. We believe the lawsuit is without merit and we are vigorously opposing it.

The strategy that initiated this merger and our O&R merger remains sound: We will continue to grow our core business, the transmission and distribution of energy, and our related unregulated ventures. We will also continue to consider geographic expansion of our regulated business. And, we will continue to act with discipline and focus. We have said that we would not pursue a merger that was not good for our shareholders, and we remain steadfast on that point.

Bringing About Positive Change

Throughout Con Edison, 2000 was a year of positive change. Furthering our strategy of focusing on the energy delivery business, we signed a contract for the sale of our Indian Point nuclear facilities to the Entergy Corporation for approximately \$602 million.

In another positive development, we're proceeding with plans to repower the East River Station. Repowering will help us to stabilize steam rates and maintain reliability through the installation of new state-of-the-art equipment. The improvements will produce environmental benefits and increase power

output, providing an additional 200 megawatts of much-needed electric supply in New York City.

In November 2000, we entered into a contract to sell several Con Edison properties along First Avenue in Manhattan, between 35th and 41st Streets. The sale involves a total of approximately nine acres. The purchase price for all the properties is expected to be between \$576 and \$680 million, depending on zoning. The transaction will benefit shareholders and customers alike by ensuring the recovery of past investments related to our steam system. The sale of the properties is pending approval by the Public Service Commission.

Gas and Steam Business Highlights

Con Edison's natural gas business grew in 2000, achieving increases over 1999 in firm sales and transportation, and operating income. We experienced our all-time peak demand on January 17, 2000 – almost 1.2 million dekatherms, enough gas to heat 10,000 homes for an entire winter season. The system performed well, and our surveys indicated that customer satisfaction reached its highest level, averaging 92.9 percent for the year.

The company's steam business unit also fared well in 2000, and its superior performance was recognized with the System of the Year award from the International District Energy Association. The award cited the system's efficiency, reliability and availability, as well as its environmental benefits.

Competitive Businesses

In the year 2000, our four unregulated companies were also on the move. Con Edison Communications entered the New York City fiber-optic transport market when it was awarded a franchise to provide transport services throughout the five boroughs. Con Edison Communications will provide wholesale, carrier-grade fiber-optic services that provide "last-mile" connectivity, enabling telecom-

munications carriers and Internet service providers to span the distance between their own networks and individual buildings, and allowing them to reach new customers.

Our program to install more than 112,000 fiber-strand miles by the end of 2005 is under way. It will involve connecting more than 1,000 buildings and bringing our network within one-and-one-half blocks of most buildings in Manhattan. We're working hard to ensure that this extensive telecommunications network will be more efficient, reliable and flexible than any other network in our service area.

Con Edison Development, a second competitive business, develops and acquires generation assets. In 2000, the company began building a 525-megawatt natural-gas-fired power plant in Newington, New Hampshire. This plant will use modern combustion turbines and heat recovery steam generators, ensuring much higher efficiency and significantly lower emissions than traditional plants. The plant has been welcomed by the community and local officials, and will help satisfy growing energy needs, bolster the local economy and contribute to a competitive energy environment in New England. Another competitive enterprise, Con Edison Energy, offers energy, capacity and risk-management services to wholesale customers in the Northeast.

Our energy services company, Con Edison Solutions, is a major player in the competitive retail energy sales market in our service area and neighboring states. Solutions also provides related energy products and services and customized solutions to customers' energy needs.

Each of these businesses builds on our proven expertise and experience, and we look forward to substantial growth in these markets in the years to come.

Innovation and Environmental Excellence

One of the best investments Con Edison makes is

in research into new and more efficient technologies. We've long been known as an industry innovator. Most recently, we've made improvements in remote monitoring and control technologies that allow us to keep our system – both underground and overhead – running efficiently and reliably.

We continually incorporate new technologies and procedures to protect the environment, as well. Our unwavering commitment to a safe environment is gaining increasing recognition. In 2000, among other honors, we received the United States Coast Guard's highest national award for excellence in marine environmental protection, for our vigilance in safeguarding the marine environment of New York City and the Hudson Valley. We've been hard at work for years to ensure that Con Edison sets the standard for environmental excellence.

Board and Executive Changes

Since our last annual report, we've welcomed two distinguished members to the Board of Directors of Consolidated Edison, Inc.: Dr. George Campbell, Jr., and Dr. George W. Sarney.

Dr. Campbell, who earned a bachelor's degree from Drexel University and a Ph.D. in theoretical physics from Syracuse University, became the President of Cooper Union for the Advancement of Science and Art in July 2000. Previously, he was President and CEO of the National Action Council for Minorities in Engineering.

Dr. Sarney holds a bachelor's degree in mechanical engineering from the University of Buffalo and master's and Ph.D. degrees from Brooklyn Polytechnic University. He is Chairman of Spirent, an advanced electronic solutions firm based in the United Kingdom. His career in global high technology includes senior positions with General Electric and Raytheon.

In August, Kevin Burke was named President of Consolidated Edison Company of New York, our

largest subsidiary. An engineer and lawyer who also holds an advanced business degree, Mr. Burke's 27-year career with Con Edison has included diverse executive positions in operations, customer service and strategic planning. Most recently, he served as President of the company's Orange and Rockland subsidiary.

Con Edison remains financially strong: Our stock has good value and our fundamentals are very sound. By keeping on the move in every area of our business, we're ensuring your company's continued success and vitality into the twenty-first century.



Eugene R. McGrath

Chairman, President, and Chief Executive Officer

(Below) Mechanics Michael Elliot and David Sanchez preparing ducts for fiber-optic installation (Right page) Looking north from the World Trade Center: Power for the region's economy, delivered by Con Edison







Strategy



Strategy

Our strategy for the future is closely related to certain basic principles that support our value as an investment:

- We're in a basic business. People need energy. We deliver energy.
- Our services never go out of fashion. We never have unsold inventory left on the shelf.
- Our service area comprises the greatest and most dynamic marketplace in the world. It's characterized by growth and business diversity, and enjoys undisputed stature as a world center for finance, commercial banking, communications, information technology, fashion, entertainment, diplomacy, education and health care.
- Unlike most other utilities, the lion's share of our electric sales – about two-thirds – supports steady-use commercial load: office buildings and businesses. They're much less vulnerable to cyclical economic conditions than customers such as manufacturing operations, of which we serve few.
- We have good name recognition and value perception, marketplace advantages that begin with

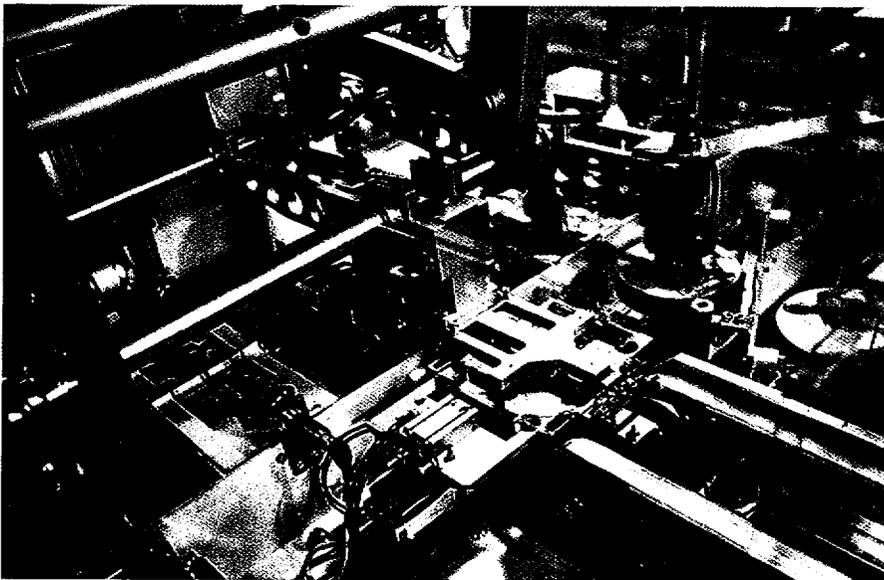
our core business and extend to our competitive subsidiaries as well.

- We have a very strong financial base and an excellent track record.

With these basics as a foundation, we are on the move pursuing growth opportunities that are closely related to our fundamental strength, our energy delivery business. We provide the world's most reliable electric service to 9.6 million people and nearly 260,000 diverse businesses. We are leveraging that distinction to strengthen and grow our core business both in our own service area and through geographic expansion. We are also taking advantage of the opening of competitive energy markets to pursue new growth platforms through our competitive businesses.

In times of volatility in both the financial markets and the energy business, Con Edison's consistent strategy has resulted in a company that is financially strong, and supports our trend of steady growth and improvement in the value of your investment.

(Previous) Maintenance Supervisor Andre Sahai, holding an innerduct liner used to protect fiber-optic strands
(Below) Providing safe, reliable energy to emerging businesses, such as this CD manufacturing plant in Queens, is key to Con Edison's growth strategy

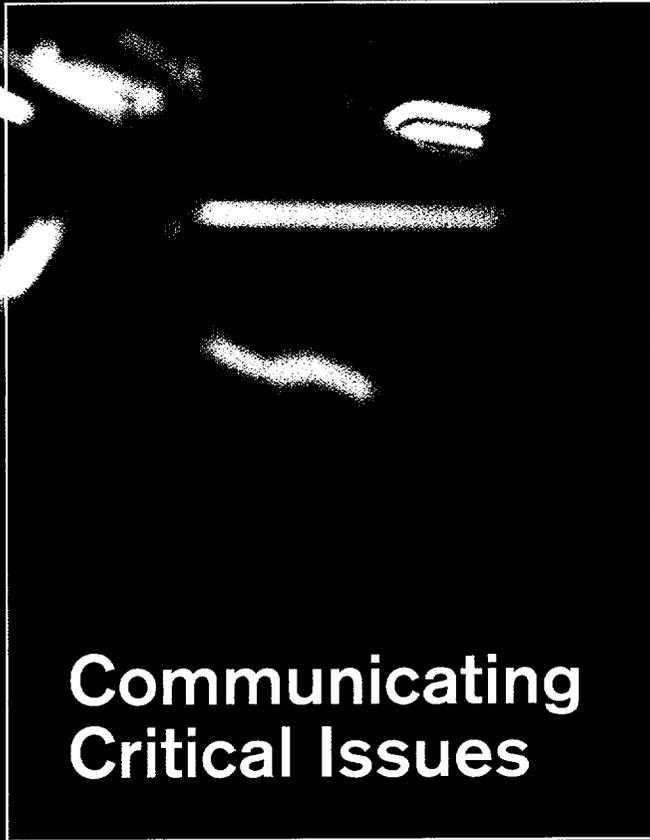


Con Edison is striding purposefully into the new energy era, with strategies and programs that advance the interests of investors, customers and the communities we serve.

This section describes a few of the many areas where Con Edison is on the move, securing our strengths and fulfilling our company's – and our region's – potential.



UNEDISON



Communicating Critical Issues



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Communicating Critical Issues

Con Edison was on the move in 2000 to keep our core constituencies informed about fast-breaking developments in our industry and their impact on energy policies, pricing and legislative and regulatory matters. By initiating these dialogues, we're helping to define and communicate important issues, and doing our part to ensure a successful transition to a competitive marketplace in our service area.

We intensified our dialogue with the financial community, helping investors and analysts understand not only current industry trends and prevailing issues but also their long-term implications. These matters are also discussed and updated on our new Internet site for investors, <http://investor.conEdison.com>.

We communicated with legislators, policymakers and regulators to ensure that the interests of our shareholders and customers continue to be well represented in the shaping of policy as the shift is made to a competitive market.

We kept our customers abreast of these issues, too, in part by informing them that while the cost of energy has risen, our delivery rates have continued to decrease. To explain the rising costs of purchasing energy, we used strategic advertising, customer newsletters and numerous briefings with neighborhood organizations, especially during the summer when higher costs for energy supply were reflected in customer bills.

More than ever, Con Edison employees served as information ambassadors about energy issues, educating and informing the customers they came in contact with, as well as their families, friends, neighbors, community organizations and legislators.

(Previous) Director of Media Relations Michael Clendenin conducting press briefing

(Below) Carol Conslato, Director, Queens Public Affairs, leading an employee briefing session on energy issues



“All of a sudden, we all have to pay attention to energy. Con Edison has been helping us understand how the energy business has changed and what our choices are as consumers.”

Yvonne Reddick, District Manager, Community Planning Board 12



conEdison, inc.



FINANCIAL INFORMATION

corporate overview

corporate governance

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calendar

email alerts

mail requests

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To learn more about the **Electric Markets in NY**, [click here](#)

Corporate Overview

[2000 Tax Facts](#) | [Credit Ratings Summary](#) | [Transfer Agent](#)

<http://investor.conEdison.com>

Corporate Strategy

The guiding principle of Con Edison's corporate strategy has always been, and continues to be, to enhance share holder value. We place a high priority on the continued financial strength of the company as we move into the competitive arena. Our core business will remain the transmission and distribution of energy to our millions of customers in the Northeast - what we call our "wires and pipes" business. However, as we navigate the many changes in the industry, we also are seeking opportunities for our unregulated subsidiaries that offer a greater potential for increased financial growth over the long term. Our goal is to achieve this growth without undue risk by leveraging our experience, expertise and expanding customer base into new endeavors that are closely related to our core business.

The competitive energy and telecommunications markets are still evolving and there is much uncertainty about what the future holds. Over the years, we've developed a consistent, disciplined strategy which balances risk with reward and allows steady growth and maximum value. Our solid financial track record enables us to approach our changing industry with enthusiasm and confidence.

Corporate Profile

For more than 175 years, Consolidated Edison, Inc. has served the world's most dynamic and demanding marketplace - New York City. Consolidated Edison Company of New York, Inc. provides electric, gas and steam to customers throughout the five boroughs of New York City and to neighboring areas in Westchester County. Through its 1999 merger with Orange and Rockland Utilities, Con Edison expanded its base to include Orange and Rockland counties in New York as well as parts of New Jersey and Pennsylvania. Con Edison today provides transmission and distribution services to 3.3 million electric customers, 1.2 million gas customers and 2,000 steam customers through our regulated businesses.

<http://investor.conEdison.com>

In 2000, we were on the move, using the latest technology to make it much more convenient for investors to get the information they need about Con Edison, all in one place.

A comprehensive new section on our corporate Web site devoted to investors provides greatly enhanced online access to our annual reports, SEC filings, and other detailed financial and operating information. In addition, a direct link to the company's transfer agent enables investors to access their accounts online and review account holdings, transaction history and dividend history.

At the click of a mouse, investors can access features that include:

- An e-mail message "alert" option through which they can choose to be notified about new developments in any or all of several information categories;
- Up-to-date, comprehensive information about industry issues, including deregulation and competition;

- Access to the company's recent presentations to the financial community and other constituencies;
- Current stock quotes, securities and credit ratings;
- Historical information and charts concerning key financial information like dividends, earnings and stock price; and
- An interactive feature through which investors can request that Con Edison mail financial reports and other materials.

Investors can access these and other features directly by logging on to <http://investor.conEdison.com> or on to the company's corporate Web site at <http://www.conEdison.com> (click the "Investor Information" key on the menu).

(Below) Jan Childress, Director, Investor Relations, assessing financial information on the company's Internet site

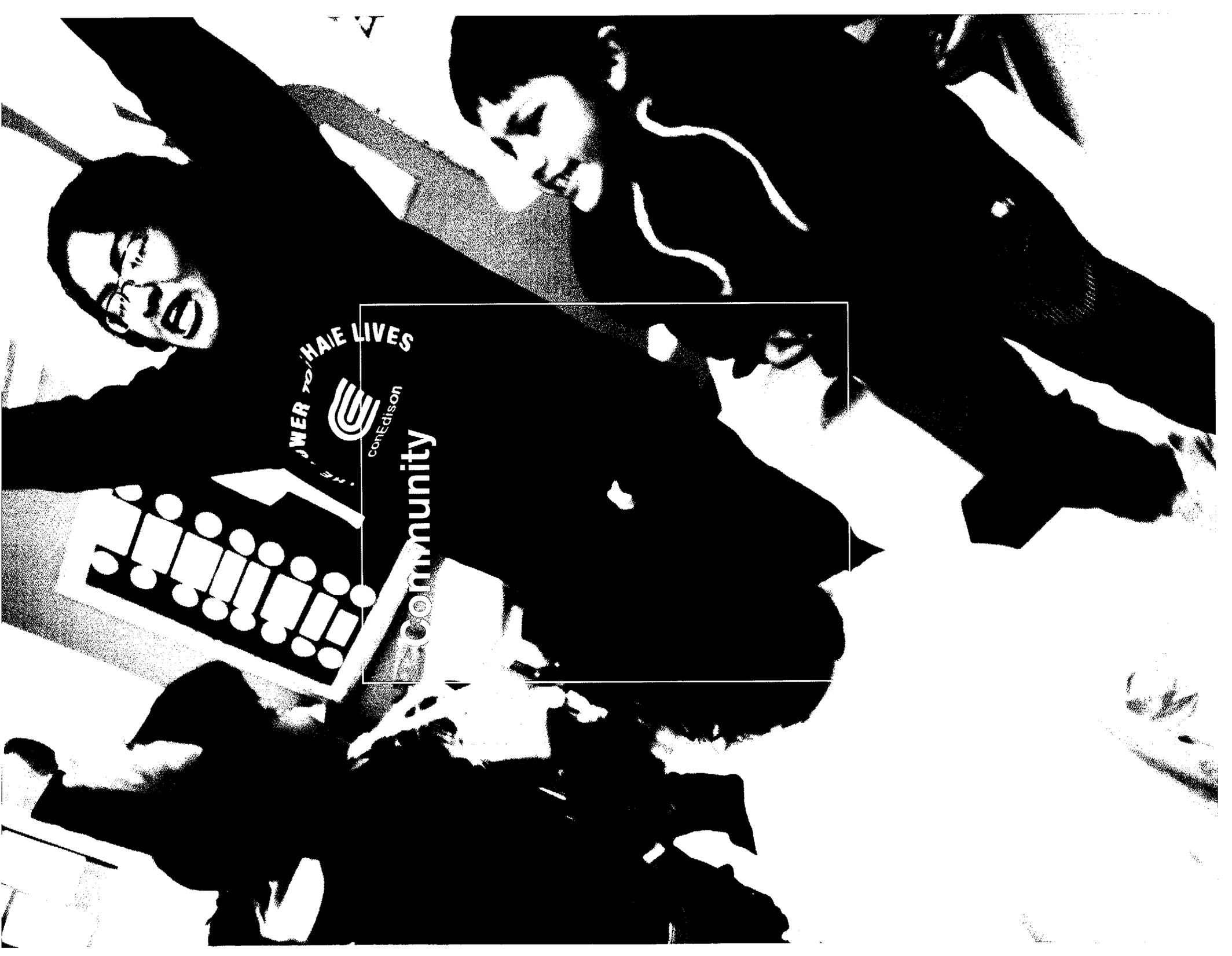


“The Con Edison investor Web site provides the opportunity to access information about the corporation quickly and easily. This is another example of Con Edison’s commitment to utilize the latest technology in all areas of their business.”

Joanne Fairechio, Vice President, Salomon Smith Barney



PAPER PAR



POWER TO CHANGE LIVES



ConEdison

community

Community

Twenty-four hours a day, Con Edison is on the move in the communities we serve, playing a vital role in the lives of our customers. Beyond providing the power that keeps our region a world capital of commerce, culture and communication, we work hand in hand with economic development, arts and human services organizations to make our communities better places to live and work. We back up that commitment with extensive volunteer programs and millions of dollars in community support.

The return on our investment is in the continued vitality and resilience of our service area, and its increasing attractiveness to both residents and newcomers.

It all starts with our employees, who give thousands of hours of their free time to take part in programs like tutoring children in local schools; raising awareness and funds for health issues such as breast cancer; helping with environmental improvement projects; and collecting food, clothing and toys for the underprivileged.

Their efforts, combined with our corporate strategic giving program, play a key role in ensuring that our communities grow bigger, better and stronger.

(Previous) Con Edison supports numerous community programs such as this children's aerobics class at the Long Island City YMCA *(Below)* Volunteer Josephine Calise, Manager, Strategic Giving, spending time with a resident at the Terence Cardinal Cooke Health Center as part of Con Edison's *Be My Valentine* program



“The Con Edison Pond Gallery is one of the New York Botanical Garden’s highlights. While hundreds of thousands of New York children and their families encounter the wonders of nature, they’re also learning about the environment. It’s an enlightened marriage of community support and environmental activism.”

Gregory Long, President, The New York Botanical Garden

“Con Edison has a distinguished record of corporate giving to the communities it serves, together with caring volunteers who are willing to share their time and skills in genuine partnership. These relationships have a lasting and profound impact on the children of New York City, building the groundwork for their promising future.”

Gary V. Simpson, Senior Pastor, Concord Baptist Church of Christ, Brooklyn





Environment

Environment

When it comes to protecting the space we inhabit, the water we drink and the air we breathe, Con Edison's commitment is second to none. We are on the move, implementing new programs to protect the environment, and winning new recognition as an industry leader. Through extensive, company-wide training and education programs, we have built a culture where environment and safety considerations are a first priority. In 2000, we received many commendations for our environmental progress and achievements. An article in *Management Review*, the magazine of the American Management Association,

detailed how Con Edison has built an outstanding environmental program, and concluded that the company is "an environmental leader." In addition, four of our key operating organizations were certified as meeting the prestigious ISO (International Organization for Standardization) 14001 standard, a rigorous certification process that involves auditing, training and environmental commitment.

By reducing environmental impacts, our programs are benefiting our service area and investors alike.

(Previous left) James Gillanders, Supervisor, operating the SF-6 gas detection imaging device at Greenwood Substation, Brooklyn *(Previous right)* A visitor to the New York Botanical Garden, home of the Con Edison Pond Gallery *(Below)* Mechanic Mario Trocchia, Facilities Management, with the Coast Guard award presented to Con Edison for environmental protection



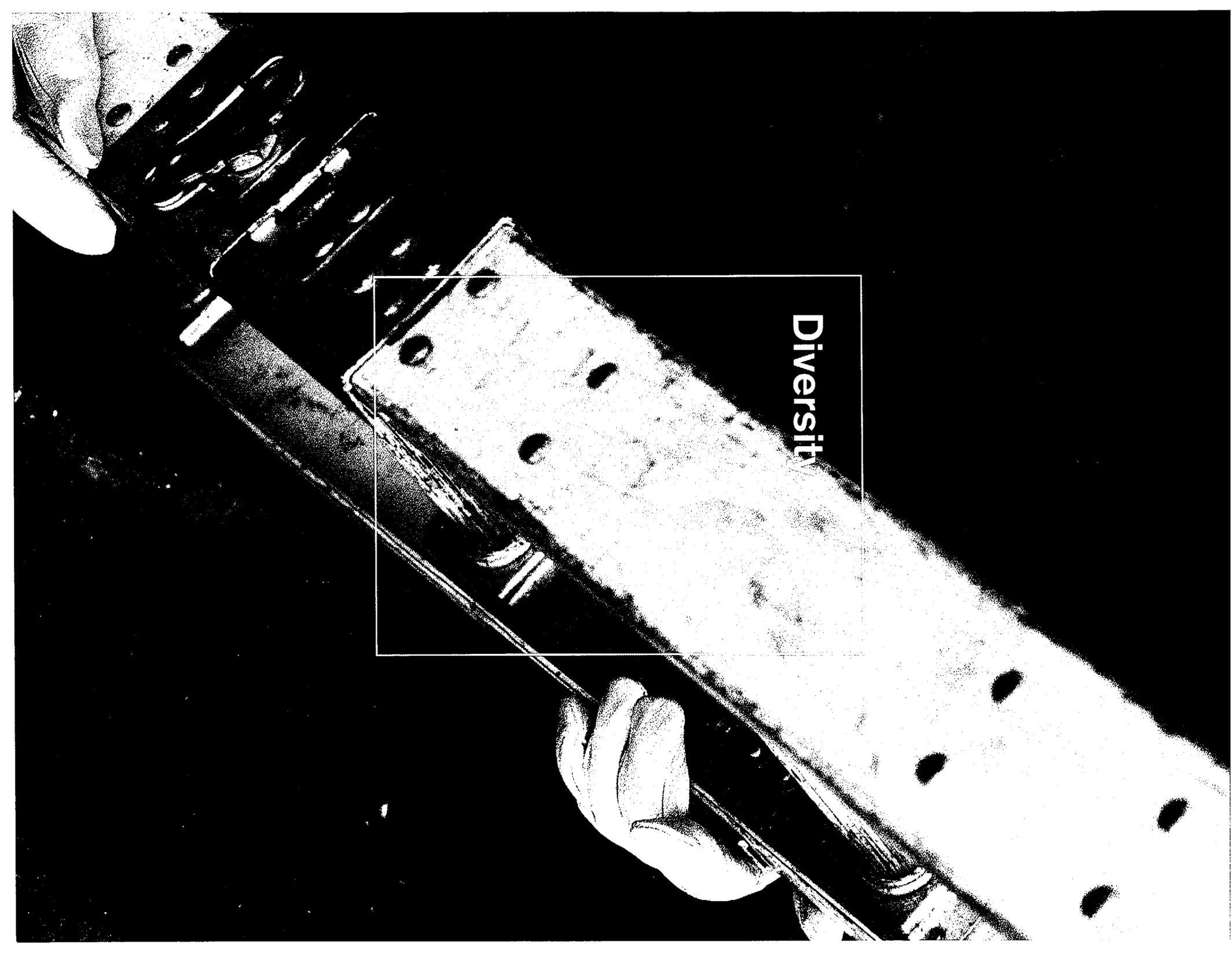
“Con Edison has been a wonderful long-time supporter of Alley Pond Environmental Center. This year we are celebrating 25 years at our current location and, as we have grown, so has Con Edison’s support for our environmental education programs. We appreciate all they have done for us and look forward to our next 25 years working together to help make New York a better place for all.”

Irene V. Scheid, Executive Director, Alley Pond Environmental Center




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Diversity

Diversity

Con Edison has long been on the move to ensure that our workforce reflects – and our company benefits from – the rich diversity that makes our service area unique. By establishing a reputation as an industry and diversity leader, we draw the best candidates for our open positions.

Our success is gaining recognition: In 2000, we made both *Working Woman* magazine's list of Top 25 Companies for Executive Women, and *Fortune* magazine's list of America's 50 Best Companies for Minorities. Catalyst, a nationally recognized advocacy group that advances the interests of women in

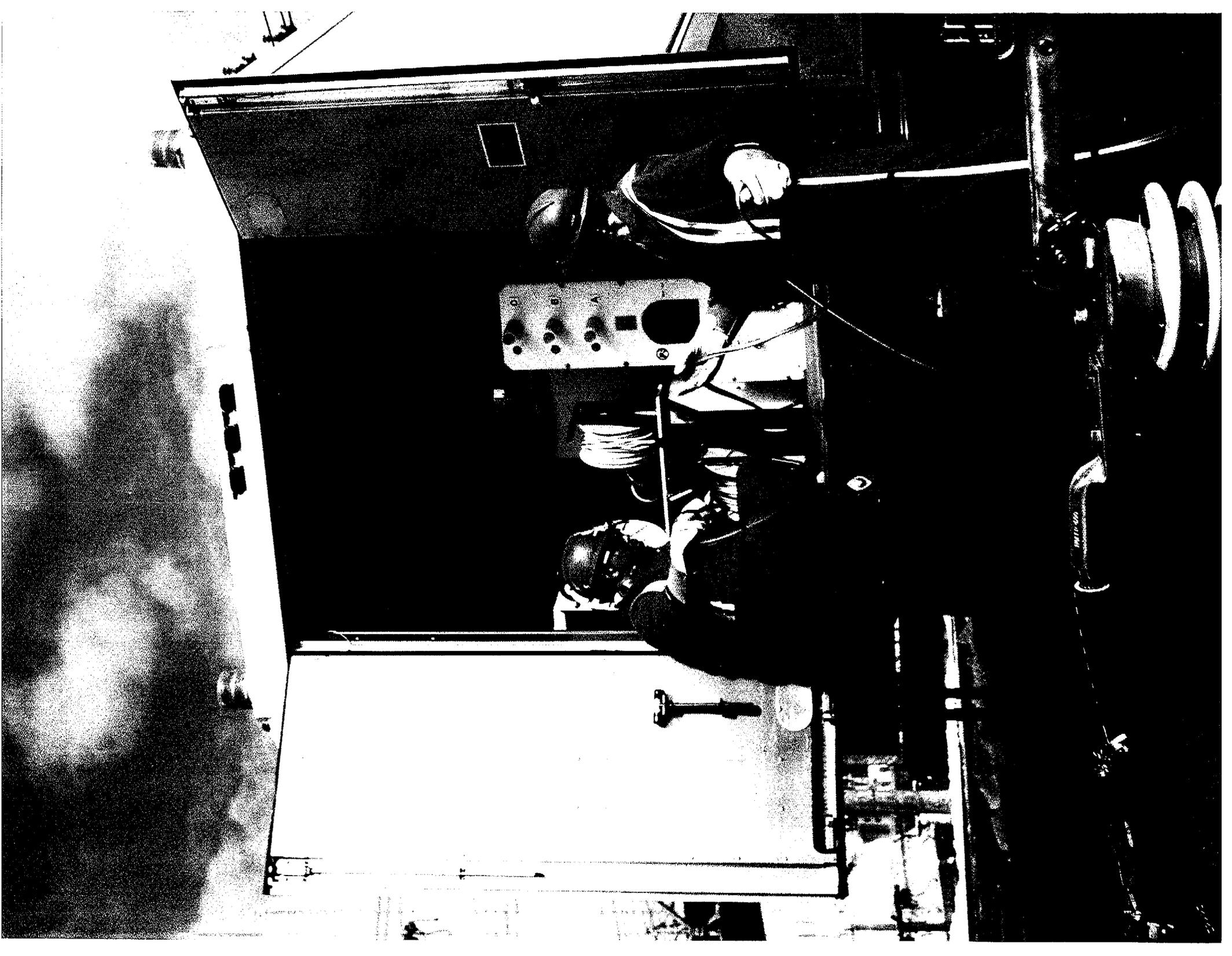
business, awarded us its Blue Ribbon for Companies with Multiple Women Directors, identifying us as the sixth-best company – out of all *Fortune 1000* companies – for women on the board of directors. Catalyst also recognized Con Edison in its Best Practices study on corporate management, citing our diverse management intern program and our Blue Collar Prep program, a training program for women seeking to enter job categories traditionally dominated by men.

(Previous) Electric Operations Field Inspector Brenda Jenkins emerging from manhole (Below) Kathleen Ahn, Manager, Government Relations, participating in policy discussion at Con Edison headquarters



“From the moment I arrived at Con Edison 15 years ago, I was treated as a member of a working team whose goal was excellence. At Con Edison, it never has to do with your ethnic background or anything else other than your quality as a person, your character. The message of diversity and acceptance that I’ve experienced at Con Edison is the same message I relate to new people who come to the company, and the same message I communicate to the children I mentor.”

Carlos D. Torres, Manager, Electric Operations, recognized in 2000 by the National Puerto Rican Forum as a Latino role model and recipient of the *Sí Se Puede* (Yes, We Can) award for community activism





Technology


conEdison

CON EDISON CO

Technology

Con Edison's past investments in cutting-edge applications are paying off in our electric, gas and steam businesses. Innovations such as "no-dig" excavation technologies and remote monitoring systems enable us to maintain and improve our infrastructure at lower cost than ever before. Even as we realize the benefits of past research, we're on the move with new short- and long-term projects, ensuring our place as an industry leader in technological development and enhancing both our service capabilities and our bottom line.

Con Edison received honors in 2000 for several innovations. We were recognized with the Innovator

Award from the Electric Power Research Institute for our field-testing camera, which allows advanced visual inspections of high-voltage equipment without the need to interrupt service. We also received the *R&D* magazine 100 Award for developing one of the year's 100 most significant innovations: our "smart regulator," an automated device that efficiently and safely controls distribution of gas. We were honored by the Smithsonian Institution's Computerworld Program for our innovative use of the Intell-A-Check Web-based bill payment system.

(Previous, left to right) Ronnie Allen, Senior Field Operator, Rebecca Sunde, General Utility Worker, and Don V. Smith, Senior Field Operator, all with Electric Operations, with Con Edison's newly developed Very Low Frequency test van, used to evaluate reliability of distribution network feeders (Below) Production Technician Tenya Blackwell calibrating a machine at the Astoria Chemlab testing facility



“In a unique and exciting collaboration, Con Edison and RPI have worked for eight years to educate electricians and lighting installers about new, energy-efficient technologies. It’s paying off – better products and better approaches are reaching the consumer.”

Mark S. Rea, PhD, Lighting Research Center, Rensselaer Polytechnic Institute



Corporate Policy Committee

Clockwise from upper left:
Charles F. Soutar
Frances A. Resheske
Robert W. Donohue, Jr.
Kevin Burke
Luther Tai
Eugene R. McGrath
Stephen B. Bram
Joan S. Freilich
John D. McMahan
Mary Jane McCartney



Financial Section

Condensed Management's Discussion

and Analysis of Financial Condition and Results of Operations

Report of the Company and Report of Independent Accountants

Condensed Consolidated Balance Sheet

Condensed Consolidated Income Statement

Condensed Consolidated Statement of Cash Flows

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Board of Directors

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Condensed Management's Discussion and Analysis of Financial Condition and Results of Operations

Con Edison's Business

Con Edison is a holding company that provides a wide range of energy-related services to its customers through its regulated and unregulated subsidiaries. Con Edison's core business is energy distribution and it is also pursuing related growth opportunities in competitive businesses.

Con Edison's principal subsidiary is Consolidated Edison Company of New York, Inc. (Con Edison of New York), a regulated utility that provides electric service to more than three million customers and gas service to more than one million customers in New York City and Westchester County. It also provides steam service in parts of Manhattan.

Orange and Rockland Utilities, Inc. (O&R) is also a regulated utility subsidiary of Con Edison. O&R, along with its regulated utility subsidiaries, provides electric service to more than 278,000 customers and gas service to more than 118,000 customers in southeastern New York and in adjacent sections of New Jersey and northeastern Pennsylvania.

Significant Developments

Con Edison's results of operations for 2000 were materially affected by electric rate reductions of (on an annual basis) \$103 million, effective April 2000, and \$170 million, effective October 2000, and a \$130 million charge for the possible disallowance of replacement power costs incurred in connection with an outage at the Indian Point nuclear plant. Indian Point 2 returned to service in January 2001 following installation of new steam generators.

Other significant developments in 2000 included agreements to sell, subject to approval of the New York State Public Service Commission (PSC) and other conditions, Indian Point 2 and related assets (including fuel) for approximately \$602 million, subject to certain adjustments, and a nine-acre development site in mid-town Manhattan along the East River (the First

Avenue Properties) for an expected price of \$576 million to \$680 million, depending on zoning and other adjustments.

Results of operations for 2000 reflect for the entire year Con Edison's ownership of O&R (which it acquired in July 1999) and Con Edison of New York's sales (in June and August 1999) of most of its electric generating capacity.

In March 2001 Con Edison and Northeast Utilities commenced litigation relating to their October 1999 merger agreement. Con Edison believes that it is not obligated to acquire Northeast Utilities because Northeast Utilities does not meet the merger agreement's conditions that it operate its businesses in the ordinary course consistent with past practice and that there be no material adverse change with respect to Northeast Utilities. Northeast Utilities claims that Con Edison materially breached the merger agreement and that as a result Northeast Utilities and its shareholders have suffered substantial damages. Con Edison is unable to predict whether or not any Northeast Utilities-related proceedings, lawsuits or other actions will have a material adverse effect on Con Edison's financial position, results of operations or liquidity.

Liquidity and Capital Resources

CASH AND SHORT-TERM BORROWING

Cash and temporary cash investments decreased \$390.2 million at December 31, 2000 compared to December 31, 1999, reflecting repayment of notes payable (primarily commercial paper), including short-term borrowing done in December 1999 in anticipation of January 2000 cash requirements, and the changes in cash flows from operating, investing and financing activities.

CASH FLOWS FROM OPERATING ACTIVITIES

Net cash flows from operating activities for the years 2000 and 1999 were as follows:

(Millions of Dollars)	2000	1999
Net cash flows from		
operating activities	\$ 960	\$ 1,205
Common stock dividends	(463)	(477)
Net cash flows	\$ 497	\$ 728

Net cash flows from operating activities in 2000 decreased \$245.1 million compared to 1999, due principally to lower net income (which included increased pension credits) and increased purchased power and gas costs.

CAPITAL RESOURCES

Con Edison expects to finance its operations, capital requirements and the payment of dividends to its shareholders primarily from dividends and other distributions it receives from its subsidiaries and through external borrowings, including commercial paper.

Con Edison's ratio of earnings to fixed charges for 2000 and 1999 and common equity ratio at December 31, 2000 and 1999 were:

	2000	1999
Earnings to fixed		
charges (SEC basis)	3.10	4.04
Common equity	49.1	53.1

The reduction in interest coverage reflects changes in pre-tax income and changes in interest charges due to debt issuances and refundings. Excluding the charge for nuclear replacement power costs, Con Edison's ratio of earnings to fixed charges for 2000 would have been 3.40. The decrease in the equity ratio reflects the issuance of debt and the repurchase of approximately \$1.0 billion of common stock.

CAPITAL REQUIREMENTS

The following table compares Con Edison's capital requirements relating to its regulated and unregulated subsidiaries for the years 1998 through 2000 and estimated amounts for 2001 and 2002:

(Millions of Dollars)	1998	1999	2000	2001*	2002*
Utility construction expenditures	\$619	\$678	\$959	\$993	\$943
Investment in unregulated subsidiaries	56	165	121	400	335
Nuclear decommissioning trust	21	21	21	21	21
Nuclear fuel	7	17	27	3	47
Retirement of long-term securities at maturity	200	225	395	300	337
Total	\$903	\$1,106	\$1,523	\$1,717	\$1,683

*Does not reflect the pending sale of Indian Point 2, which is expected to be completed in 2001.

The increased utility construction expenditures in 2001 and 2002 reflect expenditures to repower Con Edison of New York's East River steam-electric generating plant and expenditures related to meeting load growth on its electric distribution system, as well as the construction programs of O&R. The repowering will provide additional, cost efficient steam generating capacity and approximately 360 MW of electric capacity. The increased generating capacity will more than offset the 160 MW of electric capacity that will be lost upon the closing of the company's Waterside generating station, which is located on the First Avenue Properties.

Results of Operations

Con Edison's earnings per share in 2000 were \$2.75 (\$2.74 on a diluted basis). Earnings per share in 1999 and 1998 were \$3.14 (\$3.13 on a diluted basis) and \$3.04, respectively. Excluding the charge for the possible disallowance of replacement power costs and a charge for merger-related expenses, earnings per share in 2000 would have been \$3.24 (\$3.23 on a diluted basis).

Earnings for the years ended December 31, 2000 and 1999 were as follows:

(Millions of Dollars)	2000	1999
Con Edison of New York	\$570.1	\$698.3
O&R	39.1	22.2*
Unregulated subsidiaries	7.7	(10.9)
Other**	(34.1)	(9.0)
Con Edison	\$582.8	\$700.6

* O&R earnings are for the period subsequent to its acquisition in July 1999.

**Includes parent company expenses, goodwill amortization and inter-company eliminations.

Con Edison's earnings for 2000 decreased \$117.8 million compared to 1999, reflecting the effects of cooler than normal summer weather in 2000 as compared with warmer than normal summer weather in 1999, electric rate reductions of \$139.3 million, the charge for replacement power costs, \$41.3 million of higher transmission and distribution expenses, \$48.3 million of increased interest charges and \$32.1 million of merger-related expenses, offset in part by increased revenues resulting from the favorable economy, \$157.1 million of increased pension credits, \$12.3 million of net increased unregulated earnings and parent company expenses (other than merger-related expenses), and \$16.9 million of O&R earnings.

Electricity sales volume in Con Edison of New York's service territory increased 1.7 percent in 2000 and 3.9 percent in 1999.

After adjusting for variations, principally weather and billing days, in each period, electricity sales volume in Con Edison of New York's service territory increased 3.6 percent in 2000 and 2.7 percent in 1999. Weather-adjusted sales represent an estimate of the sales that would have been made if historical average weather conditions had prevailed.

Gas sales and transportation volume to firm customers of Con Edison of New York increased 7.8 percent in 2000 compared to 1999 and increased 5.8 percent in 1999 compared to 1998.

After adjusting for variations, principally weather and billing days, in each period, gas sales and transportation volume to firm customers increased 2.0 percent in 2000 and 1.3 percent in 1999.

Steam sales volume increased 0.8 percent in 2000 and increased 6.1 percent in 1999. The increase in 1999 reflects the colder winter compared to 1998.

After adjusting for variations, principally weather and billing days, in each period, steam sales volume decreased 0.7 percent in 2000 and decreased 1.4 percent in 1999.

Report of the Company

The condensed consolidated financial statements in this summary annual report were derived from the consolidated financial statements that appear in the Appendix to the proxy statement for the 2001 annual meeting of stockholders. The consolidated financial statements have been prepared by the management of Consolidated Edison, Inc. (Con Edison). In Con Edison's opinion, such statements are in conformity with accounting principles generally accepted in the United States of America. The statements reflect judgments and estimates made in the application of such principles. Management also prepared the other information in the annual report and is responsible for its accuracy and consistency with the consolidated financial statements. In the opinion of management, the consolidated financial statements fairly reflect Con Edison's financial position, results of operations and cash flows.

The integrity of Con Edison's financial records, from which the consolidated financial statements are prepared, is largely dependent upon Con Edison's system of internal accounting controls. Based upon continued monitoring of such controls, Con Edison believes it provides reasonable assurances that transactions are executed in accordance with management's authorization and are properly recorded, and that assets are appropriately safeguarded against loss from unauthorized use.

Con Edison's Board of Directors maintains an Audit Committee composed of Directors who are not employees of Con Edison. The Audit Committee meets with Con Edison's management, the General Auditor of its principal subsidiary, Consolidated Edison Company of New York, Inc., and its independent accountants several times a year to discuss internal controls and accounting matters, Con Edison's consolidated financial statements, and the scope and results of the audit by the independent accountants and of the audit programs of the internal auditing department of Consolidated Edison Company of New York, Inc. The independent accountants and General Auditor have direct access to the Audit Committee and periodically meet with it without management representatives present.

The consolidated financial statements have

been audited by PricewaterhouseCoopers LLP, Con Edison's independent accountants, in accordance with auditing standards generally accepted in the United States of America.

February 15, 2001, except for Note P, as to which the date is March 19, 2001

Report of Independent Accountants

PRICEWATERHOUSECOOPERS 

*To the Stockholders and Board of Directors of
Consolidated Edison, Inc.*

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet and the consolidated statement of capitalization of Consolidated Edison, Inc. and its subsidiaries as of December 31, 2000 and 1999, and the related consolidated statements of income, retained earnings, other comprehensive income and cash flows for the three years ended December 31, 2000, appearing in the Appendix to the proxy statement for the 2001 annual meeting of stockholders of Consolidated Edison, Inc. and its subsidiaries (not presented herein); and in our report dated February 15, 2001, except for Note P, as to which the date is March 19, 2001, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated financial statements, when read in conjunction with the consolidated financial statements from which it has been derived, is fairly stated, in all material respects, in relation thereto.

PricewaterhouseCoopers LLP

New York, NY

February 15, 2001, except for Note P, as to which the date is March 19, 2001

Condensed Consolidated Balance Sheet Consolidated Edison, Inc.

At December 31 (Thousands of Dollars)

2000

1999

Assets

Net utility plant	\$ 11,893,419	\$ 11,353,845
Cash and temporary cash investments	94,828	485,050
Accounts receivable - customer, less allowance for uncollectible accounts	910,344	647,545
Fuel, gas in storage, and materials and supplies, at average cost	242,929	222,563
Other current assets	767,886	357,520
Total current assets	2,015,987	1,712,678
Total investments	567,840	487,918
Goodwill	488,702	427,496
Other noncurrent assets and deferred charges	1,801,297	1,549,539
Total noncurrent assets and deferred charges	2,289,999	1,977,035
Total	\$ 16,767,245	\$ 15,531,476

Capitalization and Liabilities

Total common shareholders' equity	\$ 5,472,389	\$ 5,412,007
Preferred stock	249,613	249,613
Long-term debt	5,415,409	4,524,604
Total capitalization	11,137,411	10,186,224
Long-term debt due within one year	309,590	395,000
Notes payable	255,042	495,371
Accounts payable	1,020,401	615,983
Other current liabilities	752,146	594,985
Total current liabilities	2,337,179	2,101,339
Total noncurrent liabilities and deferred credits	3,292,655	3,243,913
Total	\$ 16,767,245	\$ 15,531,476

Condensed Consolidated Income Statement Consolidated Edison, Inc.

Year Ended December 31 (Thousands of Dollars)

2000

1999

1998

Operating revenues

Electric	\$ 6,938,128	\$ 5,792,673	\$ 5,674,446
Gas	1,261,970	1,000,083	959,609
Steam	452,135	340,026	321,932
Non-utility	779,158	358,541	137,061
Total operating revenues	9,431,391	7,491,323	7,093,048

Operating expenses

Purchased power and fuel	3,993,666	2,254,073	1,832,789
Gas purchased for resale	790,905	485,155	437,308
Other operations and maintenance	1,604,644	1,626,602	1,635,371
Depreciation and amortization	586,407	526,182	518,514
Income tax and other taxes	1,439,633	1,579,512	1,615,741
Total operating expenses	8,415,255	6,471,524	6,039,723

Operating income	1,016,136	1,019,799	1,053,325
Other income/(loss)	(12,263)	31,972	2,249

Income before interest charges

and preferred stock dividends	1,003,873	1,051,771	1,055,574
Interest charges and preferred stock dividend requirements	421,038	351,156	342,832
Net income for common stock	\$ 582,835	\$ 700,615	\$ 712,742
Basic earnings per common share	\$ 2.75	\$ 3.14	\$ 3.04
Diluted earnings per common share	\$ 2.74	\$ 3.13	\$ 3.04
Dividends per common share	\$ 2.18	\$ 2.14	\$ 2.12
Average number of shares outstanding (millions)	212.2	223.4	234.3

Condensed Consolidated Statement of Cash Flows Consolidated Edison, Inc.

Year Ended December 31 (Thousands of Dollars)

2000

1999

1998

Operating activities

Net income for common stock	\$ 582,835	\$ 700,615	\$ 712,742
Depreciation and amortization	586,407	526,182	518,514
Federal income tax deferred (excluding taxes resulting from divestiture of plant)	177,736	41,784	86,430
Prepayments -- accrued pension costs	(250,743)	(54,000)	(49,800)
Deferred recoverable energy costs	(221,804)	(57,692)	76,711
Cost of removal less salvage	(130,590)	(71,451)	(72,033)
Other operating activities	216,320	119,852	117,198
Net cash flows from operating activities	960,161	1,205,290	1,389,762

Investing activities including construction

Utility construction expenditures	(958,927)	(678,157)	(618,844)
Payment for purchase of Orange and Rockland, net of cash and cash equivalents	-	(509,083)	-
Payment for purchase of the Lakewood Project, net of cash and cash equivalents	(98,090)	-	-
Divestiture of utility plant (net of federal income tax)	-	1,138,750	-
Investments by unregulated subsidiaries	(19,309)	(101,953)	(24,072)
Demolition and remediation costs for First Avenue properties	(101,935)	-	-
Deposit received from sale of First Avenue properties	50,000	-	-
Other investing activities	(47,359)	(34,028)	(25,926)
Net cash flows used in investing activities including construction	(1,175,620)	(184,471)	(668,842)

Financing activities including dividends

Repurchase of common stock	(68,531)	(817,399)	(115,247)
Change in short-term debt (net)	(265,031)	430,196	-
Change in long-term debt (net)	626,770	242,689	(513,645)
Common stock dividends	(462,503)	(477,110)	(493,201)
Other financing activities	(5,468)	(16,440)	320,010
Net cash flows used in financing activities including dividends	(174,763)	(638,064)	(802,083)
Net increase (decrease) in cash and temporary cash investments	(390,222)	382,755	(81,163)
Cash and temporary cash investments at January 1	485,050	102,295	183,458
Cash and temporary cash investments at December 31	\$ 94,828	\$ 485,050	\$ 102,295

Supplemental disclosure of cash flow information

Cash paid during the period for:

Interest	\$ 351,165	\$ 321,785	\$ 285,956
Income taxes	136,573	846,559	355,707

Statistics

	2000	1999	1998	1997	1996
Utility sales volume					
Electric (thousands of kilowatthours)					
Con Edison customers	36,266,131	34,966,969	36,374,017	37,527,979	37,203,954
Delivery service for Retail Choice	9,928,423	8,238,228	2,417,321	-	-
Delivery service to NYPA and others	9,631,617	9,335,230	9,039,674	8,793,378	8,816,873
Service for municipal agencies	630,966	624,229	814,575	845,895	617,293
Off-system and Energy Service Company (ESCO) sales	3,417,459	5,010,487	2,353,623	2,499,587	3,917,354
Gas (dekatherms)					
Con Edison customers	135,241,247	112,056,312	101,889,139	117,405,325	119,086,547
Transportation of customer-owned gas	124,651,385	35,413,823	18,739,177	24,698,569	9,978,107
Off-system sales	27,245,636	32,949,759	25,982,200	13,958,984	11,293,425
Steam (thousands of pounds)	26,733,260	26,532,797	24,995,694	27,422,561	29,995,762
Operating revenues (thousands)					
Electric sales to Con Edison customers					
	\$5,760,750	\$4,744,609	\$5,015,022	\$5,281,578	\$5,201,864
Delivery service for Retail Choice	591,124	596,913	226,159	-	-
Delivery service to NYPA and others	262,216	257,216	258,888	237,969	237,277
Service for municipal agencies	24,103	19,114	36,921	46,636	27,046
Off-system and ESCO sales	157,373	157,340	65,919	45,098	56,697
Other electric revenues	142,562	17,481	71,537	24,294	18,233
Total Con Edison electric	6,938,128	5,792,673	5,674,446	5,635,575	5,541,117
Gas sales revenues					
	1,143,795	885,755	878,821	1,041,507	964,002
Transportation of customer-owned gas	35,373	25,021	14,277	7,237	5,323
Off-system sales	94,771	83,694	59,774	40,986	39,317
Other gas revenues	(11,969)	5,613	6,737	4,150	6,428
Total Con Edison gas	1,261,970	1,000,083	959,609	1,093,880	1,015,070
Steam sales revenues					
	437,638	339,565	320,815	390,199	400,021
Other steam revenues	14,497	461	1,117	1,600	3,528
Total Con Edison steam	452,135	340,026	321,932	391,799	403,549
Total non-utility	779,158	358,541	137,061	74,898	173,353
Total operating revenues	\$9,431,391	\$7,491,323	\$7,093,048	\$7,196,152	\$7,133,089

Statistics, cont.

	2000	1999	1998	1997	1996
Con Edison of New York customers					
(average for year)					
Electric	3,078,648	3,054,693	3,030,746	3,010,139	3,001,870
Gas	1,051,555	1,046,133	1,040,410	1,036,098	1,035,528
Steam	1,861	1,879	1,898	1,920	1,932
Orange & Rockland customers					
(average for year)*					
Electric	278,851	276,579	-	-	-
Gas	118,707	117,547	-	-	-
Shareholders					
at December 31					
Common - Con Edison	109,460	117,205	125,409	134,993	144,561
Preferred - Con Edison of New York	4,380	4,788	5,209	5,882	10,788
Total	113,840	121,993	130,618	140,875	155,349
Shares Outstanding					
at December 31					
Common - Con Edison	212,027,131	213,810,634	232,833,494	235,489,650	234,993,596
Preferred - Con Edison of New York	2,661,445	2,661,445	2,661,445	3,345,495	3,391,800
Employees at December 31	14,463	14,269	14,322	15,029	15,801

* For 1999, represents average for 6 months only, excluding the period prior to the July 1999 acquisition by Con Edison.

Management

Consolidated Edison, Inc.

CHAIRMAN, PRESIDENT
AND CHIEF EXECUTIVE OFFICER
Eugene R. McGrath
EXECUTIVE VICE PRESIDENT
AND CHIEF FINANCIAL OFFICER
Joan S. Freilich
SENIOR VICE PRESIDENT AND GENERAL COUNSEL
John D. McMahon
SECRETARY
Archie M. Bankston
VICE PRESIDENT AND CONTROLLER
Edward J. Rasmussen
VICE PRESIDENT AND TREASURER
Robert P. Stelben

Consolidated Edison Company of New York, Inc.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER
Eugene R. McGrath
PRESIDENT AND CHIEF OPERATING OFFICER
Kevin Burke
EXECUTIVE VICE PRESIDENTS
Joan S. Freilich (and Chief Financial Officer)
Charles F. Soutar, Central Services
SENIOR VICE PRESIDENTS
Luther Tai, Central Operations
Robert W. Donohue, Jr., Electric Operations
John F. Groth, Nuclear Operations
Mary Jane McCartney, Gas Operations
John D. McMahon (and General Counsel)
VICE PRESIDENT AND GENERAL AUDITOR
James P. O'Brien
SECRETARY AND ASSOCIATE GENERAL COUNSEL
Archie M. Bankston
VICE PRESIDENT AND CONTROLLER
Edward J. Rasmussen
VICE PRESIDENT AND TREASURER
Robert P. Stelben
VICE PRESIDENTS
James S. Baumstark, Nuclear Engineering
A. Alan Blind, Nuclear Power
Marilyn Caselli, Customer Operations
V. Richard Conforti, Central Field Services
Richard P. Cowie, Human Resources
David Davidowitz, Gas Engineering
David F. Gedris, Brooklyn and Queens
George W. Greenwood, Jr., Emergency Management
William A. Harkins, Energy Management
Andrew L. Jacob, Steam Operations

Paul H. Kinkel, Bronx and Westchester
M. Peter Lanahan, Jr., Environment, Health and Safety
Thomas T. Newell, Gas Operations
Stephen E. Quinn, Maintenance and Construction Services
Louis L. Rana, Manhattan
Frances A. Resheske, Public Affairs
Robert A. Saya, System and Transmission Operations
Hyman Schoenblum, Corporate Planning
Edwin W. Scott (and Deputy General Counsel)
Wanda M. Skalba, Information Resources
Saddie L. Smith, Staten Island
Minto L. Soares, Substation Operations
Alfred R. Wassler, Purchasing
Stephen F. Wood, Engineering Services

Orange and Rockland Utilities, Inc.

PRESIDENT
Stephen B. Bram
VICE PRESIDENT, CHIEF FINANCIAL OFFICER
AND CONTROLLER
Edward J. Rasmussen
VICE PRESIDENT, OPERATIONS
William G. Longhi
VICE PRESIDENT AND TREASURER
Robert P. Stelben
VICE PRESIDENT, ADMINISTRATIVE SERVICES
Carol Monti Barris
VICE PRESIDENT, CUSTOMER SERVICE
James J. O'Brien, Jr.
SECRETARY
Peter A. Irvin

Consolidated Edison Solutions, Inc.

PRESIDENT AND CHIEF EXECUTIVE OFFICER
John E. Boyd

Consolidated Edison Development, Inc.

PRESIDENT
Charles Weliky

Consolidated Edison Energy, Inc.

PRESIDENT
Charles Weliky

Consolidated Edison Communications, Inc.

PRESIDENT
Peter A. Rust

Board of Directors

Consolidated Edison, Inc.

GEORGE CAMPBELL, JR.

President, The Cooper Union for the Advancement of Science and Art, New York, New York

E. VIRGIL CONWAY

Chairman, Metropolitan Transportation Authority, New York, New York

GORDON J. DAVIS

President, Lincoln Center for the Performing Arts, Inc., New York, New York

RUTH M. DAVIS

President and Chief Executive Officer, The Pymatuning Group, Inc., Alexandria, Virginia (technology management)

MICHAEL J. DEL GIUDICE

Managing Director/Principal, Millennium Credit Markets, LLC, New York, New York

JOAN S. FREILICH

Executive Vice President and Chief Financial Officer

ELLEN V. FUTTER

President, American Museum of Natural History, New York, New York

SALLY HERNANDEZ-PIÑERO

Senior Vice President, The Related Companies, LP, New York, New York

PETER W. LIKINS

President, The University of Arizona, Tucson, Arizona

EUGENE R. MCGRATH

Chairman, President and Chief Executive Officer

GEORGE W. SARNEY

Chairman, Spirent plc, Crawley, W. Sussex, U.K. (telecommunications testing systems and network products)

RICHARD A. VOELL

Private investor and retired President and Chief Executive Officer, The Rockefeller Group, Inc., New York, New York (real estate, real estate services, and communications and communications services)

STEPHEN R. VOLK

Senior Partner, Shearman & Sterling, Attorneys at Law, New York, New York

Investor Information

Annual Stockholders' Meeting

The 2001 Annual Meeting of Stockholders will be held at 10:00 a.m. on Monday, May 21, 2001, in the auditorium on the 19th floor of the Con Edison Building, 4 Irving Place between 14th and 15th Streets, New York, NY.

Proxies will be requested from stockholders when the notice of meeting and proxy statement are mailed on or about April 9, 2001.

Stock Listing

The Common Stock is listed on the New York Stock Exchange. The Common Stock ticker symbol is "ED." The press listing is "ConEdison" or "ConEd." The \$5 Cumulative Preferred Stock and the Cumulative Preferred Stock, 4.65% Series C are also listed on the New York Stock Exchange.

Transfer Agent and Registrar

The Bank of New York Investor Relations Department
P.O. Box 11258
Church Street Station
New York, NY 10286-1258
Toll-free telephone: 800 522 5522

Dividend Reinvestment

Stockholders of record of the company's Common Stock are eligible to participate in the company's Automatic Dividend Reinvestment and Cash Payment Plan. For more information and a copy of the Plan prospectus, please call The Bank of New York Investor Relations Department at 800 522 5522.

Duplicate Mailings and Duplicate Accounts

Stockholders with more than one account or stockholders who share the same address may receive more than one annual report and other mailings. To eliminate duplicate mailings, please call The Bank of New York Investor Relations Department at 800 522 5522 or write to The Bank of New York Investor Relations Department, P.O. Box 11258, Church Street Station, New York, NY 10286-1258, enclosing labels from the mailings or label information where possible. Separate dividend checks and proxy materials will continue to be sent for each account on our records.

Additional Information

A supplement containing additional financial and operating data for the latest five-year period may be obtained by writing to the Secretary of the company.

The company reports details concerning its operations and other matters annually to the Securities and Exchange Commission on Form 10-K, which is available without charge to the company's security holders on written request to:

Archie M. Bankston
Secretary
Con Edison
4 Irving Place
New York, NY 10003

For up-to-date stock account information 24 hours a day, shareholders may call an automated toll-free number, 800 522 5522. At the same phone number, callers may speak with an Investor Services representative Monday through Friday, 8:00 a.m. to 8:00 p.m., EST. Address e-mail messages to: shareowner-svcs@email.bankofny.com. Address correspondence to: The Bank of New York Investor Relations Department, P.O. Box 11258, Church Street Station, New York, NY 10286-1258.

Investor Relations

Inquiries from security analysts, investment managers and other members of the financial community should be addressed to Jan C. Childress, Director of Investor Relations, Consolidated Edison, Inc., 4 Irving Place, Room 700, New York, NY 10003; telephone: 212 460 6611; e-mail: childressj@conEd.com

For additional financial, operational and customer service information, visit the Consolidated Edison, Inc. Web site at www.conEdison.com.

How To Reach Us

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Regulated Utilities

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Orange and Rockland Utilities, Inc.
One Blue Hill Plaza
Pearl River, NY 10965
(845) 352-6000
www.oru.com

Unregulated Businesses

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701 Westchester Avenue, Suite 300 East
White Plains, NY 10604
(914) 286-7000
www.conEdsolutions.com

Consolidated Edison Energy, Inc.
701 Westchester Avenue, Suite 201 West
White Plains, NY 10604
(914) 993-2189
www.conEdenergy.com

**Consolidated Edison
Development, Inc.**
111 Broadway, 16th Floor
New York, NY 10006
(212) 393-9242
www.conEdison.com/coned-development.htm

**Consolidated Edison
Communications, Inc.**
132 West 31st Street
New York, NY 10001
(212) 324-5000
www.electricfiber.com

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