



Building a Cleaner and More Diverse Future



Sustainability Report 2020



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Chief Executive Officer's Letter



In the past year, our company has been challenged as never before. First, by a pandemic that has taken more than 500,000 American lives, including some of our colleagues. By renewed calls across our country for racial justice that have compelled so many of us to look inward. And by extreme weather events that tested our ability to keep the power flowing to the 10 million people who depend on us.

I'm proud of our response to each of these challenges because it showcased the talent, dedication, and resiliency of our employees. Proud because our work ethic and sense of responsibility demonstrate that Con Edison is poised and ready to create a future built on clean energy, a diverse and inclusive workforce, and sustainable communities.

Our company has a Clean Energy Commitment that represents a major step forward in the industry. It is a bold and innovative plan focused on providing our service area with 100 percent clean electricity by 2040, tripling our energy efficiency by 2030, expanding our efforts to reduce the use of fossil fuels for heating through the installation of geothermal devices, and continuing to create an infrastructure for the wider use of electric vehicles.

Since 2009, our energy efficiency initiatives have resulted in upgrades for one million customers and a decrease of seven million metric tons of carbon emissions. The reduction of our carbon footprint is equal to taking 500,000 cars off the road.

That's why the Smart Electric Power Alliance named us one of the nation's ten best companies in carbon reduction. And we're not done. Our steam network—the largest in America—eliminates about one million tons of carbon dioxide every year.

The steps we have already taken toward a clean energy future have made our company the second-largest producer of solar electricity in North America and the seventh largest in the world. And we currently have solar and wind energy projects in operation or under construction in 20 states.

I believe 100 percent clean electricity is achievable through our expertise in developing, owning, and operating renewable generation projects.

We're seeking regulatory approval to add many medium- and large-scale renewable generation projects in New York. And we continue to invest in new transmission and battery storage facilities that support clean energy resources.

We're on track to install five million smart meters in homes and businesses in our service territory by next year. That's a \$1 billion commitment in a clean energy future. Smart meters provide customers with unparalleled choice in how and when they use energy. Empowering customers to make better decisions about their energy use is not only good for their bottom line but also good for the environment.

My confidence in our company's ability to achieve our goals has only grown following our response to the COVID-19 pandemic.

At the height of the pandemic, our employees helped build COVID testing centers, provided power for medical sites, and built face shields that were donated to frontline healthcare workers. Our field crews and other essential workers kept the power flowing throughout this challenging period, practicing social distancing and wearing masks to work safely.

We're helping to keep the public safe in other ways: We minimized close contact by suspending meter readings last spring. To help relieve the financial hardships faced by businesses and homeowners, we offered more flexible payment agreements and waived late fees. And because of improvements to our website, the number of customers choosing the safety and convenience of online payments has increased by 50 percent.

In response to the crisis, we enabled half of our employees to work safely and efficiently from home. We're also offering mental health counseling, resources for parental and home schooling, bereavement counseling, and enhanced training for managers that emphasizes the need to treat others with empathy and compassion.

The people of Con Edison have long shown the ability to withstand challenges. Our employees work together to find solutions, and we do our utmost to plan and prepare for what may lie ahead.

Climate change poses a major threat, one we've been reminded of with more frequent and severe weather events, including Tropical

Storm Isaias last August. In response, we've developed a Climate Resiliency and Adaptation Plan, one that emerged from an earlier climate change vulnerability study we did in conjunction with Columbia University and global consulting firm ICF.

Con Edison is recognized for innovation and putting a can-do attitude into practice every day. We were the first utility in the country to install natural-gas detectors in homes that find gas leaks early, sound an alarm, and notify emergency responders faster than ever. We've also installed special observation systems in manholes that monitor conditions like carbon monoxide, temperature, and water levels.

It's because of forward thinking, initiative, and a strict adherence to our three priorities—safety, operational excellence, and the customer experience—that we are prepared to lead the industry on clean energy.

Can you imagine a world with only electric-powered vehicles? It's coming.

And we're in the forefront of making it happen. We're connecting thousands of new public and customer-owned charging stations through a \$300 million investment in charging stations throughout our region. Our company's commitment to electric vehicles is one of the most ambitious in the country.

Through best practices and an ability to adapt to customers' needs, we have achieved dividend growth for 47 consecutive years—longer than any other energy company in the S&P 500. We have a history of being stewards of the environment and good neighbors. Newsweek recognized that when it named us one of America's most responsible companies.

The pandemic has given rise to a term with which many Americans were unfamiliar: food insecurity. So many of our fellow citizens are struggling to feed themselves and their families. In 2020, our company gave more than \$800,000 to organizations that feed the hungry. Our employees also donated their own time for socially distant volunteer efforts, including beautifying public spaces in communities where we live and work.

Let me make it clear that Con Edison takes seriously the need to build a more diverse and inclusive workforce—one with greater representation for women and people of color in all areas, including the company's leadership. The murders of George Floyd, Breonna Taylor, and too many others sharply exposed the racial injustice and systemic inequality that exists in our country. Those tragic incidents, coupled with a rise this year in violence against Asian Americans, have led to introspection within our company about what we can do to be better.

We vow to uncover and address barriers to equity in our workplace, wherever they may exist. We pledge to transform our culture through ongoing dialogue and companywide training to eliminate unconscious bias.

Furthermore, we have added a performance measure this year that ties executive compensation to diversity, equity, and inclusion. We're on the right track. As You Sow, an organization focused on environmental and corporate responsibility, ranks us among the ten best companies when it comes to integrating diversity, equity, and inclusion

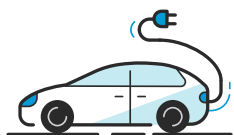
into our policies and practices. But we're determined to do more because we know that a truly diverse and inclusive workforce will make our company stronger.

Our employees are exceptional. You'll learn about some of them as you interact with this report. Because of our dedicated employees and our collective determination to find solutions to any challenge, I'm confident that Con Edison is well positioned to be in the vanguard of a clean energy future while ensuring the sustainability of our company and the communities we serve.

— **Timothy P. Cawley,**

*President and Chief Executive Officer,
Consolidated Edison of New York, Inc.*

Sustainability Highlights



SAFETY & ENVIRONMENT

Clean Energy

Our commitment to clean energy includes 100% clean electricity by 2040, tripling our energy efficiency by 2030, and total support for the use of electric vehicles.



SAFETY & ENVIRONMENT

Public Safety

When the pandemic began, we helped set up field hospitals, powered testing sites, and made face shields for healthcare workers.



SAFETY & ENVIRONMENT

Efficiency

To reduce customers' overall energy use, we're offering rebates and incentives that will total \$1.5 billion by 2025.



OPERATIONAL EXCELLENCE

Renewable Energy

We're the second-largest owner of solar electricity in North America and the seventh largest in the world.



OPERATIONAL EXCELLENCE

Innovation

We're the first utility in America to install natural-gas detectors that can find gas leaks early and alert emergency responders faster than ever.



OPERATIONAL EXCELLENCE

Accountability

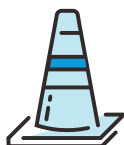
Our company made Newsweek's list of America's most responsible companies. Newsweek honors companies that are "good citizens and give back to the communities they operate in."



CUSTOMER & COMMUNITY

Local Support

The pandemic led to a rise in food insecurity. In 2020, we donated more than \$800,000 to organizations that feed the hungry.



CUSTOMER & COMMUNITY

Protecting People

During the pandemic, we discontinued trips to customers' homes for meter readings and other non-emergencies to keep the public and our employees safe.



CUSTOMER & COMMUNITY

Enhanced Customer Experience

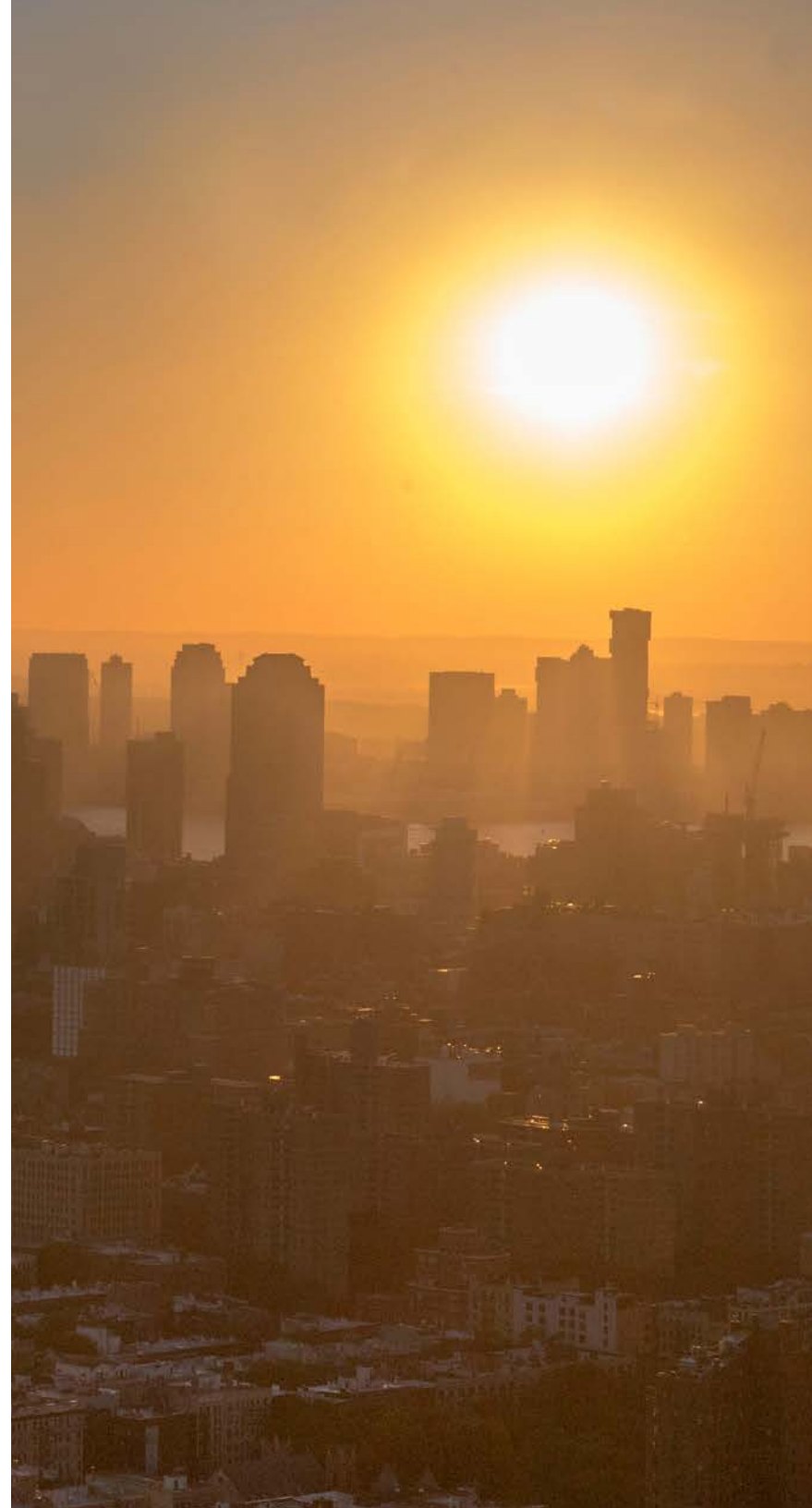
Thanks to our technology, customers can use Google and Amazon Alexa to manage their accounts.

Report Introduction

Company Profile

Sustainability Strategy

R&D / Innovation



Company Profile

Report Introduction

Consolidated Edison, Inc. is one of the nation's largest investor-owned energy-delivery companies, with approximately \$12 billion in revenues and \$63 billion in assets. The company provides a wide range of energy-related products and services to its customers through the following subsidiaries:

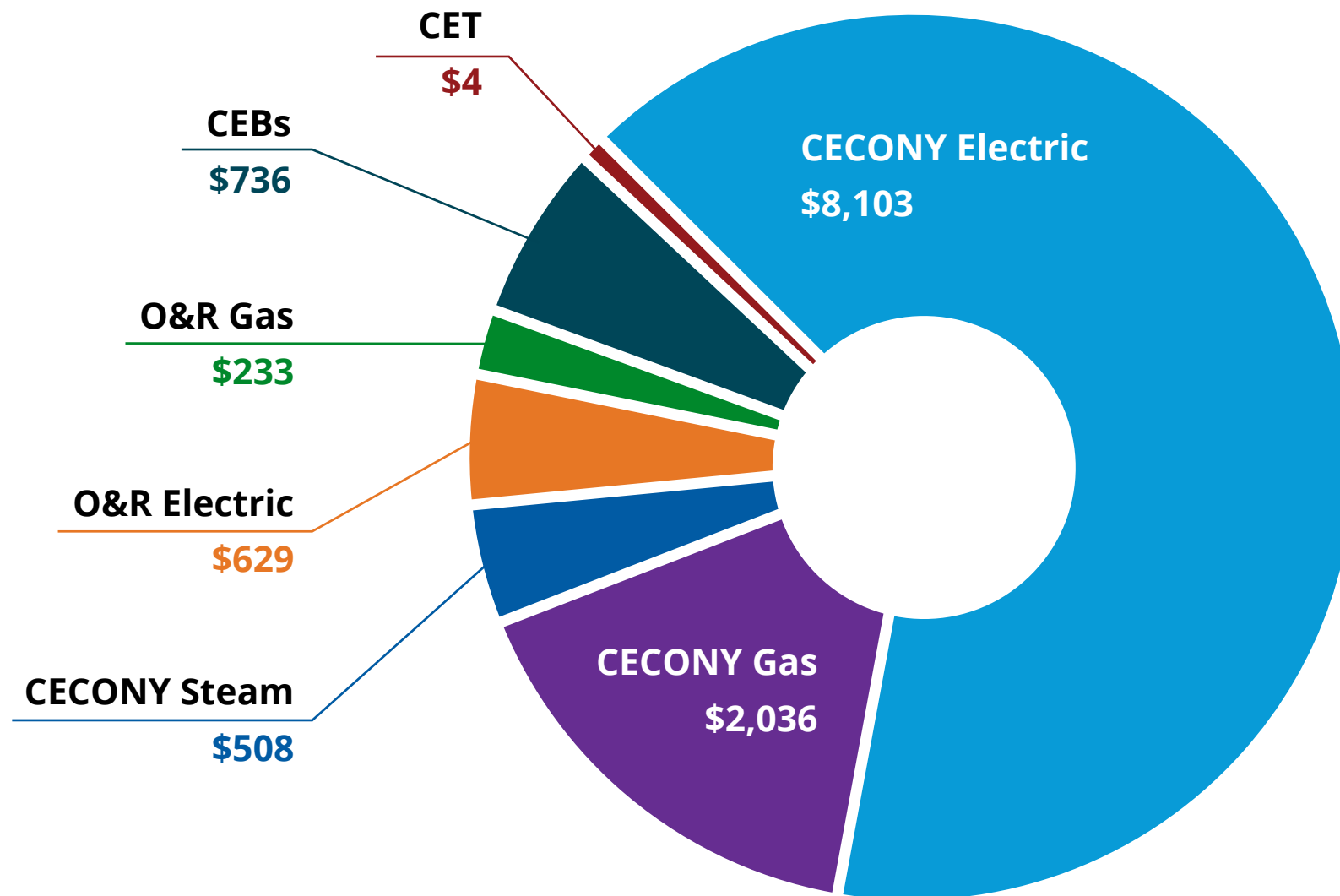
- **Consolidated Edison Company of New York, Inc. (CECONY)**, a regulated utility providing electric, gas and steam service to customers in New York City and Westchester County, New York
- **Con Edison Clean Energy Businesses, Inc. (CEB)**, which through its subsidiaries develops, owns and operates renewable and sustainable energy infrastructure projects and provides energy-related products and services to wholesale and retail customers
- **Con Edison Transmission (CET)**, which through its subsidiaries invests in electric transmission projects to bring clean energy to customers.

[Read our 2020 Annual Report.](#)



Revenue by Business 2020

(million \$)



Board of Directors

As of January 1, 2021.

	Audit Committee	Corporate Governance and Nominating Committee	Safety, Environment, Operations and Sustainability Committee	Executive Committee	Finance Committee	Management Development and Compensation Committee
George Campbell, Jr.		✓	✓	✓		Chair
Ellen V. Futter			✓	✓		
John F. Killian	Chair	✓		✓		✓
Timothy P. Cawley						
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		✓				✓
Karol V. Mason		✓	✓			
Dwight A. McBride			✓			✓

Financial Highlights

(million \$ except per-share information and statistical data)

	2014	2015	2016	2017	2018	2019	2020
Operating revenues	\$12,919	\$12,554	\$12,075	\$12,033	\$12,337	\$12,574	\$12,246
Net income for common stock	\$1,092	\$1,193	\$1,245	\$1,525	\$1,382	\$1,343	\$1,101
Basic earnings per common share	\$3.73	\$4.07	\$4.15	\$4.97	\$4.43	\$4.09	\$3.29
Dividends per share	\$2.52	\$2.60	\$2.68	\$2.76	\$2.86	\$2.96	\$3.06
Dividend payout ratio	68%	64%	65%	56%	65%	72%	93%
Average common shares outstanding	292.9	293	300.4	307.1	311.7	328.5	334.8
Total assets	\$44,071	\$45,642	\$48,255	\$48,111	\$53,920	\$58,079	\$62,895
Capital expenditures	\$2,721	\$3,418	\$5,235	\$3,606	\$5,249	\$3,676	\$4,085
Common equity ratio	52.2%	52.1%	49.3%	51.1%	49.0%	49.6%	48.3%
Return on equity	8.8%	9.3%	9.1%	10.4%	8.8%	8.2%	7.6%
Market capitalization	\$19,300	\$18,800	\$22,100	\$26,100	\$24,500	\$30,100	\$24,700
Stock price per share (year end)	\$66.01	\$64.27	\$73.68	\$84.95	\$76.46	\$90.47	\$72.27
Dividend yield (year end)	3.8%	4.0%	3.6%	3.2%	3.7%	3.3%	4.2%
Total shareholder return	24.8%	1.4%	18.9%	19.3%	(6.6%)	22.5%	(17.0%)

Sustainability Strategy

Report Introduction

Con Edison is committed to helping make a transformational impact on the environment, our region, and the lives of the people we serve. The company's sustainability strategy goes hand in hand with our guiding principles of:

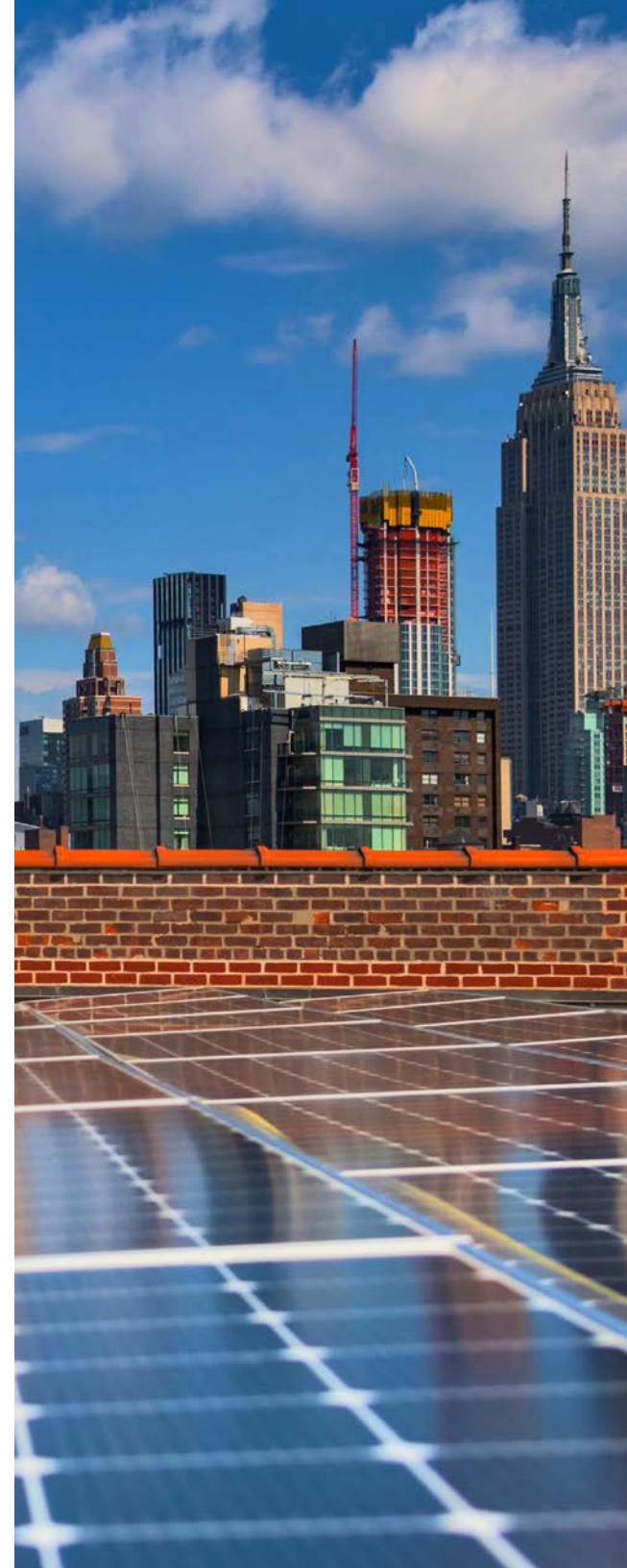
- Safety,
- Operational excellence, and
- Enhancing the customer experience.

Through implementing our strategy, we will mitigate the effects of climate change even as we harden our critical infrastructure in anticipation of climate change impacts. We have focused our strategy on the following elements:

- Delivering our Clean Energy Commitment, which includes:
 - Significantly ramped up energy efficiency initiatives
 - Goal of 100% clean electricity by 2040

- Investments in electric vehicle make-ready
- Accelerating reduction of fossil fuels for heating

- Expansion of our national renewable electric production business – currently the second-largest owner of solar electricity production in North America
- Developing transmission opportunities to bring clean energy to customers
- Protecting our critical infrastructure against the impacts of climate change and cyber attacks
- Offering diversity equity and inclusion through and to our workforce
- Maintaining sound governance practices



Our Corporate Strategy Stems from Our Guiding Principles

Our corporate strategy stems from our three principles, embracing the growing worldwide concern over the impacts of climate change and the desire of customers and the public to have increasing say over how energy is produced and used.

Accordingly, our strategy involves three areas where we can positively impact society and our planet while building value for our stakeholders:

- Strengthen our core utility business through sustainable means
- Pursue additional regulated growth opportunities that add value for customers and our capital providers as New York and New Jersey pursue clean energy agendas
- Grow, outside our core businesses, existing clean energy businesses and pursue additional clean energy growth opportunities consistent with our risk appetite

Customer Focused	Value Oriented	Strategic
Provide safe and reliable service	Provide steady, predictable earnings	Strengthen core utility delivery business
Enhance the customer experience	Maintain balance sheet stability	Pursue additional regulated growth opportunities to add value in the evolving industry
Achieve operational excellence and cost optimization	Pay attractive, growing dividends	Grow existing clean energy business and pursue additional clean energy growth opportunities consistent with our risk appetite

Successful implementation of our corporate strategy will enable us to continue to provide steady, predictable earnings, maintain balance sheet stability, and pay increasing dividends for our shareholders – in 2021 we raised our annualized dividend for the 47th consecutive year.



Core Utility Business Strategy: Safety

Safety is the cornerstone of all that we do at Con Edison. We continue to strive for a zero-harm work environment for our employees and the public we serve.

We have been aggressive in upgrading our systems against severe weather, having invested \$1 billion over four years following Superstorm Sandy. We coordinated with Westchester County in New York to invest an additional \$100 million to fortify our electric system following a pair of successive severe storms in 2018. Orange & Rockland (O&R) invested \$47 million in storm hardening from 2018-2020.

In our gas delivery systems, we have improved safety as well as reducing harmful methane emissions through our accelerated and prioritized distribution pipe replacement. Orange & Rockland (O&R) completed the retirement of its entire low-pressure gas system and continues to focus on retirement of the remaining leak prone pipe by 2029. Consolidated Edison Company of New York (CECONY) is on track to complete its priority pipe replacement program in 2038.

CECONY and O&R were the first utilities to install smart natural-gas detectors that monitor the air in our customers' basements,



sending alerts to homeowners and emergency responders when a gas leak is detected.

Monitoring the safety performance of our electric and gas distribution systems is also a priority, so we conduct surveys of our entire electric and gas systems monthly for stray voltage and leaks, respectively, going far beyond industry standards.

Core Utility Business Strategy: Enhancing the customer experience

Our customers want more access to renewables, energy efficiency, demand response, storage, and information to help them manage their energy usage and bills.

We are more than 60% complete in our \$1.4 billion, multi-year, smart meter investment. By the program's completion at the end of 2022, we will have installed more than 5 million smart meters. Smart meters are central to our efforts to meet the evolving needs of customers by providing greater insight into energy use with near real-time data—truly a transformation from the days of a single manual reading each month.

We are already seeing other benefits from our smart meter rollout. Integrating smart meters with our outage management system, as we have done at O&R, has resulted in improved

customer restoration times following storm outages. Net savings from smart meters are expected to accumulate to \$1 billion over the life of the assets.

The environmental benefits of smart meters are substantial as well: we expect to be able to reduce distribution voltage by as much as 3%, resulting in a one-and-a-half percent reduction in energy consumption. Smart meters also make possible more interactive rate designs that send the right signals to customers to be efficient in their energy consumption. During storm events, our smart-meter infrastructure helps to avoid truck rolls to restored outages, further decreasing carbon emissions.

Sequenced with our smart meter rollout are two customer-focused investments totaling in aggregate more than \$500 million:

- A new customer service system that will further enhance our energy efficiency and demand response programs, and
- A next-generation program that will advance online and mobile customer experiences.

Core Utility Business Strategy: Operational Excellence and Cost Optimization

Over its long history, Con Edison has operated the most reliable electric delivery system in the country by a sizeable margin. Nevertheless, we recognize that we can always improve. We are deploying sensors, using robotics to monitor our systems, applying analytics, and using other technologies to achieve the operational excellence that our customers deserve.

We invest more than \$3 billion each year in our energy systems using a risk-based approach to maximize the value of each dollar spent. We use industry-changing practices such as conservation voltage optimization to give customers just the right amount of voltage they need at their outlets and not more. This helps us better manage peak demand and cut pollution.

Minimizing risk is key to operational excellence. We continue to invest in and enhance the security of our cyber and physical systems. We have participated in many large-scale drills with the government and other major utilities to prepare for cyber and physical threats to the U.S. energy grid and to develop technology to speed up restoration.

When it comes to a cleaner, more efficient future, implementation of our strategy will reduce harmful emissions and expand our portfolio of renewable energy production. Our targets include reducing SF₆ (sulfur hexafluoride) emissions by 5% annually from current levels, keeping us well ahead of our commitment to the EPA.

SF₆ is a nontoxic, nonflammable greenhouse gas, with a warming potential more than 22,000 times higher than carbon dioxide, that can remain in the atmosphere for up to 3,200 years. We have a dedicated team and targeted programs to replace or retire equipment that uses SF₆, including circuit breakers.

We also have a targeted effort to reduce methane (CH₄) emissions from our natural gas distribution system. CH₄ is the main constituent of natural gas. In 2016, Con Edison joined 40 other local distribution companies as a founding partner in the EPA's Natural Gas STAR Methane Challenge program. The goal of this program is to reduce methane emissions by replacing a significant number of natural gas mains. CECONY's goal is to replace 4% of its

priority pipe, i.e., cast iron and unprotected steel mains (without cathodic protection), each year. This will put CECONY on target to replace all its priority pipe by 2038. O&R completed the retirement of its entire low-pressure gas system and continues to focus on the retirement of the remaining leak prone pipe by 2029.

Our Clean Energy Commitment

Our broad energy efforts are focused on helping address climate risks. We are the 2nd largest owner and operator of solar electricity production in North America. Our portfolio includes 2,800 MW portfolio of utility-scale solar- and wind-powered electric generation in 20 states. And in early 2021, we partnered in the development of a landmark 100-MW battery storage project in New York City.

These efforts are part of the company's commitment to lead and help deliver the transition to the clean energy future that our customers deserve and expect.

We are working together with government, our customers, industry, and other stakeholders to help rapidly reduce the use of fossil fuels. This is our vision for a clean, smart, and reliable energy future—for all our customers, our children, and future generations.

Tripling Energy Efficiency by 2030

- By avoiding unnecessary energy use, energy efficiency is the cleanest technology
- Plan to invest \$1.5 billion in energy efficiency by 2025 to meet statewide targets
- Since 2009, more than 1.3 million customers have upgraded to more efficient equipment, saving about 9 million metric tons of carbon emissions, equal to taking more than one million cars off the road

100% Clean Electricity by 2040

- We want to use our expertise in developing, owning, and operating renewable generation and are seeking governmental authorization to add thousands of megawatts of medium- and large-scale renewable generation in New York
- We want to continue investing in new electric transmission and storage to support the increased use of clean energy resources
- Our support for customer-sited solar energy enabled 45,000 local solar installations as of the end of 2020

All-in Support for Electric Vehicles

- We will accelerate the move toward electric cars, trucks, and buses by providing the infrastructure to connect thousands of new public and customer-owned charging stations
- We have played a key role in the 2nd largest State-authorized electric vehicle make-ready initiative in the U.S.
- CECONY and O&R will invest more than \$350 million by 2025 to develop EV charging stations in our service areas with the following targets:
 - CECONY targets 18,539 Level 2 (L2) plugs and 457 DCFC plugs (fast charging)
 - O&R targets 2,845 Level 2 (L2) plugs and 71 DCFC plugs (fast charging)

Accelerating Reduction of Fossil Fuels for Heating

- We will expand our efforts to reduce the use of fossil fuels for heating through energy efficiency, investing in emerging technologies, and our innovative clean-energy technologies, including our Smart Solutions program
- We are an anchor sponsor of a project called the Low Carbon Resource Initiative with Electric Power Research Institute exploring low-carbon fuels such as green hydrogen — a carbon-free fuel made from water by using excess energy from renewables like wind and solar. And we are investing in renewable natural gas.

[Our Clean Energy Commitment is available on our website.](#)

Green Bonds

We successfully executed our first issuance of Green Bonds in March 2020. We issued one of the largest Green Bond offerings of \$1.6 billion consisting of \$600 million 10-year 3.35% debentures and \$1,000 million 3.95% 30-year debentures. The proceeds were primarily used to support our smart meter and energy efficiency investments.



Con Edison Clean Energy Businesses

As part of our firm commitment to renewable energy, Con Edison's Clean Energy Businesses continued growing by investing approximately \$600 million in renewable projects in 2020, expanding its footprint to 20 states and operating a total of 2,868 megawatts of aggregate solar and wind capacity by the end of 2020. Our assets are comprised of 85% solar and 15% wind. Our Clean Energy Businesses is the 2nd largest producer of solar energy in the U.S. and 7th largest in the world.

Renewable energy sources, such as solar and wind, produce energy when the sun is shining or the wind is blowing.

That makes battery storage especially important for storing power when it is produced and delivering it when it is needed. Battery storage can help ensure reliability and can reduce peak demand. Con Edison Clean Energy Businesses has a dedicated battery storage team and is actively integrating battery storage into new renewable development and operating assets when economical, and is offering battery storage for projects they are developing on behalf of their renewable energy and energy efficiency customers.

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.

Additional Opportunities in Electric Transmission

To connect new renewable energy projects to customers, Con Edison is pursuing opportunities to own electric transmission. New York State, our principle state regulatory jurisdiction, has a goal of 70% renewable electricity by 2030, which will require significant investment in the state's electric high-voltage system.

During the 4th quarter of 2020, CECONY filed with the New York State Public Service Commission to build three electric transmission projects at an estimated cost of \$780 million. These projects will allow electric generating peaking plants owned by others that will not meet the 2025 NOx emission rules to close and will also enable the delivery of renewable generation from offshore and upstate. The first project would need to be in service by 2023, and the other two projects would need to be in service in 2025.

CECONY and O&R joined other New York utilities in a joint filing to develop additional electric transmission projects that implement the State's climate mandates of the Climate Leadership and Community Protection Act and the Accelerated Renewable Energy Growth and Community Benefit Act.

Con Edison Transmission

Con Edison Transmission (CET) is the company's FERC (Federal Energy Regulatory Commission) regulated subsidiary that invests in new electric transmission to support the increased use of clean energy resources, including offshore wind.

CET is a 45.7% owner in the NY Transco that will own a \$600 million electric transmission line that will enhance the grid's reliability and bring renewable energy to customers. That line is scheduled to be in service in December 2023, and along with another segment under construction, it will increase capacity by 1,850 MW.

We are interested in the transmission, to support offshore wind including associated underwater or "wet" transmission. We are not pursuing ownership of offshore wind generation currently. At this early stage, we

have decided that the risks associated with building offshore wind in the U.S. are too high for our shareholders.

We do not consider the gas transmission assets that we own to be core to our business, and we will not be making further investments in this area. We announced in February 2021 that we are pursuing strategic alternatives for our 50% ownership interest in Stagecoach Gas Services.

Climate Change Resilience and Adaptation

To address the risks of climate change to our energy infrastructure, in December 2020, the company released our Climate Change Implementation Plan, a follow-up to our landmark 2019 Climate Change Vulnerability Study. The 36-month study, performed in conjunction with ICF International and Columbia University's Lamont-Doherty Earth Observatory, evaluated our present-day infrastructure serving New York City and Westchester County, design specifications and procedures under a range of potential climate futures.

The plan reflects not only the experience of experts across Con Edison, but also the feedback, input, and experience of more than 50 stakeholders, including New York State Department of Public Service staff, municipal representatives, and environmental advocacy organizations.

The company selected science-based, future climate pathways to prepare our energy delivery systems for the upper end of potential climate change, beyond the goals set out in the Paris Agreement.

The plan addresses mitigation measures in response to identified company-specific climate-driven risks:

- Sea level rise
- Coastal storm surge
- Inland flooding from intense rainfall
- Hurricane-Strength winds, and
- Extreme heat

The study currently estimates that we may need to invest between \$1.8 billion and \$5.2 billion by 2050 on targeted programs to protect our electric, gas and steam delivery systems and our customers from the impacts of climate change.

Con Edison has already begun using its climate change projections for decision making and planning processes. In addition, the company has formed a new executive-level committee focused on climate risk and resilience.

While the Climate Change Resilience and Adaptation Plan provides a strong foundation for action, Con Edison will assess its adaptation efforts over time based on new science and customer needs. The company will review these climate projections annually and update them at least every five years. The company will provide regular public reporting on its progress through its annual Sustainability Report and other disclosures.

Diversity, Equity, & Inclusion

At Con Edison, we have a long-standing commitment to diversity, equity, and inclusion. Our vision is to be a company whose values and behaviors foster a culture of inclusion and respect for all. Our corporate Diversity, Equity & Inclusion (DEI) strategy sets the foundation to achieve this vision and drives all our efforts to foster an inclusive and equitable workplace. Our strategy anchors our direction to ensuring that our employees feel seen, heard, and valued for their unique and individual talents.

Our Diversity, Equity & Inclusion Strategy is built on four key elements – ongoing learning and competency building; inclusive and visible leadership support; reviewing our systems, policies, and procedures to eliminate potential barriers to inclusion; celebrating and acknowledging the diversity of our workforce.



Last summer, after the murders of George Floyd and Breonna Taylor, we, like many other companies, used this time as an opportunity for self-reflection, asking, what more can we do to further support our employees and address any potential inequities and bias that may exist in our workplace. To that end, we developed a 14-point Action Plan, built on a two-pronged approach: 1) we are focused on data-driven change to ensure that our employees at all levels reflect the diversity of our communities; and 2) we are also focused on enabling culture transformation to drive the behaviors and mindsets that support a diverse, equitable and inclusive workplace.

Our Action Plan is supported by our newly formed Diversity & Inclusion Task Force – a cross functional team of employees that will look at demographic representation, identify any gaps, review policies and procedures, and help to further advance the overall experience of inclusion for all employees.

Our leaders, Employee Resource Groups and local D&I councils are actively engaged in open dialogue about race, racism, and systemic inequality, and have committed to learning more about how to foster safe spaces where

these conversations can continue. While we are proud of the progress that we are making, we are still not where we want to be. There is more work to be done and we are fully committed.

Maintaining Sound Governance Practices: Setting Priorities and Strategy

The Company has a governance structure and strategy in place to harness the skills and intellect of our employees consistent with sound, sustainable business principles.

As disclosed in our Proxy Statement, the Company is firmly committed to sustainability that is broadly overseen by the Board (see Corporate Sustainability). The Board reviews and discusses various sustainability topics throughout the year and routinely considers environmental issues (including climate issues) and assesses how they impact the Company's operations, strategies, and risk profile.

In addition, the Board has delegated to the appropriate committees, responsibility for the specific sustainability categories relating to the oversight of risks with which such committees are charged.

The Safety, Environment, Operations and Sustainability Committee oversees sustainability considerations relating to safety and the environment and reviews the Company's Annual Sustainability Report prior to its publication. In discharging its responsibilities, the Safety, Environment, Operations and Sustainability Committee reviews, at each of its meetings, certain key performance indicators relating to climate risk, including energy efficiency and environmentally beneficial electrification. The Corporate Governance and Nominating Committee is charged with sustainability matters relating to governance.

The Management, Development, and Compensation Committee's responsibilities include oversight of sustainability considerations relating to human capital management. The Management, Development, and Compensation Committee annually reviews performance results as well as proposed performance indicators for the following year. Committees not specifically tasked with oversight of sustainability also periodically review matters related to sustainability.

To help guide and oversee our sustainability strategy, we have developed a governance structure that extends from our board of directors to the employee level. Our structure includes:

- Safety, Environment, Operations, and Sustainability Committee of the Board
- Vice president-level Environment, Social, and Governance Committee

We engaged BSR, a leading sustainability consulting firm, to assist us in developing our sustainability materiality assessment and determine our key sustainability priorities, and in 2019 we worked with New York University in refreshing that assessment and resulting priorities.

We have integrated our sustainability priorities and will include the integration of the Climate Change Implementation Plan, with our long-range planning. Our 20-year plan for our electric and gas businesses is designed to help us navigate today's challenges while preparing for changes in the energy landscape.

The plans are available on our website at the following links:

- [Electric Long Range Plan](#)
- [Gas Long Range Plan](#)

To hear more about our strides toward a more sustainable future, visit our Soundcloud.

R&D/Innovation

Report Introduction

An 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 operations and our customers' quality of life. Some of our numerous ongoing projects are described below.

Safety

- Piloting thermal scanning systems and disinfecting ultraviolet light technologies in preparation for post-COVID workplace re-entry, along with benchmarking on best practices for the post-COVID workplace.
- Developed and demonstrated the initial prototype of an electronic job safety briefing app, designed to help mitigate high hazard injuries and allow for completion of comprehensive job briefings while maintaining socially safe distances.
- Conducted shop testing of the 16-inch plastic pipe squeeze-off tool that can isolate gas flow anywhere on the distribution system. Benefits include enhanced public safety and system integrity in the event of an emergency.
- Partnered in the successful development of a low-cost optically based online corrosion monitoring system. The system was recently patented and will be used to help monitor conditions on underground network distribution transformers and avoid a potential event such as a transformer oil leak.
- Successfully field-tested a second generation breaker racking robot prototype. Fulfillment of all technical requirements and completion of a final prototype will allow for remote racking of substation breakers, thereby minimizing exposure risk of substation operators to arc flash hazards and reducing soft tissue injuries from handling heavy circuit breakers.



Operational Excellence

- Developing a more robust weather forecasting and outage prediction platform, with capability to do scenario and benchmarking analysis.
- Demonstrated the potential of Electrohydraulic Fracturing (EHF) to revolutionize how we excavate rock and concrete. EHF technology is anticipated to have low sound and dust generation and reduce cost and time compared to traditional techniques.
- Developed software using blockchain technology to provide distributed energy resource (DER) customers with information on electric feeder outages that may affect their ability to sell electricity. The app will realize cost savings from adding end-to-end smart contract intelligence to the current scheduling process.
- Developed a thermal imaging tool for through-cover inspections that will reduce jobsite set-up, reduce necessary personal protective equipment, and allow for more frequent inspections. This tool will allow us to track low level hotspot conditions and mitigate them before developing into a higher risk condition.

Customer Experience

- Tested the capability of incremental alarm settings on in-home Natural Gas Detectors (NGDs) integrated with Advanced Metering Infrastructure (AMI). Currently, NGDs have one alarm setting, while future units could have multiple settings in increments of 5% LEL (lower explosive limit), ranging from 5%–25% LEL. Alarming in increments provides insights into the severity of future gas leak alarms (GLAs) from the AMI NGDs.
- Tested the efficacy of a passive safety device installed on gas metering piping with the ability to automatically shut off the flow of gas in the event of a fire.

Clean Energy

- Launched a joint R&D/Transportation Operations project for development of an electric bucket truck prototype as part of the Company's effort to transition its vehicle fleet to electric. The prototype is expected to be ready for testing by 2022.
- Participating as an anchor sponsor in the EPRI/GTI Low-Carbon Resources Initiative (LCRI), a five-year \$100 million

industry-wide R&D initiative to advance development of zero and low carbon energy resources, such as green hydrogen and synthetic methane, to meet the carbon reduction goals of New York State's Climate Leadership and Community Protection Act (CLCPA).

- Joined the Carbon to Value Initiative's Carbontech Leadership Council (CLC), a three-year initiative to advance carbontech innovations toward decarbonization, such as carbon capture, utilization and storage.
- Demonstrated the effectiveness and efficiency of a self-contained heat pump system that extracts thermal energy from a building's wastewater, with cooling capabilities for simultaneous domestic hot water production and air conditioning while reducing harmful emissions and decreasing energy resource needs.
- Participating as a founding member in an industry-wide interest group to investigate the impact of projected temperature trends and increased weather events on utilities' operations and planning.

Awards and Patents

- Awarded a new patent for low pressure gas main stop-offs. The “Emergency Main Stop-Off System (EMSOS)” is an alternative to installing valves on existing large diameter gas mains, thereby avoiding the need for large scale excavation and decreasing customer interruption.
- Granted a patent jointly with Xerox for the invention “Optical Monitoring to Detect Corrosion of Power Grid Components”. Developed as part of a U.S. Department of Energy’s (DOE) project to develop, prototype, and demonstrate a low-cost, optically based, online monitoring system for underground network distribution transformers.
- Presented with the 2020 John B. McGowan Sr. Research Award from the American Gas Association for work on natural gas detector projects.
- Collaborated on six projects that received Electric Power Research Institute Technology Transfer Awards.

Awards & Recognition

Report Introduction

Sustainability is an umbrella that covers everything we do as a company. As we continue to serve our customers, promote safety and help preserve the environment, we receive recognition and many prestigious awards for our projects and operational excellence. Here is a sample of our recent honors:

Safety & Environment

- CECONY and O&R were recognized by **PA Consulting Group** as recipients of the **2020 ReliabilityOne™** Award for Outstanding Reliability Performance in the Northeast Region Metropolitan Service Area and Suburban/Rural Service Area, respectively.
- Con Edison is recognized as the first U.S. utility to install smart natural-gas detectors designed to provide both customers and emergency responders with early warnings of potential gas leaks early. For developing the communications technology used in Con Edison's natural-gas detectors, Itron won a second consecutive Public Safety Solution

of the Year honor at the **IoT Breakthrough Awards**.

- O&R received the Tree Line USA Award from the **Arbor Day Foundation** for the 19th consecutive year.
- **The Smart Electric Power Alliance** honored Con Edison for our commitment to carbon reduction.

Operational Excellence

- Con Edison made **Newsweek America's** list of most responsible companies. The list recognizes the top 300 U.S. companies covering Environmental, Social and Corporate Governance.
- **Rick Trieste**, department manager in Research & Development, won the John B. McGowan Sr. Research Award from the **American Gas Association** for his work on our natural gas detector project.



- Twenty-four of our employees received Technology Transfer Awards from EPRI for findings that will improve electrical service, enhance worker and public safety and help energy companies fend off cyberattacks.
- At the **24th Annual Videographer Awards**, we received two honors in the Corporate Image category and one each in the Internal Company News and Informational categories.

Diversity, Equity, & Inclusion

- Con Edison ranked 30th in New York State on **Forbes's** list of Best Employers in New York State. We also ranked in the top five among utilities on the Forbes list of Best Employers for Diversity.
- Con Edison made **Latina Magazine's** list of the top companies for Latina professionals.
- On the **Military Times** list of 100 Best Employers for Vets, Con Edison ranked No. 8. This is the third time our company has made the list.
- **As You Sow**, an organization focused on environmental and corporate responsibility, ranks Con Edison among the ten best companies when it comes to integrating diversity, equity, and inclusion into our policies and practices.

Customer Experience

- Con Edison made **Neilson Norman Group's** list of the world's 10 best intranets and shared design trends that make community building a top priority.
- Con Edison received the Utility Customer Experience Award from **ESource 2020** for the Outage Customer Experience Dashboard.
- Patrick Prieto, a senior specialist in Customer Assistance, won the **ASPIRA Latino Achievers Award** for promoting diversity and inclusion by helping others make their lives better.

Social & Governance

- Con Edison was recognized as a Trendsetter among S&P 500 companies in the 2020 CPA-Zicklin Index of Corporate Political Disclosure and Accountability with a score of 94.3 out of 100.

Safety & Environment

Employee Health & Safety

Public Safety

GHG Emissions Reductions

Air Quality / Non-GHG Emissions

Waste Management

Habitat

Electric Vehicles

Oil-to-Gas Conversions

Water

ISO Certification

Pipeline Safety Management System



Employee Health & Safety

Safety & Environment

In 2020, CECONY's Occupational Safety and Health Administration injury and illness rate of 0.91 was lower than our goal of 1.00, in a time when CECONY continued to operate during a global pandemic and unprecedented challenges throughout the year. We had 114 recordable employee injuries last year and experienced one significant high-hazard injury. CECONY remains focused on achieving a zero-accident workplace and remains committed to ensuring safety is not only a top priority, but a core principle embedded in our culture. CECONY has reduced injuries by more than 75% since 2009. In 2020, Orange & Rockland achieved its best injury and illness rate in any year, 0.82, had one significant high-hazard injury, and has seen an 83% reduction in injuries and illnesses since 2009.

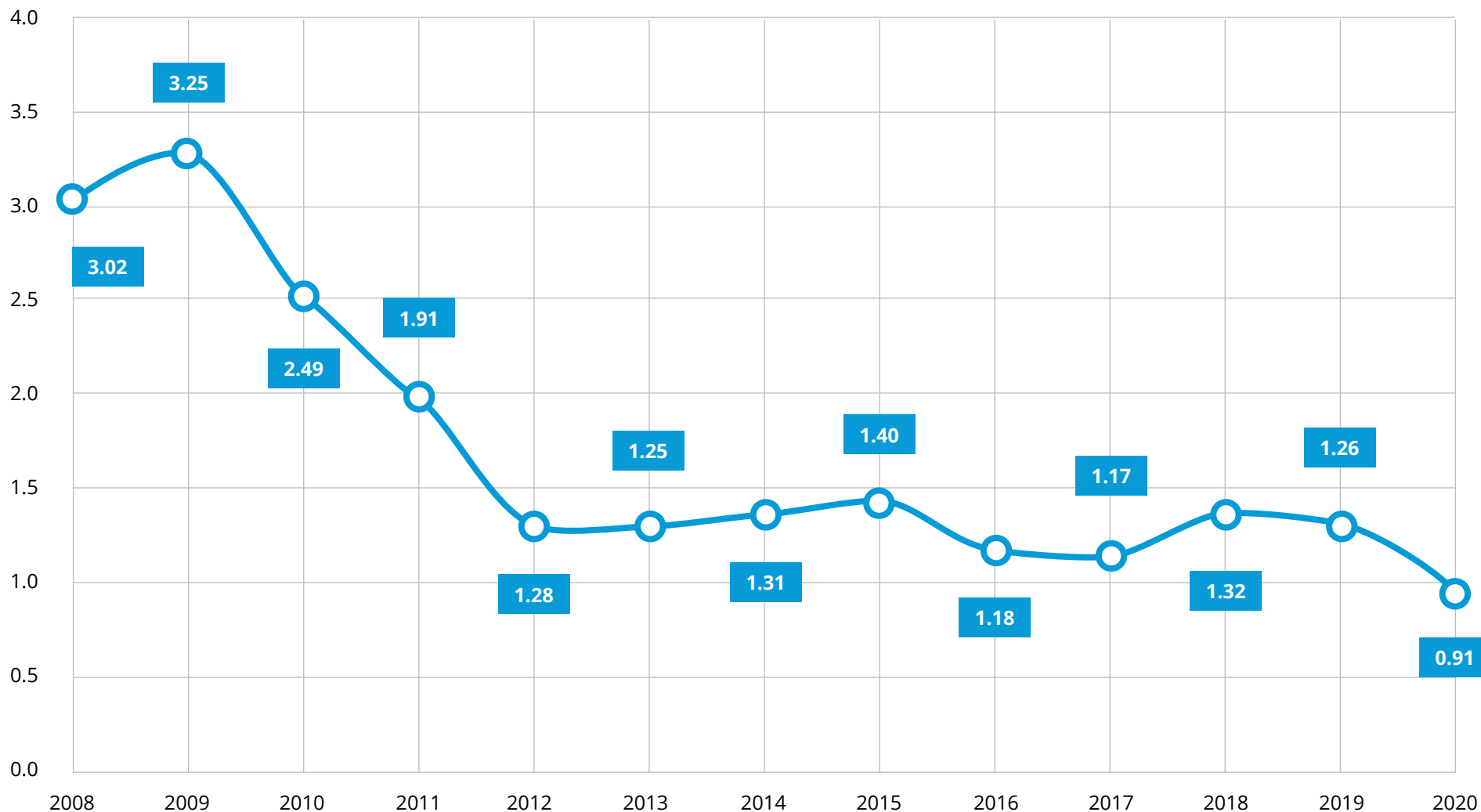
Key focus areas for sustained improvement include:

- Giving a voice to safety by promoting a first-class safety culture, making safety personal, and emphasizing that safety is the focus of every task, every job, every day.
- Focusing on high-hazard injury prevention by closing gaps prior to injuries through proactively identifying and addressing unseen hazards.
- Improving our ability to prevent injuries before they happen by enhancing our Close Call program, such as through the development of an app for employees to use.
- Encouraging safety leadership, or a culture in which employees proactively take ownership of and the lead on safety issues, through training, mentoring and the use of technology.
- Using and developing tools to help drive us towards our goal of a zero-harm workplace by leveraging data, thorough job briefings, and via a focus on achieving 100% procedural compliance.



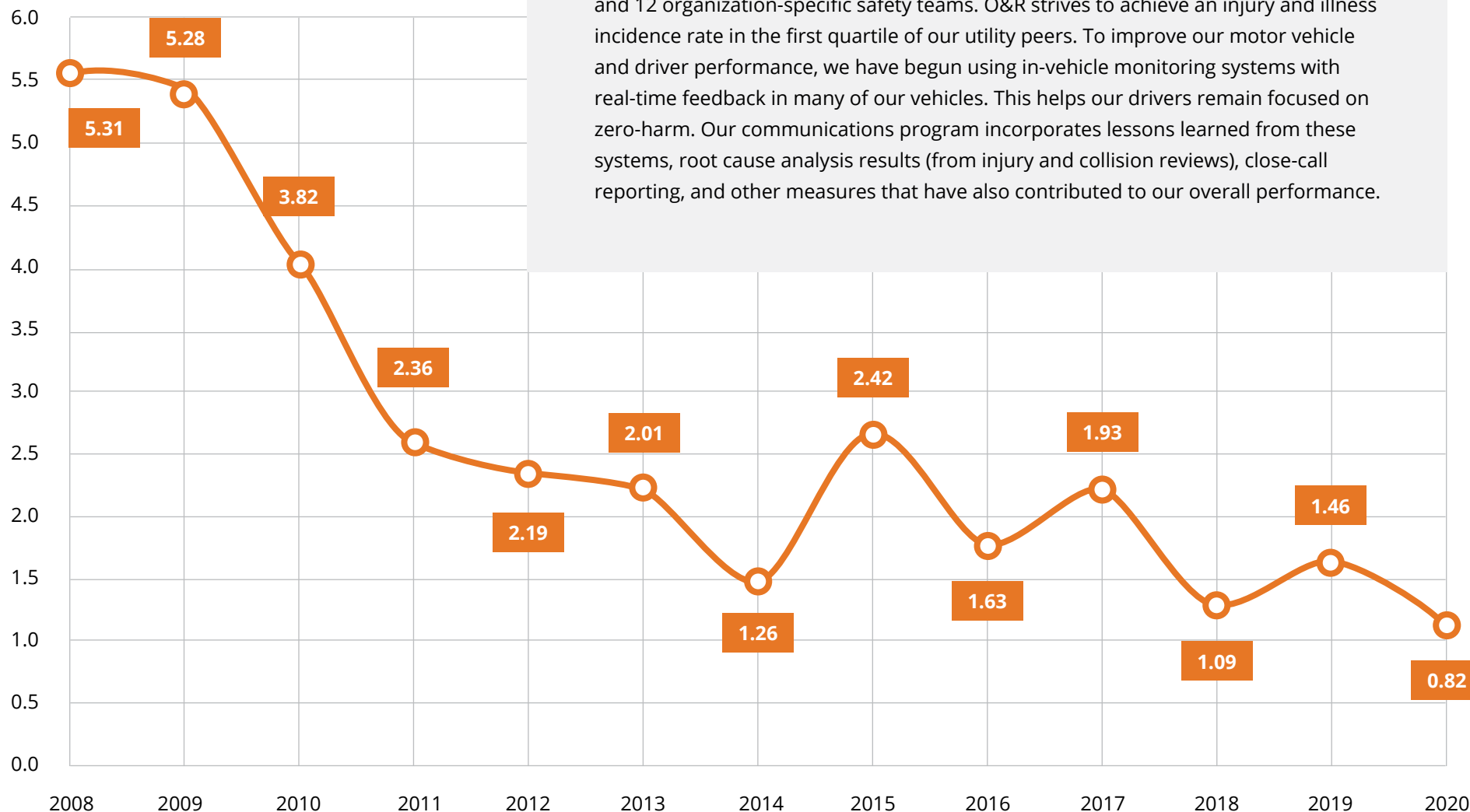
Con Edison of New York

OSHA Rate



Orange and Rockland

OSHA Rate



Public Safety

Safety & Environment

We invested more than \$3.23 billion in 2020 to fortify our electric, gas, and steam infrastructure. This investment underscores our commitment to provide energy to millions of customers efficiently and responsibly while protecting the environment and keeping people safe throughout our service area.

Electric

Con Edison continues to develop tools, techniques, and management strategies to improve safety, troubleshoot problems, and increase efficiency. In 2020, Electric Operations' Distribution Engineering team worked to advance our thermal imaging capabilities by developing an industry-first thermal and visual borescope camera to help our crews quickly and safely inspect underground electric distribution manholes for high temperature anomalies that may indicate equipment repairs are required. This tool is the latest addition to the technology that Con Edison is deploying to help reduce the number of manhole events.

Con Edison continues to work to reduce manhole events with multiple programs, including its industry recognized latched manhole technology and its vented manhole cover that reduce manhole displacements.

Con Edison's underground networks are surveyed for contact voltage 12 times a year, using mobile detectors. In 2020, we found and eliminated 6,042 cases of contact voltage. Of those, 5,502 cases (91%) were on non-Con Edison equipment (streetlights, electric signs, and other structures). We performed 26,954 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 2020, O&R found and eliminated 14 cases of contact voltage — 13 on company-owned equipment — and performed 45,004 inspections and 38,822 tests.



Gas

Con Edison continues to apply a public safety risk mitigation strategy that includes the elements of prevention, enhanced detection, and best in class response. Many of these initiatives are industry leading and on the cutting edge of technology.

Prevention

The Company continues to significantly invest in its main replacement program to remove its cast iron and unprotected steel gas mains from its inventory. The Company has replaced 421 miles of such mains in the last five years. Along with other enhanced quality measures, the Company requires 100% independent inspections of all plastic joints installed to ensure quality and compliance.

Furthermore, the Company has a robust and proactive damage prevention program that promotes awareness in the contractor community and utilizes predictive analytics to ensure additional contractor oversight before street work is performed near our critical facilities. The year 2020 saw the lowest level of contractor damages to our system in our recorded history.

Detection

Con Edison performs monthly gas leak surveys of our 4,300 mile gas distribution system, far in excess of the traditional annual survey performed in the industry. The frequency of these surveys allows us to detect leaks on our system as they occur, so that repair can be scheduled in a timely manner.

Additionally, the Company has developed a first-of-its-kind natural gas detector that is integrated with our advanced metering infrastructure. These detectors automatically notify our Gas Emergency Control Center of potential public gas leak emergencies, which Con Edison and the fire department then respond to and investigate. We piloted these detectors in 2018, began full deployment in 2020, and will be installing them in every customer's home in the next five years.

Furthermore, Con Edison has a comprehensive, multichannel, and multilingual campaign to educate customers and the public at large—an estimated 10 million people across New York City and Westchester County—about gas safety and the urgency of reporting gas leaks. We reach 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 in English, Spanish, Chinese, and Korean.

Response

Con Edison emergency response performance is best-in-class. In 2020, the Company responded to gas leaks across the system within 30 minutes, 98% of the time, the best performance in the Company's history. Furthermore, our close relationship with the Fire Department of New York and Westchester County Emergency Services has ensured that every event is responded to with the utmost urgency and is mitigated quickly. In 2019, Con Edison worked with Westchester County Department of Emergency Services to build a new hands-on gas leak emergency training facility for local fire departments to aid in their ability to effectively and safely respond to natural gas leaks.

Orange & Rockland

We have continued our focus on enhancing public safety by modernizing our gas delivery system. Investments to replace leak-prone pipe, primarily unprotected steel and Aldyl gas mains, have resulted in fewer incoming, outside leaks. In 2020, we replaced more than 20 miles of gas main.

We quickly respond to gas odor and carbon monoxide calls, and in 2020 we achieved a historical best response rate—responding to more than 93% of calls in 30 minutes.

By providing education to and direct oversight of those performing excavation work near our gas system, our performance continues to be strong relative to third party damages to our gas system. We continue to perform gas leak patrols of our distribution system and have kept the number of open leaks low throughout the year.

We continued to perform internal corrosion inspections and offered residential methane detectors free of charge to interested customers. We continued to strategically deploy AMI-enabled, natural gas detectors in the territory.

O&R has a comprehensive campaign to educate customers and the public at large about gas safety and the urgency of reporting gas leaks. We reach customers primarily through direct mailings, advertising, digital initiatives, and community events.



Steam

Con Edison continues to implement a “prevent, detect, and respond” risk mitigation strategy with a deliberate focus on public safety. Many of these initiatives are industry leading and on the cutting edge of technology.

For the “prevent” part of the strategy, the Company continues significant investments in its steam system assessment and main inspection programs that use advanced data analytics to identify areas where specific infrastructure investment is needed.

Starting in 2020, the Company completed the first generation of their assessment model and has inspected approximately 3,000 feet of steam main. The Company also recently completed the construction of a full-scale computational fluid dynamics flow model known as the Kongsberg model. This model simulates the flow of steam and condensate through the piping system using actual field conditions reported from various devices. This model is the first of its kind in the industry and can alert our Engineering/Operations teams to potential conditions that might increase the risk of a water hammer event. Besides these preventive efforts, the Company also has a robust monthly customer seminar program that educates our customers on how to properly and safely utilize our steam service in their buildings.

Con Edison's "detect" risk mitigation strategy includes performing weekly/bi-weekly (depending on the season) visual surveys of the 105-mile steam distribution system. The Company also developed and is enhancing our remote monitoring system. The sensors associated with this system have the capability to detect defective steam traps, excessive water levels within our steam manholes, as well as the performance of drainage pumps. This system automatically notifies our Steam Troubleshoot Dispatch Center of a potential public safety emergency that requires immediate attention. Additional improvements to the system are currently in the research and development stages with planned pilots scheduled for 2021.

Con Edison's "respond" risk mitigation strategy focuses on rapid response, repair, and partnership with external agencies. In 2021, the Company responded to vapor conditions across the system within 45 minutes, 95.1% of the time. Steam Operations has consistently met this critical response time goal. These performances are also attributed to the close relationship between Con Edison and many of the first responders, including the Fire Department of New York City and the Department of Environmental Protection.

Overall, the Company conducted twenty-one (21) training sessions for public and emergency officials on how to properly respond to steam incidents. The Company also met with various agencies throughout the year to familiarize them with the steam system, hazard recognition methods, and the Company's internal emergency response procedures. The Company also conducted drills to test its emergency response process/procedure for steam safety incidents as well as potential oil spill events.



GHG Emissions Reductions

Safety & Environment

We are committed to reducing our carbon footprint and firmly support efforts by local, state, and federal agencies to reduce greenhouse gas emissions. We have reduced our carbon emissions by 54% since 2005. Sixty percent of Con Edison's annual steam production comes from co-generation, which lowers emissions by one million tons of carbon dioxide, CO₂, per year compared to conventional fossil generation.

We continue to report voluntarily to the U.S. Environmental Protection Agency on our efforts to lower emissions of sulfur hexafluoride, SF₆, from our electrical equipment, and we worked with Electric Power Research Institute to develop a new SF₆ leak sealing technique.

We are a founding partner in the EPA's Natural Gas STAR Methane Challenge Program with the aim of reducing methane emissions from gas distribution. We work with experts and seek out new methane leak detection technology to enhance the efforts of our leak survey crews and conduct monthly leak inspections of our entire gas mains system.

As part of our ongoing efforts, we continue to accelerate the replacement of leak prone pipe, and respond to the vital warning signals provided by our residential methane detectors.

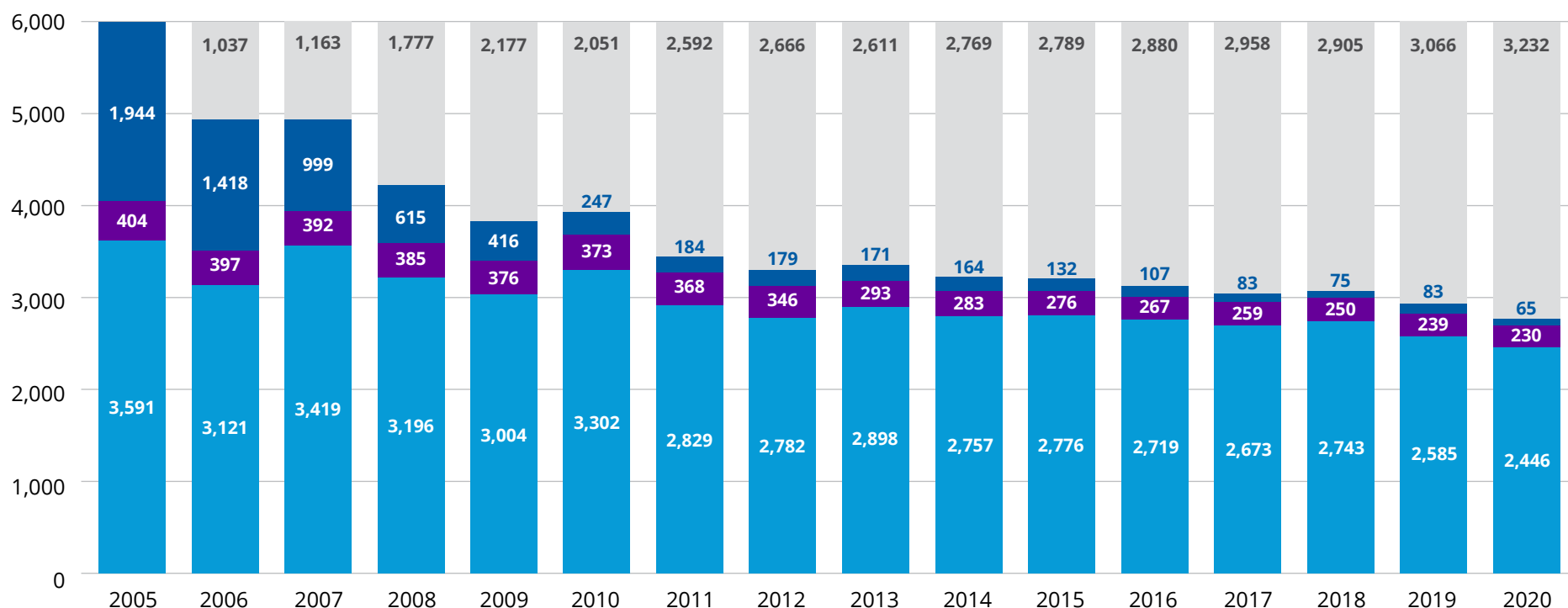
We are installing smart meters in our service area, providing the ability to optimize energy usage and improve efficiency which helps lower carbon emissions.



Con Edison, Inc. Direct GHG Emissions - Scope 1

(thousand metric tons CO₂e)

● Avoided Emissions Compared to 2005 Baseline
 ● SF₆ Emissions
 ● Methane Emissions
 ● CO₂ Emissions



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

- 33.4 million metric tons of CO₂ equivalent total emission avoided since 2005
- We have reduced our carbon footprint by 54 percent since 2005 – the equivalent of taking 500,000 vehicles off the road

Note: Emissions from electric generation at the Con Edison Development electric generating plants, which were sold in 2008, have been removed from the above data set.

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)
2020	0.92	29.5
2019	1.16	32.5
2018	1.24	35.0
2017	1.35	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)

Steam Environmental Efforts

We 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 carbon emissions by approximately 25% of what would have been otherwise emitted through traditional boilers—that is equal to removing approximately 200,000 vehicles from the road every year.

Our customers also benefit from the advantages of a centralized district steam system which reduces onsite emissions. These centralized investments benefit all customer buildings. The ability of the district system to aggregate a wide variety of customer load profiles also allows for a higher average efficiency than what can be achieved at a single location. All these benefits are reflected in the most recent NYC Local Law 97, where our district steam system was identified as the lowest greenhouse gas emitting energy source per unit of energy delivered.

In alignment with the city's and state's commitments to significantly reduce greenhouse gases by 2050, we are evaluating

all opportunities that could help lower our environmental footprint. We acknowledge that business as usual is not and cannot be the way of the future to achieve these goals, which is why we are taking a more forward-thinking approach, conducting research and evaluating opportunities for more efficient generation and



customer programs, while leveraging existing and emerging technologies.

To continue supporting our customers in a changing environment, Steam Operations has been proactive in several efforts, such as benchmarking with other district systems in cities that are leveraging their district energy networks to achieve their carbon reduction goals. Steam Operations has also established an initial list of carbon-reduction technologies to evaluate and determine the feasibility of implementation with the existing steam system. These technologies include alternative fuel sources, production via electric boilers with renewable energy, expanding and/or converting to hot water systems, wasted heat recovery sources, and other emission reduction technologies.

Steam Operations has also been an active member in discussions and studies as regulations and city and state plans evolve.

Energy Efficiency Customers' Emissions

Please refer to the Energy Efficiency section under [Customer & Community](#).

Reduction of SF₆ Emissions

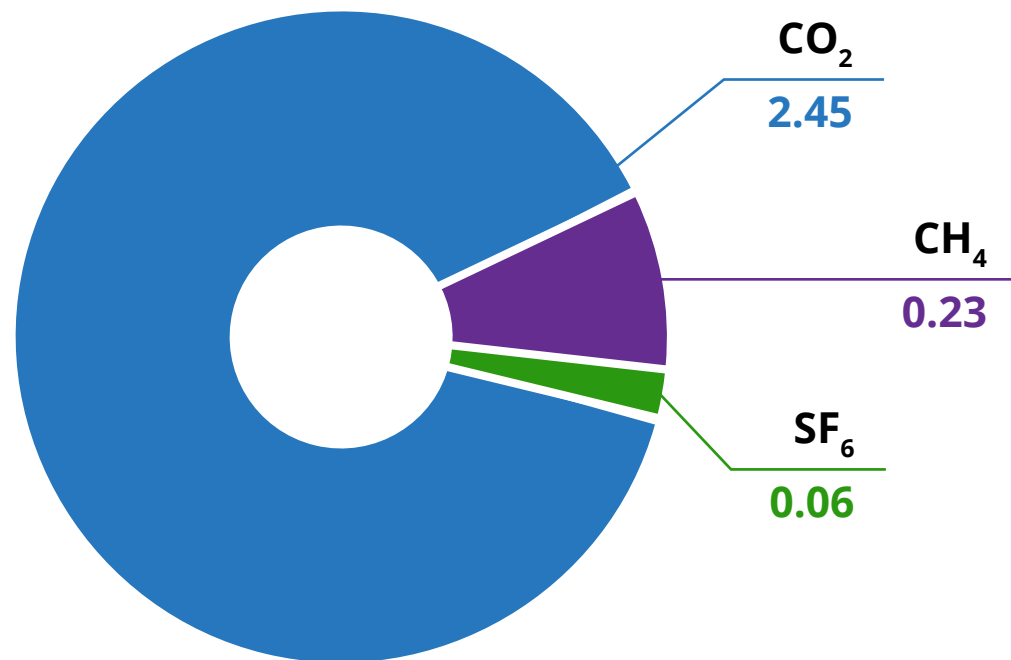
In accordance with a 1999 memorandum of understanding between the U.S. Environmental Protection Agency and Con Edison, we agreed to reduce our emissions of SF₆ gas (sulfur hexafluoride) by 5% annually from our 1996 baseline. In 2020, we released about 98% less SF₆ than in 1996, well ahead of our commitment to the EPA. SF₆ is a nontoxic, nonflammable greenhouse gas, with a warming potential more than 22,000 times higher than carbon dioxide, 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. Limiting emissions will contribute to a cleaner environment and help to reduce global warming.

Con Edison highly values environmental excellence. While we have greatly reduced our emissions in the past decade, we are striving to continue to reduce our emissions even lower. We established a 5 year plan at the start of 2020 to reduce emissions by 500 pounds annually. This is a rate of more than 5% annually from the current levels. In the first year (2020), we have achieved our goal.

To reduce SF₆ emissions we use varying programs and a dedicated team to address leaking equipment in a timely matter. We have several targeted programs to replace or retire SF₆ equipment, including circuit breakers, automatic ground switches and gas-insulated switchgear. Also, the dedicated team constantly monitors the emissions of all equipment daily

using a tracking software program to enable quick and efficient repairs of trouble equipment. The team then uses best management practices, including innovative new leak sealing techniques to make the necessary repairs, as well as handling the gas properly with minimal emissions.

Con Edison, Inc. Greenhouse Gas Emissions in 2020 (million metric tons CO₂e)



Gas Environmental Efforts

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. For example, we are currently working with Colorado State University—an expert on methane emissions—to evaluate leak detection technology and to enhance the performance of our survey crews.

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. The goal of this program is to reduce methane emissions by replacing a significant number of natural gas mains. Our participation in this program was a natural extension of our participation in the Natural Gas STAR program, which we helped found in 1993.

The Natural Gas STAR Methane Challenge is an EPA/partner company collaboration that promotes and tracks ambitious, transparent commitments to voluntarily reduce methane emissions beyond regulatory requirements.

Our goal is to replace 4% of our cast iron and unprotected steel mains each year. Since 2017, we have replaced 342 miles of such main, which represents an average replacement rate of 4.5%. The Company also performs monthly leak surveys of the entire distribution system to proactively detect methane emissions and make associated repairs to the gas system. Con Edison is an industry leader in repairing 85% of all gas leaks within 60 days, including leaks considered to be non-hazardous.

In addition, Con Edison is looking into several initiatives to meet New York's Climate Leadership and Community Protection Act targets of having 85% carbon emissions reductions by 2050. Recently, the Company joined 36 other natural gas companies in the ONE Future Coalition to reduce industry methane emissions to 1% or less by 2025. We are also exploring new tools and technologies that would aid in mitigating emissions during normal operations, and continue to conduct field trials of enhanced leak detection technology.

Air Quality & Non-GHG Emissions

Safety & Environment

We predominantly use natural gas for energy production. However, to maintain reliability during periods of gas-system limitations, we retain backup fuel sources. No. 4 oil and Kerosene are the backup fuels currently in use at our steam and electric generating stations.

By the end of 2024, our generating units using No. 4 oil will be fully transitioned to No. 2 oil, which is lighter and has a lower concentration of criteria pollutants than No. 4 oil, and aligns with local mandates aimed at reducing local air pollution and GHG emissions.



Direct Emissions

(thousand metric tons)

	NO _x	SO ₂
2020	1.00	0.02
2019	1.23	0.09
2018	1.37	0.20
2017	1.16	0.11
2016	1.24	0.13
2015	1.49	0.32
2014	1.65	0.33
2013	1.90	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

Safety & Environment

Tons of hazardous waste are captured and shipped by Con Edison and O&R each year to licensed commercial waste-handling facilities. Much 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. In 2019, Con Edison removed approximately 7,500 tons of hazardous waste to support the removal of four retired fuel oil tanks.

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 1 million cubic feet in landfill space and has led to the avoidance of tens of thousands of dollars for waste disposal costs annually.

Con Edison 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.

CECONY Waste	2014	2015	2016	2017	2018	2019	2020
Hazardous waste generated (tons)	17,547	11,371	12,070	10,600	10,360	17,381	19,472
Remediation waste (tons)	545	31	18	7,195	11,939	111	223

Hazardous waste numbers are higher in 2019 and 2020 due to the large volume of waste removed from Hudson Avenue as well as a large volume of waste removed from Seaview Avenue in 2020. Tank removal projects at both locations have been completed, and we do not expect to see any significant waste from these locations.



Habitat & Biodiversity

Safety & Environment

We continue to work closely with community and government stakeholders to promote biodiversity, protect environmentally sensitive areas, and comply with local, state, and federal environmental regulations.

To identify and mitigate environmental impacts, Con Edison's Environment, Health, & Safety department collaborates across our engineering and planning groups to conduct comprehensive environmental review projects before they are undertaken. Whether it is a large-scale construction project or a small-scale service installation, environmental impacts are reviewed during project planning so that proper controls can be incorporated into the project's design. We continue to solicit input from the impacted community and government stakeholders early in the design process to further mitigate any concerns.

Our main goal is to minimize our work footprint and restore any disturbed areas to preconstruction conditions, regardless of project size. Within New York City, we have built upon our collaborative and communicative efforts with the New York City Department of Parks and Recreation, and we continue to refine our practices for work in and around city-owned trees and public parks. We understand how vital these resources are to the health and well-being of all New Yorkers and the important role they play in contributing to clean air and water, reductions in energy costs, increases in property values, and beautification of our streets and parks.



Con Edison has also continued to build upon our relationship with the New York City Landmarks Preservation Commission by codifying best management practices and permitting guidelines for projects within designated historic districts and individual landmarks, in addition to archaeologically significant locations. We have implemented new construction guidelines to protect NYC Department of Environmental Protection's newly installed "green infrastructure assets," such as bioswales, rain gardens, and porous pavement that are being constructed along the Department of Transportation rights-of-way in the outer boroughs.

Outside New York City, Con Edison continues to comply with our New York State Public Service Commission-approved Overhead Transmission Vegetation Management Program, which encompasses more than 2,000 acres. Our cumulative efforts have encouraged biological diversity by protecting native plants, selectively pruning or cutting undesirable species, and increasing public awareness for threatened and endangered species through community partnerships. As a founding member of Electric Power Research Institute's Power-in-Pollinator Initiative, our vegetation management program

currently supports the protection of the monarch butterfly, which is at risk of becoming listed as threatened under the Endangered Species Act.

Additionally, our Clean Energy Businesses collaborate with our stakeholders to incorporate responsible environmental stewardship that promotes biodiversity and protects environmentally sensitive areas in compliance with local, state, and federal environmental regulations.

In the solar sector we have multiple projects, such as Panoche Valley Solar, Wistaria, Lost Hills, and Copper Mountain, where we are monitoring listed and protected species and have implemented extensive mitigation and conservation measures for various species and habitats. We also support third-party research on and around sites in order to better understand habitat behaviors.

In the wind sector, we have teamed up with regional wind energy producers and the American Wind Energy Association to mitigate potential impacts to the California condor by supporting extensive species recovery efforts with the U.S. Fish and Wildlife Service and

third-party organizations such as the San Diego Zoo and Peregrine Foundation. Additionally, we monitor whooping crane migration zones and seasonal flights that allow our operations to adjust turbines as needed to prevent mortalities.

Ongoing operations and maintenance procedures utilize best land management practices to monitor and repair potential areas of storm-related erosion into nearby waterways.



Electric Vehicles

Safety & Environment

Recognizing that the transportation sector is one of the largest sources of carbon emissions in our service area and our nation, we are taking the lead in supporting the acceleration of electric vehicle (EV) adoption by our customers. We are making significant infrastructure investments to facilitate installation of thousands of EV chargers across our service area, and we offer other incentive programs to EV station operators and drivers.

We know that access to EV charging at home and on the road is a leading barrier to our customers choosing to purchase EVs. In order to help alleviate this impediment to EV adoption, in 2020 we launched a major program to support the development of widespread and visible charging stations at diverse locations across

our service area such as parking lots, retail locations, apartment buildings, and workplaces. This program for smaller vehicles like cars and smaller vans is the second-largest utility program targeting the EV charging marketplace in the country.

Our utilities will be investing more than \$350 million including customer incentives by 2025 to develop EV charging stations in our service areas with targets as follows:

- CECONY – targeting 18,539 Level 2 (L2) plugs and 457 DCFC plugs (fast charging)
- O&R – targeting 2,845 Level 2 (L2) plugs and 71 DCFC plugs (fast charging)

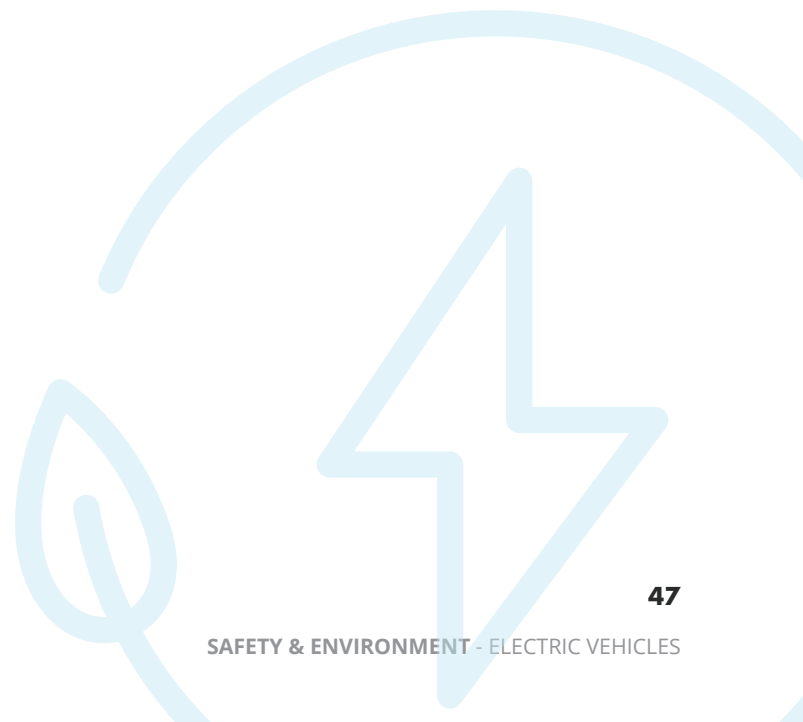


In 2020 we also launched a pilot incentive program to support electrification of larger fleet vehicles such as school and transit buses and delivery trucks. Finally, in 2020 we expanded our SmartCharge NY program that provides financial rewards to participating customers across all vehicle types in our service area for charging outside of the peak periods on the grid. Last year 1,145 new cars and 15 New York City Department of Transportation (NYCDOT) buses joined the program, for a total of 3,411 cars and 28 trucks and buses participating in the program.

Additionally, we are working on two active demonstration projects that will help improve access to and viability of clean transportation. We are working with NYCDOT to test installation of curbside EV chargers to increase access to EV charging and test customer acceptance of chargers on the streets in their communities. We also have an operational vehicle-to-grid (V2G) school bus initiative that is supporting electric school buses in the White Plains school district. These buses transport schoolchildren during the school year while the buses are also

being tested as grid support assets during the summer when the students are on holiday and grid needs are greatest.

In support of our clean energy commitment, our EV strategy governs the transition of our fleet of smaller vehicles to electrified vehicles. To accelerate that transition, 100% of new smaller vehicles purchased will be electrified and we will expand the availability of fleet charging stations. As a further commitment, our goal is that 100% of our small vehicle fleet will be electrified by 2040. We will also explore, through Research and Development, alternative technologies to reduce fossil fuels for medium and heavy-duty trucks.



Oil-to-Gas Conversions

Safety & Environment

In 2020 Con Edison converted 64 buildings from heavy heating oil to gas. Since the start of our conversion program in 2011, we have converted more than 4,600 large buildings burning heavy heating oil; we also converted more than 3,800 customers from No. 2 grade oil. The company's conversions since 2011 kept more than 582 tons of fine particulate matter from the air in 2020, 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 we've completed our Area Growth marketing and construction program, we continue to see customer-driven requests in converting from oil of all grades.

In 2020, O&R converted 75 customers from various grades of heating oil to natural gas. O&R has since concluded its gas expansion program. Currently, for customers who have requested new natural gas service or upgrades, O&R will

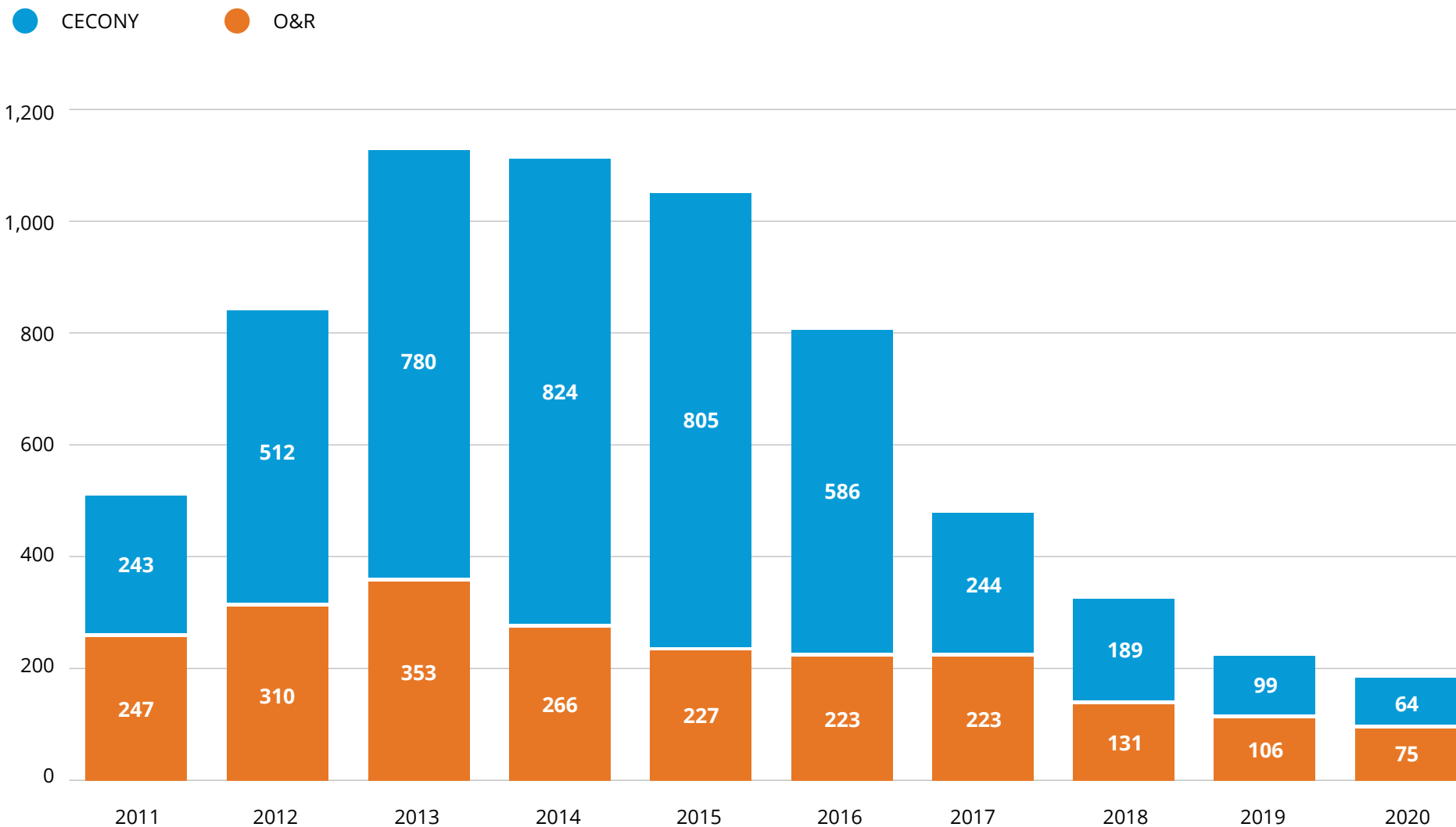
both support and serve these customers with natural gas while also providing incentives to customers to install non-pipe solutions and alternatives, such as heat pumps.

We will expand efforts to reduce the use of fossil fuels for heating through energy efficiency, investing in emerging technologies, and our innovative clean-energy technologies, including our Smart Solutions program.

We are the anchor sponsor of a project called the Low Carbon Resource Initiative with Electric Power Research Institute exploring low-carbon fuels such as green hydrogen — a carbon-free fuel made from water by using excess energy from renewables like wind and solar. And we are investing in renewable natural gas.



Con Edison, Inc. Utility Customer Conversions to Gas



Water

Safety & Environment

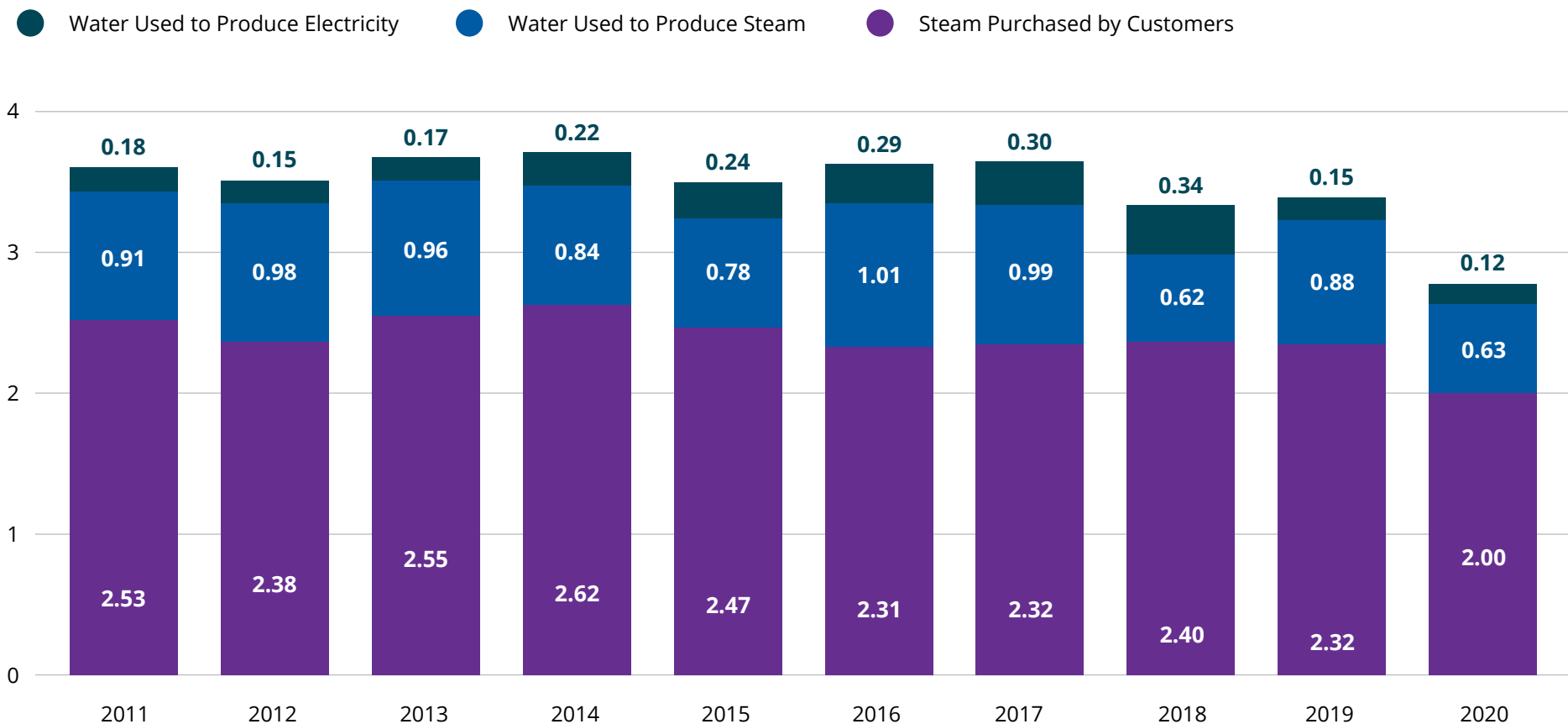
We recognize the importance of preserving natural resources. As one of the New York City Department of Environmental Protection's largest water customers, we are obligated to our stakeholders and the environment to minimize the amount of water utilized to produce steam. The company's overall water footprint is largely converted into steam, which is an integral source of clean, efficient energy distributed to our customers for a variety of uses such as heat, hot water, air conditioning, sterilization, and food processing.

We are continually focused on efficiency improvement initiatives and executing water treatment system enhancements that minimize our water footprint throughout the steam system.



Con Edison Steam Operations - DEP Municipal Water Use

(billion gallons)



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: Con Edison facility added approximately 0.11 billion gallons in 2019 and consumed an estimated 0.07 billion gallons of water in 2020.

ISO Certification

Safety & Environment

The Con Edison Environmental Management System (EMS) is certified to the International Organization for Standardization (ISO) 14001:2015 standard. The purpose of the ISO 14001:2015 standard is to provide a framework and systematic approach to environmental management. ISO 14001:2015 requires a commitment from all levels of the Con Edison organization, led by the top management, to environmental protection through pollution prevention and continuous improvement. ISO 14001 certification gives Con Edison and their stakeholders a means of verification that the EMS is operating at a world-class standard.

Con Edison through implementation of an ISO 14001 certified EMS is committed to:

- Improving safety and environmental performance
- Strengthening regulatory compliance
- Enhancing relationships with our stakeholders

- Identifying and reducing significant EH&S risk potential
- Promoting wise and effective use of natural resources

We have, over 18 consecutive years, maintained ISO 14001 certification through a rigorous third-party certification process. In 2017, our certification was upgraded from ISO 14001:2004 to the new ISO 14001:2015 standard by a two-week audit conducted by Intertek Testing Services NA, a third-party auditor. We received our re-certification in 2020.

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



Intertek

Pipeline Safety Management System

Safety & Environment

The Con Edison Gas Organization's Pipeline Safety Management System (PSMS) adheres to the American Petroleum Institute (API) 1173 Recommended Practice. The purpose of this recommended practice is to provide a framework and a structured method to manage a gas organization effectively, resulting in a logical and repeatable approach driving continuous improvement and reducing risks. This requires a commitment from all levels of the Gas Organization, led by top management promoting the intentional and regular review of our organization's safety programs that contributes to public safety, employee safety and a zero-harm workplace.

The Gas Organization through the implementation of PSMS is committed to:

- Relentless and prominent attention on safety
- Developing a culture of mutual accountability
- High performance and awareness in the activities we do on a daily basis to support pipeline and public safety
- Promoting the Plan-Do-Check-Act continuous improvement model to achieve Operational Excellence



In 2019, Con Edison Gas Operations became the first utility in the country to receive an assessment from the American Petroleum Institute on our Pipeline Safety Management System implementation, receiving a rating of conformance with the standard set by API.

Adoption of a Pipeline Safety Management System reinforces our commitment to our internal and external stakeholders to be a best-in-class organization.



Operational Excellence

Physical / Cyber Security & Data Privacy

Ethical Business Practices

Climate Resilience

Core System Upgrades

Fuel Mix & Generating Capacity

Supply Chain

Governance

Enterprise Risk Management



Physical/Cyber Security & Data Privacy

Operational Excellence

New technology brings new challenges, and both cybersecurity and physical security have been identified as key enterprise risks for the company. Our information security team works 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. We collaborate with these partners to share threat information and best practices, and conduct large-scale joint cybersecurity and physical security drills to help protect the electric industry against cyberattacks. Internally, an annual presentation on cybersecurity risks continues to be provided to the board and the audit committee has commenced reviewing more in-depth cybersecurity matters on a semi-annual basis. In addition, the board receives regular updates as to both cybersecurity and physical security risks from management.

With the threat of cybercrime constantly becoming more acute, we continue to strengthen our data-protection efforts. Cybersecurity and physical security use a layered mitigation strategy that includes 24/7 monitoring, vulnerability assessments, employee education, and regular drills, and cybersecurity conducts phishing tests. We monitor approximately 2,000 cameras, Intrusion Detection Systems, duress alarms, and a card access system to restrict access. We consistently earn passing grades on audits that assess our cybersecurity and data-protection standards, and we are in compliance with reporting requirements from the Federal Energy Regulatory Commission and North American Electric Reliability Corporation. As for grid resiliency, there have been no material violations or fines due to non-compliance with physical and/or cybersecurity standards or regulations.



Ethical Business Practices

Operational Excellence

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 120 employees and our Business Ethics Council with 15 members assist the organization in maintaining a culture of integrity in their departments.

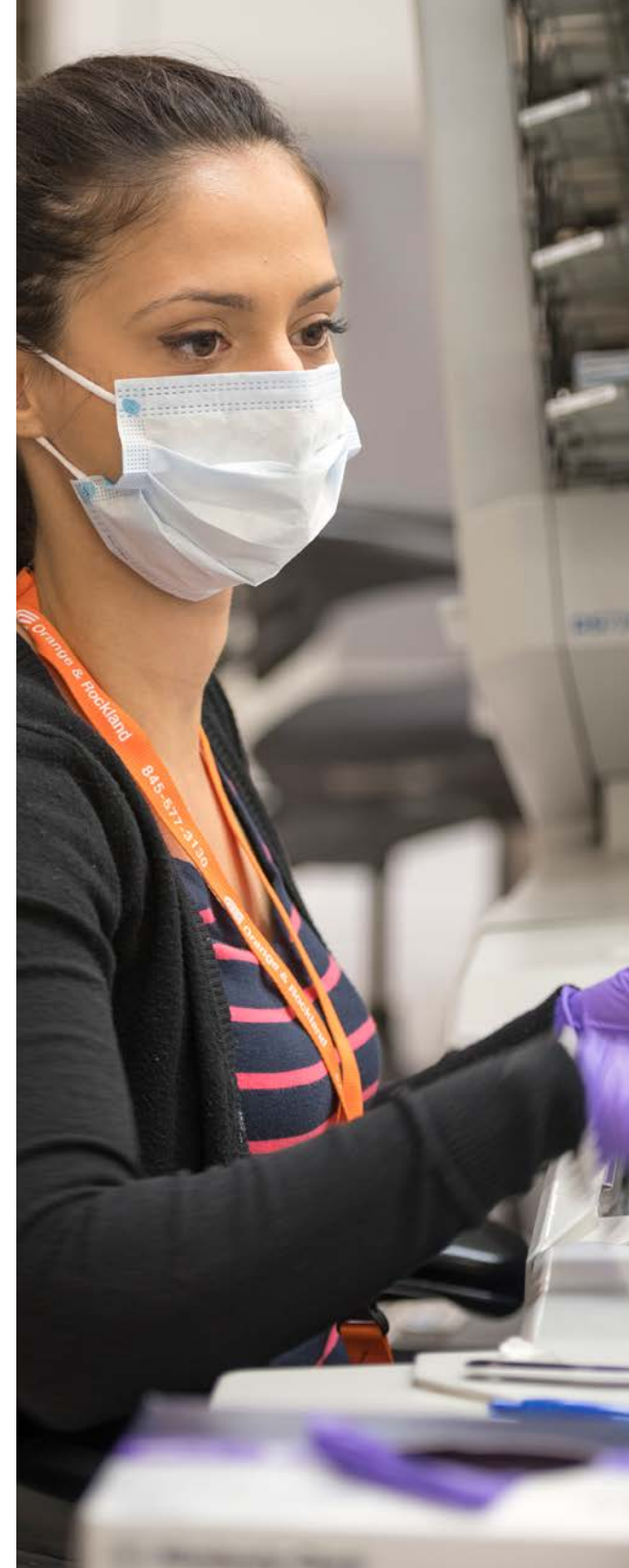
In 2020, Business Ethics & Compliance raised awareness of ethics-related resources with an online quiz developed to test employees' knowledge of ethics and compliance, fraud prevention, and cyber security.

We continued enhancing our Ethics and Compliance Program working with peer utilities to review our programs. The peer review determined we have a very strong program, specifically the Standards of Business Conduct, training and communications, and our networks of ethics ambassadors known as the Values in

Action (VIA) Advisors and Business Ethics Council.

The 2020 Standards of Business Conduct training initially featured small-group, in-person training sessions discussing real-life work situations that could pose ethical dilemmas. In March, following the company's guidance to maintain physical distance to prevent the spread of COVID-19, we suspended in-person training and moved to an online course featuring an interactive game format. Employees earned Ethics Champion badges after visiting virtual office locations around the country to identify ethics-related issues.

Compliance Management initiated a Quality Center of Excellence (QCOE) to coordinate and enhance the efforts of existing Quality Management teams across the company. The QCOE will organize information sharing, learnings, data, and best practices that will strengthen integration of risk, compliance, and quality across the company. Compliance Management also evolved its core engagement approach to provide its client business units with expert guidance and an array of solutions customized to evaluate and improve compliance to regulatory requirements.



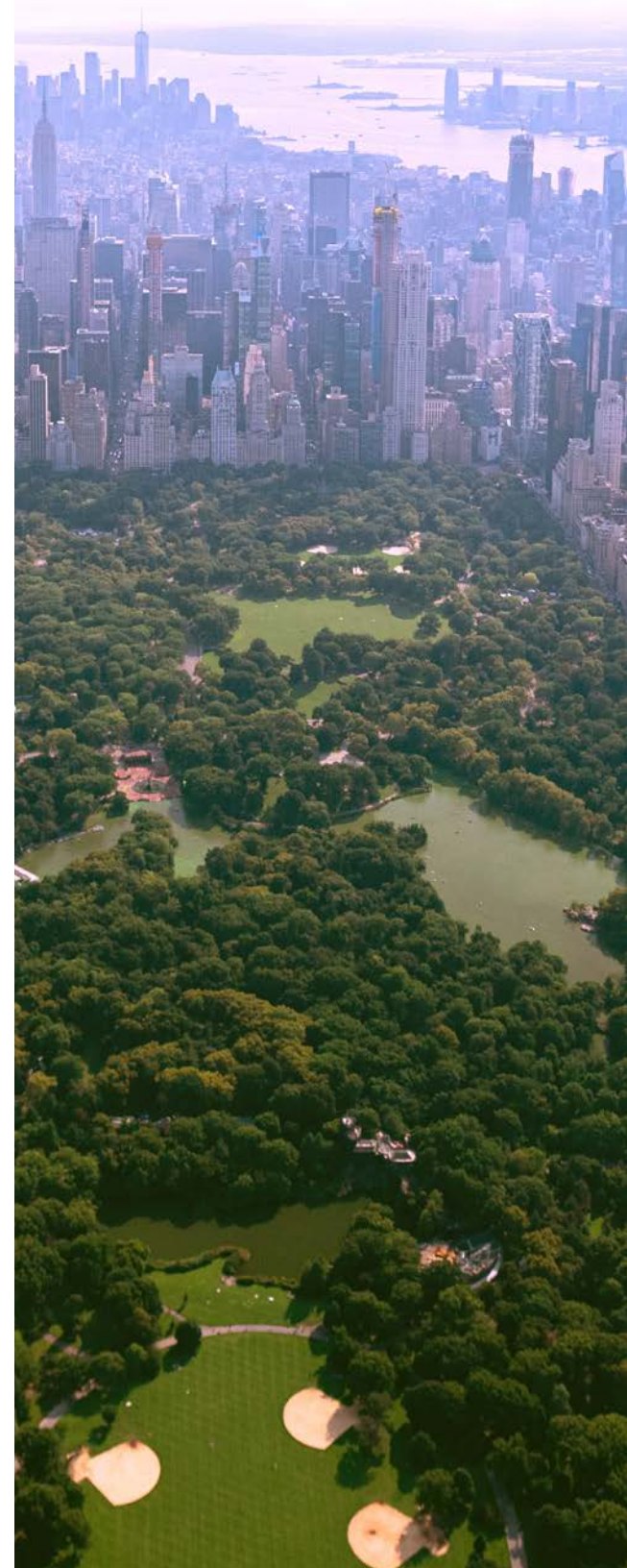
Climate Resilience

Operational Excellence

In recent years, Con Edison has adopted an ever more proactive, forward-looking approach to system resiliency to address increasingly severe weather due to climate change. After Superstorm Sandy, we upgraded our infrastructure to be resilient to a 100-year storm plus one foot of sea level rise. In 2019, we completed a multi-year Climate Change Vulnerability Study to understand local climate change projections, identify potential system vulnerabilities that could result from the changing climate, and explore potential adaptation options to protect our infrastructure.

In 2020, Con Edison continued to make progress toward strengthening our energy systems to address the adverse impacts of climate change and natural disasters. We have changed the

way we do business to address climate change risks and continue maintaining safe, reliable service for the millions of people who rely on us for power. Our efforts included adopting forecasting and design processes that more fully incorporate future impacts of climate change. Our Climate Change Implementation Plan, filed with the New York State Public Service Commission in December 2020, addressed the areas specified in our recent Rate Plan Order and significantly advanced our climate change governance structure.



Our key 2020 climate change resiliency accomplishments were:

1. Created a governance structure to manage climate change risks and build resilience:

A newly created Climate Change Adaptation and Resiliency Corporate Instruction^[1] establishes clear responsibilities within our company for climate change adaptation and resiliency efforts. It creates a new Climate Change Risk and Resilience Group, with oversight by an executive level Climate Risk and Resilience Committee.

2. Set a clear pathway to prepare our system:

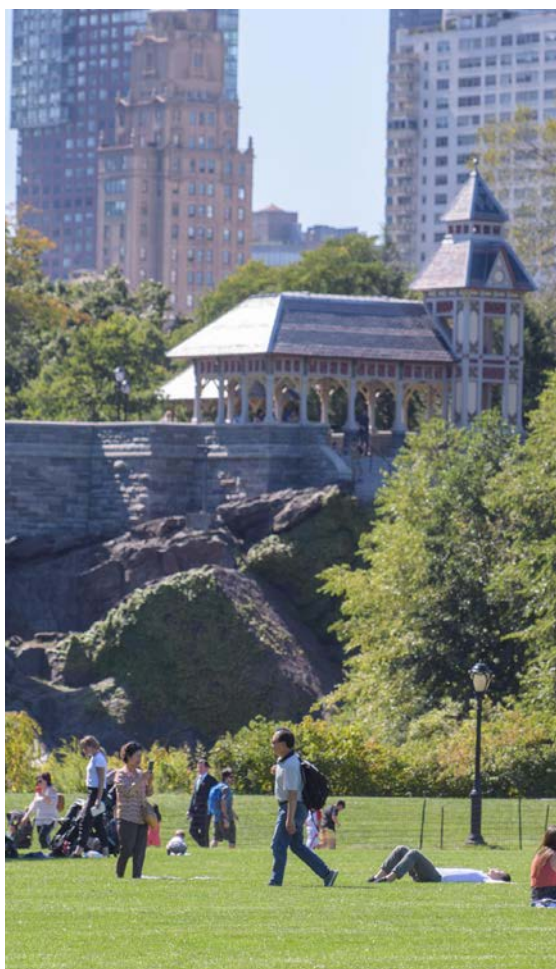
Our Climate Change Planning and Design Guideline (the Guideline) reflects the best available climate science and aligns with regional benchmarks. The Guideline will help us consistently evaluate our system and operations. We will review and update it over time, as needed, to help support continued safe operations and reliability.

3. Adjusted how we plan and design infrastructure for increasing climate change:

By reviewing our specifications, procedures, and practices against anticipated changing climate conditions, we better understand how to proactively adapt our planning, operations, and emergency response. We have already made changes to address climate risks that will support the resilience of our system and customers.

We recognize that our approach needs to be flexible as more is learned about climate change impacts. Continued collaboration with stakeholders will be key to our ability to continue to provide safe, reliable, resilient energy to our customers in a changing climate.

For more information please [click here](#).



^[1]

Con Edison uses Corporate Instructions to describe major courses of action in conducting Company business that impact major activities or functions of more than one department or affect all or a major segment of Company personnel.

Core System Upgrades

Operational Excellence

The Advanced Meter Infrastructure (AMI) project is the largest project in company history. Some 5.3 million smart meters—comprised of roughly 4.0 million electric smart meters and 1.3 million gas devices—are being deployed across our service territory and will result in significant environmental, operational, and customer benefits.

Smart meters put unprecedented control into the hands of our 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.

Deployment of the communications network and smart meters began in 2017 and ends in 2022. More than 17,000 communications network devices have been installed throughout the company's entire service area. In 2017, meter installations began in Staten Island, Westchester County, and Rockland County

and mass deployment has been completed in these areas as well as in Orange and Sullivan Counties. Mass meter deployment continues in Brooklyn, Manhattan, the Bronx, and Queens.

To date, more than 4.15 million electric smart meters and gas devices have been installed. The AMI Operations Control Center has been staffed 24/7 to monitor the communications network, as well as the meters and gas modules connected to the network.

The AMI project team has also worked closely with Gas Operations and the AMI vendor to develop a first-of-its-kind, battery-powered natural gas detector that is integrated with the smart meter communications network. The natural gas detectors are safety devices that monitor the atmosphere where Con Edison's gas service pipes enter our customers' homes and buildings, most often in the basement. They provide an alert when natural gas levels in that area indicate a potential gas leak. Through the communications network, the detectors send a wireless alert to Con Edison if a potential gas



leak is detected, allowing Con Edison and often the fire department to respond quickly. A pilot program to install 9,000 detectors began in October 2018 in parts of Westchester, and this pilot extended into Manhattan in 2019. The pilot program has been completed and the company began a multi-year program in September 2020 to deploy the natural gas detectors across our service territory. By the end of 2020, there were over 19,000 natural gas detectors installed.

Smart meter data provides Con Edison and O&R with insight into outages and restoration, allowing us to see when a customer has power and to avoid sending a crew to a location where power has been restored. These avoided “truck rolls” reduce costs as well as assist in our overall environmental goals by reducing CO₂ emissions. In 2020, over 15,000 unnecessary truck rolls were avoided for CECONY and over 5,000 for O&R. The additional insight which smart meters provide regarding outages and restorations also allows us to update how we address “nested” or “embedded” outages, which are outages where there are often no visible signs of damage and which are only found when we energize our electrical facilities. We can utilize the AMI system to quickly notify operators of these conditions while enhancing the communications that customers receive regarding restoration of service. Improvements in this area will continue to roll out over the next few years.



Additionally, AMI will let CECONY operate the system at optimal voltages—known as conservation voltage optimization—reducing total energy consumption, as well as associated power-generation emissions. Analysis shows that information from the AMI system can be leveraged to reduce energy usage across CECONY’s service territory by approximately 1.5% on average, decreasing associated fuel use for committed generation resources.

This results in 1.9% less total CO₂ emissions across CECONY’s service territory and 1% total carbon reductions in New York State, due to reduction of power generated annually by fossil fuel plants. Engineers and planners will get more granular data, enabling potential design and operational improvements. CECONY began implementing voltage optimization in Staten Island at the end of 2018 and across Westchester and portions of Manhattan in 2019 as well as in the Bronx and Brooklyn in 2020. Voltage optimization will continue to be implemented across CECONY’s service territory through 2022.

Con Edison invested \$1.449 billion in our transmission and distribution systems in New York City and Westchester County to prepare for summer 2021. The investment includes upgrades and reinforcements of 40 network transformers and 130 overhead transformers. We also plan to upgrade 34 underground feeder sections and 165 spans of overhead cable.

Con Edison projects that peak demand for electricity in the summer of 2021 will reach 12,880 megawatts. The record is 13,322 megawatts, which occurred at 5 p.m. on July 19, 2013. We are integrating new technology to make service more reliable.

Con Edison has installed 5,500 devices in manholes to detect stray voltage, heat, and carbon monoxide in underground structures and communicate this information back to our engineers. Another 2,500 installations are planned for 2021. By remotely monitoring these conditions, we were able to reduce the risk of injury to the public or our employees. Con Edison has developed a new tool to inspect underground equipment in manhole structures for faults and other defects not visible to the human eye without having to remove the manhole cover. This new device is designed so crews can insert it through the vents in a manhole cover, reducing the setup time and physical effort needed to conduct a typical inspection. Using infrared technology, the device's handheld monitor displays temperature anomalies that may indicate a need for equipment repairs. This tool is the latest addition to the technology Con Edison is deploying to help reduce the number of manhole events.

Electric Transmission Pipe Enhancement

We are investing \$25 million in 2021 to proactively upgrade our underground transmission system. We plan to address 3,500 trench feet of leak-prone transmission feeder pipe using the method of installing welded steel sleeves in corroded areas and recoating the refurbished pipe.



In 2020, we refurbished a total of 3,500 trench feet of piping and invested more than \$10 million in spill response and remediation to improve the environment. We expect to continue to make significant progress in research and development to reduce the potential for future dielectric fluid spills. We are also continuing to pursue efforts to replace existing dielectric fluid-filled feeders with solid dielectric cable.

The bulk of 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, filled with 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 and the associated pressurization and 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 dielectric fluid with a special tracer gas to help us rapidly locate and uncover leaks.
- If significant leaks occur, we selectively remove feeders from service, placing them on reduced pressure to slow the leak rate.

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

Con Edison is a recognized leader in reliability performance, consistently earning industry awards. Our overall system reliability in 2020 was 99.996%.

Con Edison’s system reliability exceeds national and New York standards.

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.

2020 NUMBERS FOR CECONY (electric)

SAIFI: 0.185
CAIDI: 116 minutes

2020 NUMBERS FOR O&R (electric)

SAIFI: 0.961
CAIDI: 100 minutes

Customer Interruption Rate 2020

Customer Interrupted per 1,000 Customers Served

National	1,050
New York (w/o Con Edison)	1,000
Con Edison (Overhead)	469
Con Edison (Overall)	185
Con Edison (Network)	86

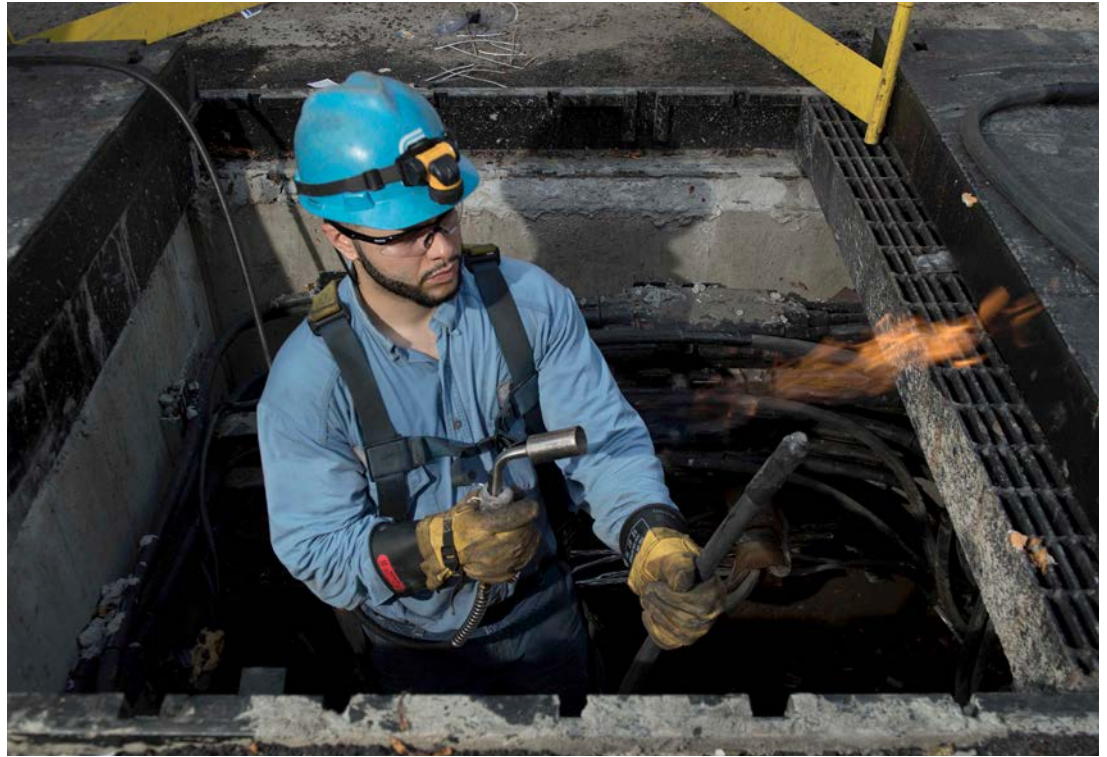
National and New York State numbers from 2019.

CECONY’s electric system is comprised of an overhead system as well as the largest underground network in the U.S.

Gas Main Replacement

In 2020, Con Edison modified the distribution main replacement goal from 90 miles to 62 miles due to impacts of the pandemic. The Company exceeded this goal by replacing 67 miles of cast iron and unprotected steel gas mains. In the last five years, the Company has replaced 421 miles of such mains. Besides upgrades to the distribution system, Con Edison continues to replace and upgrade the transmission system to ensure system reliability and incorporate new requirements established by the Pipeline and Hazardous Materials Safety Administration in 2019.

In 2020, O&R replaced 20 miles of leak-prone pipe. This replacement level met our company's commitment to the New York State Public Service Commission.



Fuel Mix & Generating Capacity

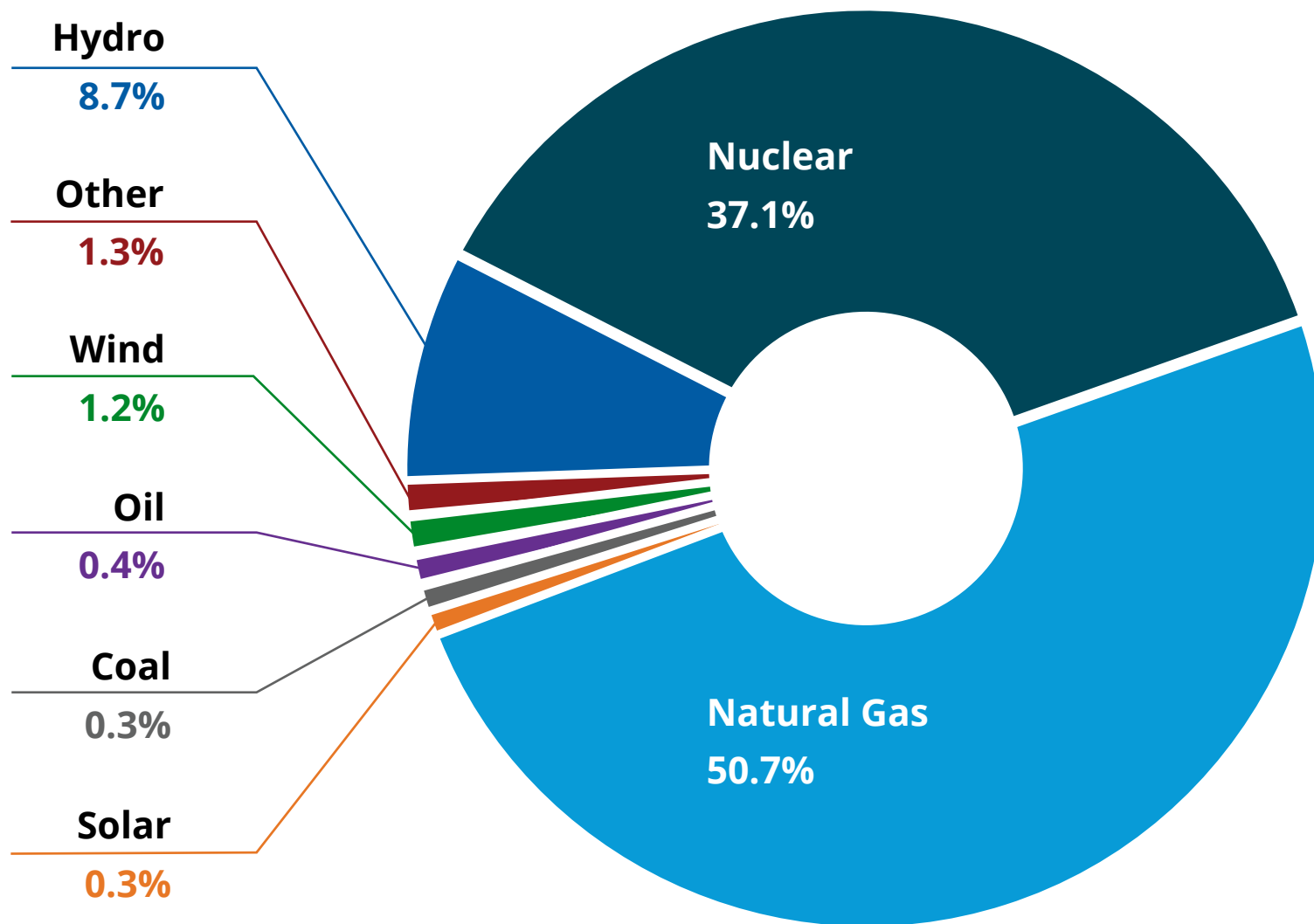
Operational Excellence

Con Edison is committed to advancing a clean energy future. We do not own coal fired power plants and 70% of Company-owned generation capacity was sourced from solar and wind in 2020.

Additionally, Con Edison supports New York's ambitious goals to transition to a low-carbon, clean energy future, which include but are not limited to 100% carbon-free power by 2040 and 70% renewable electricity by 2030. The fuel mix delivered through our energy systems is not controlled by the Company and is allocated by the New York Independent System Operator.

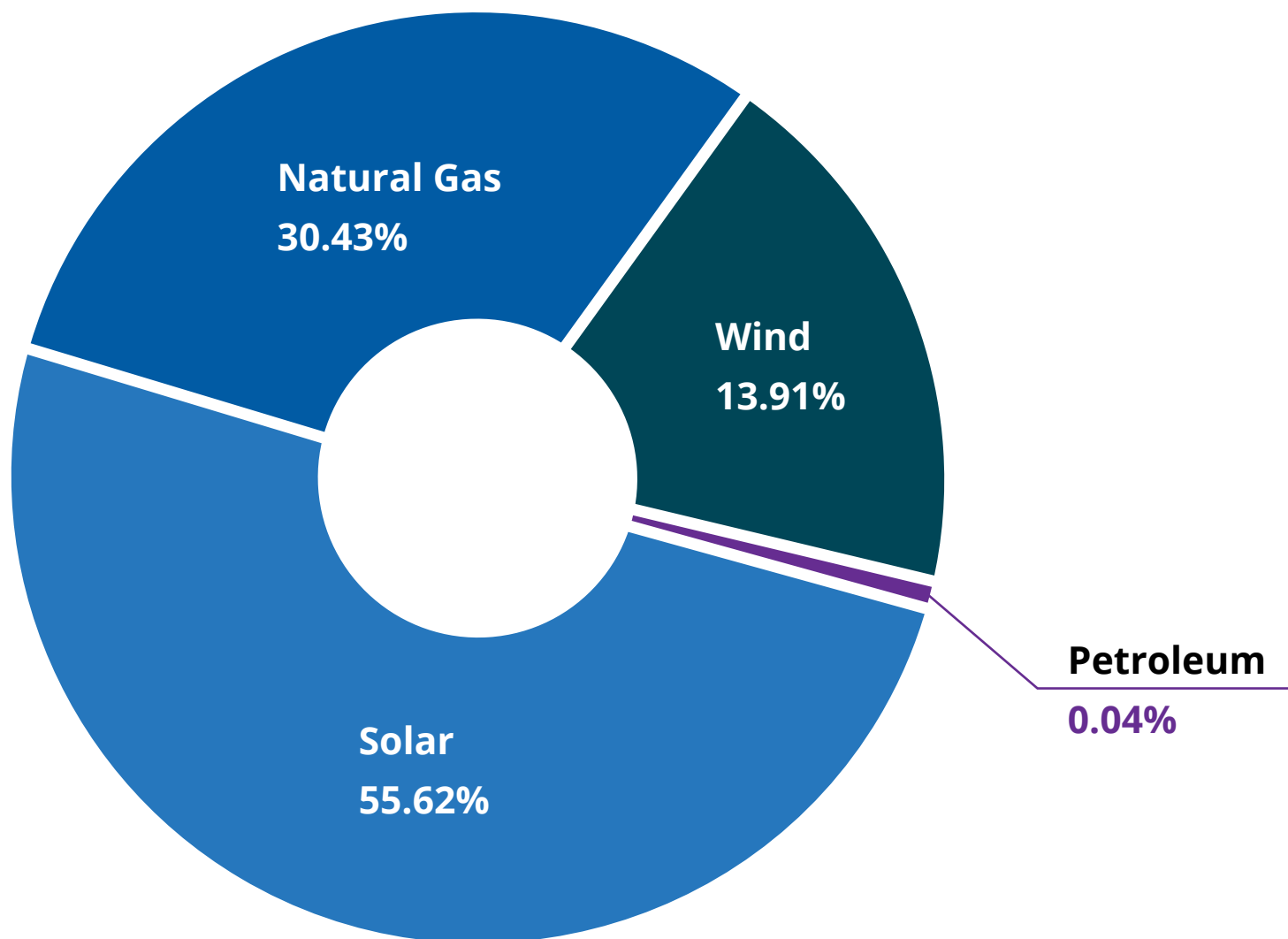


CECONY & O&R Fuel Mix Allocated by NYISO for 2020



Con Edison-Owned Generating Capacity in 2020

Total: 10,245,998 MWh



Supply Chain

Operational Excellence

Achieving our strategic priorities associated with safety, operational excellence, environmental stewardship, social responsibility, and cost savings is the mission of our Supply Chain organization. In 2020, we continued to leverage our procurement activities to make positive environmental impacts and contributions within the communities we serve.

Supply Chain is also helping our company respond to customer expectations for a clean, smart, and reliable energy grid. Investments in this area include the execution of \$22 million in battery storage contracts, \$20 million in energy efficiency and demand management contracts, \$5 million in smart meter AMI contracts, and \$4 million in electric vehicle infrastructure contracts.

In addition, we added 46 electric vehicles to support the transition of our own fleet of gasoline-powered light duty vehicles to electric vehicles. Our purchase of environmentally

friendly products, such as hybrid vehicles, low-carbon fuels, recycled paper, and recycled carpet, exceeded \$5 million.

Last year we recruited 25 of our vendors to complete sustainability assessments and to develop measurable plans to improve their environmental performance related to factors such as water and energy use, waste production, and greenhouse gas emissions. We are also initiating a new process to negotiate and monitor sustainability-related commitments made by vendors on targeted contracts.

Our Supply Chain sustainability initiatives also help to support our commitments for creating jobs within the communities we serve. In 2020, we purchased \$322 million from women-owned and minority-owned businesses and our expenditures with small businesses exceeded \$500 million.



Our Green Energy Opportunities Program is a great example of the contributions we are making within our service territory. Through this initiative we are leveraging energy efficiency projects that are subsidized by Con Edison to create contract opportunities for Minority and Women Owned Business Enterprises (MWBE) subcontractors and jobs for low-income New York City housing residents. This program is a partnership between our Energy Efficiency Program, Supply Chain, the energy efficiency services company Willdan Energy, and the non-profit organization Green City Force. Last year this program yielded \$6 million in contract opportunities for MWBE subcontractors. It also provided job training related to electrical mechanical building systems, including lighting, HVAC, and refrigeration for 120 low-income New Yorkers, and employment for 70 community residents. Projects completed through this program helped Con Edison achieve its goals related to reducing energy use and associated costs for customers.

In addition to contributing to our sustainability efforts, our diverse vendors also supported our response to the COVID-19 pandemic. MWBEs were able to support critical Supply Chain needs in creative ways. These diverse firms

were able to provide Con Edison with over \$4 million worth of Personal Protective Equipment (PPE) such as hand sanitizer and masks at a time in which these items were in short supply.

MWBEs also helped our company to create safe workspaces by retrofitting existing furniture with partitions. This effort will avoid the purchase of new furniture and thereby reduce costs and waste sent to landfills. This initiative is also an expansion of a partnership we have with a woman-owned business that is helping us to create a “closed loop” model in which we are repurposing used furniture that previously would have been sent to landfills and delivering impressive results. By leveraging this relationship, materials from our used furniture are utilized in a process to make remanufactured office furniture that we buy back at a 40% savings. This pilot program has helped us to avoid waste disposal costs by diverting over 250,000 pounds of waste from landfills, saving energy and reducing CO₂ emissions.

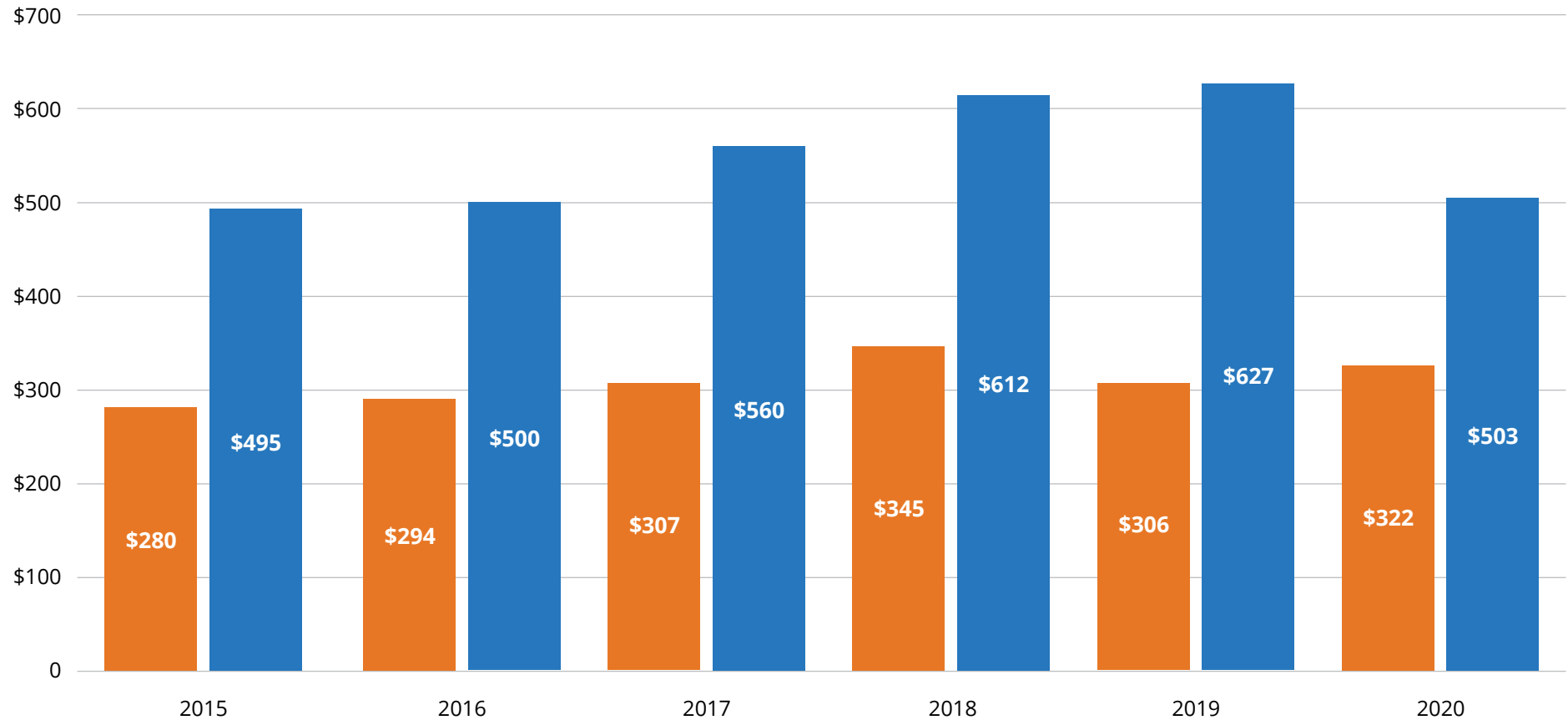
The positive contributions made in the communities we serve was recognized with a Supplier Diversity award from the New Jersey Board of Public Utilities Supplier Diversity Development Council.



Supplier Diversity Expenditures

MWBE / Small Business Spend (\$millions)

● MWBE Spend ● Small Business Spend



Governance

Operational Excellence

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.

With that in mind, the company's board of directors establishes committees to oversee various aspects of the company's operations. Currently, the board of directors has six standing committees: (i) the audit committee, (ii) the corporate governance and nominating committee, (iii) the executive committee, (iv) the finance committee, (v) the management, development and compensation committee, and (vi) the safety, environment, operations and sustainability committee (SEOS committee), further information about each of which can be [found here](#).

A standing committee of the company's board of directors, referred to as the planning and environmental committee, existed as early as 1973. In 1995, this committee became the company's environment, health and safety committee (EH&S committee), whose primary responsibility was 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. At the end of 2018, the EH&S committee was dissolved and as of January 1, 2019, the company established a newly constituted SEOS committee. The primary responsibility of the SEOS committee is to oversee our efforts relating to corporate responsibility and sustainability, which includes operating in a safe, environmentally sensitive and socially responsible manner, guarding the health and safety of company employees and the public, supporting the development and success



of company employees, delivering value to customers and fostering growth to meet the expectations of investors. The SEOS committee, which meets at least four times a year, reviews at each of its meetings certain key performance indicators relating to climate risk, including energy efficiency, dielectric fluid management, SF₆ gas emissions, and environmental beneficial electrification. In 2020, the company's board of directors also received presentations that covered climate-related issues such as the company's transition to a clean energy future, its strategy for achieving New York and New Jersey's clean energy goals, and the company's role in the evolving renewables market.

At the management level, the company's EH&S vice president, together with senior management, is responsible for developing strategic goals and programs to promote compliance and support the company's commitment and continued work to achieve EH&S goals and operational excellence. As detailed in our [Sustainability Strategy](#), the company's environment, social, and governance committee works to strengthen sustainability across all aspects of the company.

Part of senior management's commitment to safety, the environment, operational excellence and sustainability includes independent

oversight. The corporate ombudsman's office, reporting directly to the CEO, provides employees with an independent office to which they may confidentially report suspected violations of our Standards of Business Conduct, including ethical, legal, sustainability or EH&S concerns.

Our environment and safety review board consists of an attorney who reports directly to the CEO. The role of the environment and safety review board is to review the company's management of both regulatory and internal requirements and assess whether such implementation is consistent with the company's commitment to safety and environmental 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 click here.](#)



Enterprise Risk Management

Operational Excellence

The enterprise risk management (ERM) program was established to help protect the company's long-term value for its shareowners, customers, and the communities it serves. The risk management team works closely with senior management and employees across all four subsidiaries (Con Edison, Orange & Rockland, Con Edison Transmission, and the Clean Energy Businesses) to proactively identify emerging issues and trends, align risk exposure to organizational priorities, drive risk informed business decisions and resource allocation, and monitor and assess known risks using quantitative metrics, sometimes known as key risk indicators.

The cornerstone of Con Edison's enterprise risk management program is its governance practices, which are designed to focus on managing relevant and material risks to its strategy and operations and to recognize emerging issues and trends that may shape future risk exposure. The team is led by the director of enterprise risk management. The director reports to the chief financial officer and works broadly with hundreds of employees across operating, shared services and corporate functions to manage the risk profile.



The team creates and facilitates a risk management process framework, which includes risk identification, assessment, mitigation, monitoring, and reporting. The audit committee of the board oversees the risk management framework and meets with the director of risk management at least annually to discuss program initiatives and to provide strategic direction for the program.

The board of directors and its committees provide oversight of the company's most material risks; these risks are managed by senior management and assessed, mitigated, monitored, and reported by employees. Public and employee safety, along with system reliability, the state of regulation within our service territories, and the viability of our business model, are some of the most important risks facing Con Edison. Some of these material risks are discussed in Con Edison's 2020 Annual Report.

To improve our ability to navigate an increasingly dynamic business landscape, the company's ERM framework includes a process to identify and monitor relevant emerging issues and trends. Review of emerging issues and trends stretches our lens of focus, identifying threats and opportunities that may develop in the next two to ten years. The following are a few of the issues and trends that are being monitored as they develop and evolve: the emergence and application of artificial intelligence, long-term implications of the COVID-19 pandemic, climate change's impact to the company's operations, a trend towards decarbonization of heating systems, the electrification of the transportation sector, and integration of distributed energy resources and renewable generation to the traditional electric grid.

Customer & Community

Stakeholder Engagement & Collaboration

Energy Efficiency, Renewables & Distributed Energy

Talent Attraction, Development & Retention

Workforce Diversity & Inclusion

Training & Professional Development

Volunteerism



Stakeholder Engagement & Collaboration

Customer & Community

Con Edison works closely with local communities to keep them informed, address their concerns, and convey our company's mission. 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. We coordinate among our operating departments to respond to inquiries about topics such as construction noise, outages and service restoration.

We maintain close working relationships with local stakeholders so Con Edison remains aware of changes and new developments in the communities we serve. These relationships are also critical to our coordination during emergencies and they help us collaborate on new initiatives.

Policy & Regulatory Impact

Con Edison and O&R support New York State's clean energy policies and goals, including plans to reduce GHG emissions 85% from 1990 levels by 2050, provide customers with 70% of their energy from renewable resources by 2030, and increase energy efficiency. New York State's Climate Leadership and Community Protection Act (CLCPA) also requires a zero emissions "electric demand system" by 2040.

We work in partnership with our customers, policymakers, various third parties, and other energy companies to seek innovative ways to hasten and realize the clean energy future. This includes exploring new ways to advance clean energy technologies through adoption of distributed energy resources, such as energy



storage and solar connected to the distribution system. Con Edison and O&R have programs to reduce fossil fuel usage and provide incentives for customers to install electric-powered heat pumps and electric vehicle chargers, while phasing out incentives for converting customer heating systems to natural gas. We are also developing a solar program for low-income customers and are advocating at the state level for the ability to own large-scale renewable generation. All of this is in addition to installing smart meters throughout our service areas and piloting new rate designs that will help customers manage their energy usage and bills.

We are active in regulatory proceedings, including those which seek to expand energy efficiency, develop offshore wind, establish transmission policy to advance clean energy objectives, provide customers with high efficiency electric heating options, amend regulatory structures to achieve CLCPA targets, and grow the electric vehicles sector. We work with regulators, customers, and other stakeholders to develop solutions that will promote a clean energy future in a cost-effective way for all New Yorkers. We also

regularly engage with stakeholders on various regulatory and clean energy topics to keep an open dialogue. We also serve these goals by being an active participant in the legislative process at all levels of government. Con Edison has joined other companies in the utility industry in litigation to defend strong state auto emission standards and flexible greenhouse gas emissions strategies.

Shareholders

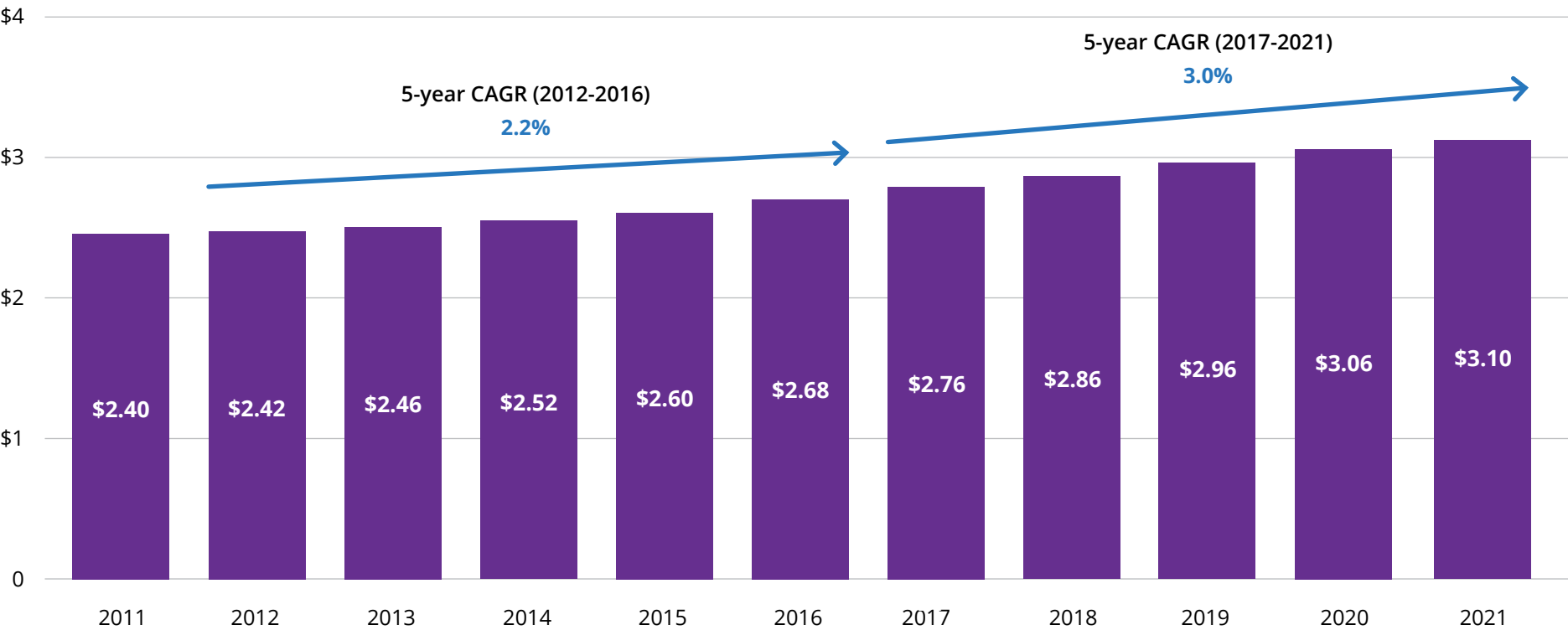
We are the longest, continuously listed company on the New York Stock Exchange and have increased dividends to shareholders for 47 consecutive years.

For more information, refer to our [Shareholder Services page](#).



Con Edison, Inc. Dividend Growth for Shareholders

(per share)



Footnote: In January 2021, the Board declared a quarterly dividend of 77.5 cents a share on its common stock — an annualized increase of 4 cents over the previous annualized dividend of \$3.06 a share

Stakeholder Engagement

Overview

Recognizing that regular communication with our stockholders enables the Company to better understand their viewpoints and to obtain feedback regarding issues that are of interest to them, the Company continued to proactively engage virtually with stockholders due to COVID-19. The Company values stockholder input and is committed to taking such input into consideration in making executive compensation and governance decisions.

The chart on the right represents certain actions that the Company takes before, during and after the annual meeting.

Stockholder Engagement Overview

1. Annual Meeting	2. Post-Annual Meeting	3. Off-season Engagement and Evaluation of Best Practices	4. Engagement Prior to Annual Meeting
Stockholders may engage with Board members and senior management	Review voting results in light of existing practices, as well as feedback received from stockholders during proxy engagement season and annual meeting	Engage with stockholders to better understand their viewpoints and inform Board and committee discussions	Seek feedback on potential matters for stockholder consideration at the annual meeting
Stockholders may ask questions and voice opinions about the Company, its practices, policies and operations	Review corporate governance trends, regulatory developments and the Company's corporate governance documents, policies and procedures	Explore corporate ESG best practices	Discuss stockholder proposals with proponents, when appropriate
Voting results for management and stockholder proposals are determined	Determine topics for discussion during off-season stockholder engagement	Report results of stockholder engagement team activities to Corporate Governance and Nominating Committee and the Board	Publish annual report and proxy statement
		Evaluate and discuss potential changes to Company executive compensation and governance practices and disclosures	

2020 Stockholder Engagement Highlights

During 2020, the Company held its inaugural ESG webinar, participated in 22 stockholder conferences and 12 virtual roadshows targeting the U.S., Europe, Asia, and Canada, engaging with a broad range of stockholders, including index funds, union and public pension funds, actively managed funds, and stockholder advisory firms.

During 2020, the Company engaged with stockholders holding in aggregate 43% of shares outstanding and 30% of the Company's debentures.

Key topics of shareholder engagement included CECONY's Climate Change Vulnerability Study, the Company's corporate strategy, diversity and inclusion, disclosure practices, corporate governance, executive compensation, political spending and lobbying practices, operational and financial issues, and ESG standardized reporting.

In response to stockholder feedback received during 2020, the Company:

(i) Enhanced disclosures concerning political contributions and lobbying, resulting in an increase in the Company's CPA-Zicklin Index for Corporate Political Disclosure and Accountability score to 94.3 from 90;

(ii) Added new standardized ESG reporting formats: Task Force on Climate-Related Financial Disclosures ("TCFD"), Sustainability Accounting Standards Board ("SASB"), and the Carbon Disclosure Project ("CDP");

(iii) Added a new operating objective performance measure — Diversity and Inclusion Work Plan — to its long-term incentive plan for 2021; and

(iv) Further refined the disclosures in its proxy to, among other things, provide clearer and more accessible information on Board diversity, tenure, skills, and experience.

In addition, the Company's Lead Director, the Chief Executive Officer of the Company, the Presidents of each of the Company's subsidiaries, and other senior Company officers participate in meetings with stockholders during the year.

Throughout the year, the Company communicates stockholder feedback to the Board and its committees, and the Board considers this feedback in making its decisions.

Stockholder Engagement Teams

Members of Core Stockholder Engagement Team	Others Included in Stockholder Engagement Efforts
Chief Financial Officer	Officer of the Comptroller
Treasurer	Office of the Corporate Secretary
Investor Relations	Environment, Health & Safety Department
	Corporate Affairs
	Strategic Planning

Strategic Partnerships

We are proud to support hundreds of nonprofit organizations in New York City and Westchester, Orange and Rockland Counties as part of our commitment to building strong communities and a clean energy future. The global pandemic has made our work as important as ever.

Our partnerships strengthen the areas we serve through company initiatives, employee volunteer efforts and financial contributions. Here, we highlight four of the many organizations we support:



Westchester Parks Foundation

For more than 40 years, Westchester Parks Foundation (WPF) has encouraged the public to advocate for the use, preservation and conservation of the 18,000 acres of parks, trails and open spaces in Westchester County's parks system.

Con Edison has supported WPF educational and recreational programs for almost 20 years. The programs include trail awareness, mobile trail map app development and environmental stewardship. Despite the pandemic, WPF parks and open spaces welcomed newcomers by the thousands in 2020.

The 47th annual Bicycle Sundays Program, which closes a portion of the Bronx River Parkway for cyclists, had been scheduled for twelve Sundays in 2020. But the program proved so successful during the pandemic that additional Sundays were added. More than 100,000 participants, craving an opportunity to enjoy the outdoors, experienced traffic-free access to the Bronx River Parkway and recognized the intrinsic value of preserving and promoting access to our natural resources.

The Campaign Against Hunger

The Campaign Against Hunger (TCAH) is a nonprofit that works vigorously to fight hunger and improve the health of New York City residents. TCAH operates the city's largest emergency food pantry—clients have access to food and support services five days a week. But unlike a typical pantry, TCAH offers a supermarket-like experience: Those in need can select the foods they desire.

Con Edison has supported TCAH's youth programs for almost a decade. The Green Teen Workforce Program provides paid development and training in agriculture and entrepreneurship for at-risk youths, ages 14–24. Young people are able to work in TCAH's pantry and the thriving Saratoga Farm on the cusp of the Brownsville and Bedford-Stuyvesant neighborhoods in Brooklyn.

TCAH, like food banks across America, experienced a precipitous rise in demand for services as an increasing number of New Yorkers required emergency food and services to meet the basic needs of their families. Since early 2020, TCAH has served almost 1 million meals to as many as 7,000 families a week. It is expected that more than 10,000 families will be served each week in 2021.

Brotherhood/Sister Sol

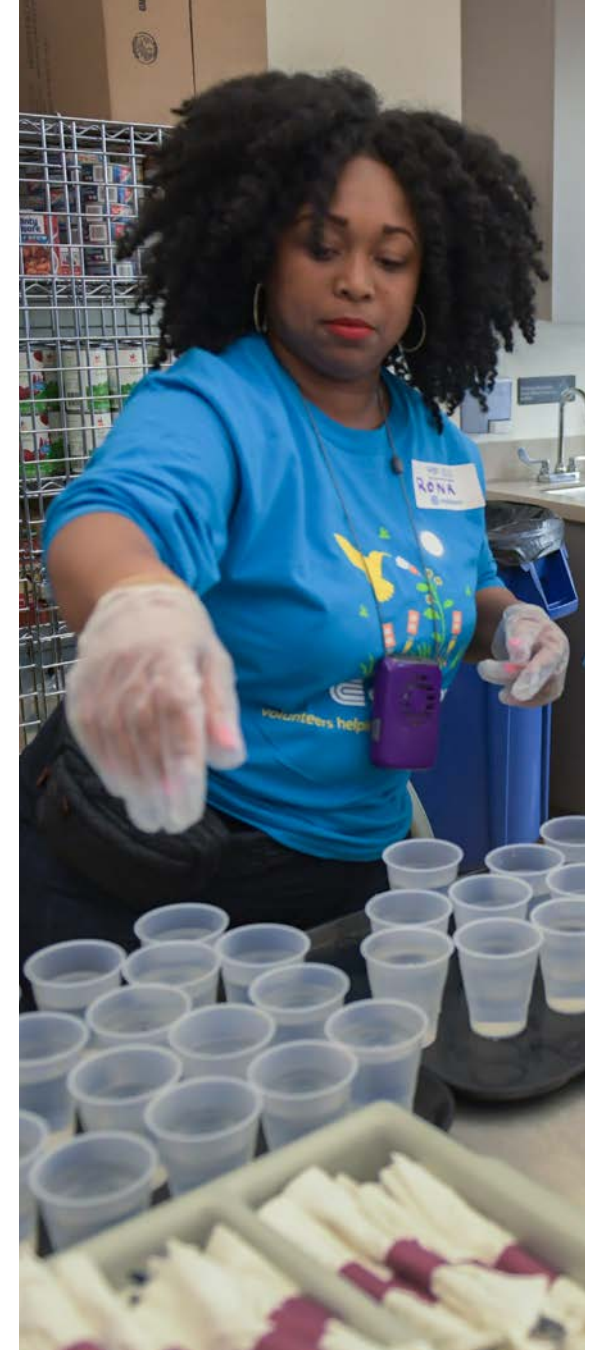
The Brotherhood/Sister Sol was established in 1994 to assist Black and Latino youth in economically distressed communities. Based in Harlem, Brotherhood/Sister Sol provides comprehensive support services to more than 1,600 young people each year in New York City.

Con Edison supports Brotherhood/Sister Sol's environmental programs, which emphasize food empowerment, sustainable design and horticulture science. During the pandemic, the organization has continued to educate the next generation of environmentalists, providing in-person and virtual urban environmental education models for schools and other community-based organizations, while highlighting the need for food justice and environmental reform.

In response to COVID-19, Brotherhood/Sister Sol has further served the community by providing more than 100,000 meals, distributing more than 150 laptops, establishing mobile hotspots, providing tens of thousands of dollars in financial assistance to families and increasing access to mental healthcare.

The Mamakating Education and Environmental Center

Located in Sullivan County, the Mamakating Education and Environmental Center offers a unique, intergenerational learning experience for those dedicated to environmental education and stewardship. Visitors can enjoy art projects, puppets, sensory tables, experiments and a one-of-a-kind 3D tree that children can climb into and explore. A new children's room will include murals of wetlands, live exhibits and interactive activities.



Energy Efficiency, Renewables & Distributed Energy

Customer & Community

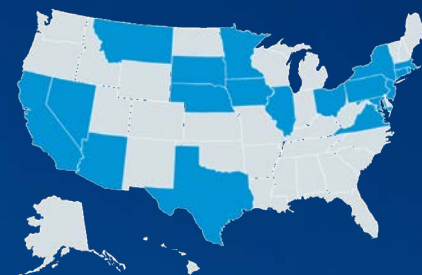
As part of our firm commitment to renewable energy, Con Edison's Clean Energy Businesses continued growing by investing approximately \$600 million in renewable projects in 2020, expanding its footprint to 20 states and operating a total of 2,868 megawatts of aggregate solar and wind capacity by the end of 2020. Our Clean Energy Businesses are the second-largest producer of solar energy in the U.S. and seventh largest in the world.

Renewable energy sources, such as solar and wind, produce energy when the sun is shining or the wind is blowing. That makes battery storage especially important for storing power when it is produced and delivering it when it is needed.

Battery storage can help ensure reliability and can reduce peak demand. Con Edison Clean Energy Businesses has a dedicated battery storage team and is actively integrating battery storage into new renewable development and operating assets when economical, and is offering battery storage for projects they are developing on behalf of their renewable energy and energy efficiency customers.

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.

CLEAN ENERGY BUSINESSES SOLAR AND WIND LOCATIONS



Copper Mountain Solar



Big Timber Wind Project



Energy Efficiency & Demand Response

Con Edison and O&R offer a broad array of energy efficiency initiatives designed to reduce harmful greenhouse gas emissions, lower customer bills, and give New Yorkers control over their energy choices.

Our customers are as diverse as the area we serve. That's why we have targeted efficiency programs to help us deliver cost-effective and customer-centric energy efficiency offerings that emphasize the clear benefits and impacts of energy efficiency. We focus on four primary customer segments—commercial and industrial, small business, multifamily, and residential—designing our offerings to meet each customer group's needs. Our goal is to give customers multiple options and opportunities to reduce their energy use.

In 2020, Con Edison Company of New York (CECONY) provided electric and gas customers over \$125 million in incentives to choose energy-saving HVAC, lighting, building management systems, and other equipment. Customer upgrades last year made through CECONY energy efficiency programs reduced electrical usage by 575,217 megawatt hours and saved 524,920 dekatherms of gas—that is the equivalent to taking more than 66,269



cars off the road or powering 35,396 homes for one year. Technology is giving households and businesses new ways to reduce energy use, and Con Edison is at the forefront in helping customers get more value for their money while protecting the environment.

Con Edison Inc. is a leader in sustainability and has ramped up energy efficiency efforts that are facilitating New York's ambitious clean energy goals. We are working with partners

across the service territory to better serve low- and moderate-income customers, as well as providing choices to our customers to reduce reliance on fossil fuels through adoption of beneficial electrification technologies such as heat pumps and electric transportation. Additionally, Con Edison is increasing its focus on achieving deeper and longer-lived energy efficiency savings by targeting more impactful technology upgrades.

O&R customers who upgraded to high efficiency energy-saving HVAC, lighting, building management systems, and other equipment received \$3.8 million in incentives from us in 2020. O&R is providing customers with instant in-store rebates to make it easy for customers to make energy efficient choices.

The My ORU Store, our online customer marketplace, provides a one-stop shopping experience for customers by introducing them to innovative smart home technologies, including smart thermostats, security cameras, smart plugs, wireless dimmable LED lighting, and electric vehicle chargers. Through instant rebates at checkout, incentives are given to customers to help lower costs and increase adoption of energy efficient technologies.

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

O&R also developed new “virtual” advisors, accessed through the My ORU Store, to help customers find appropriate products and services. The site provides educational information on solar and energy storage, including benefits and available options. It allows shoppers to customize their project and compare offers from pre-approved community or rooftop solar providers and energy storage companies. Using the online tool, customers are assigned a personal energy advisor who will guide them through the process and discuss the best solar and storage solutions to meet their needs.

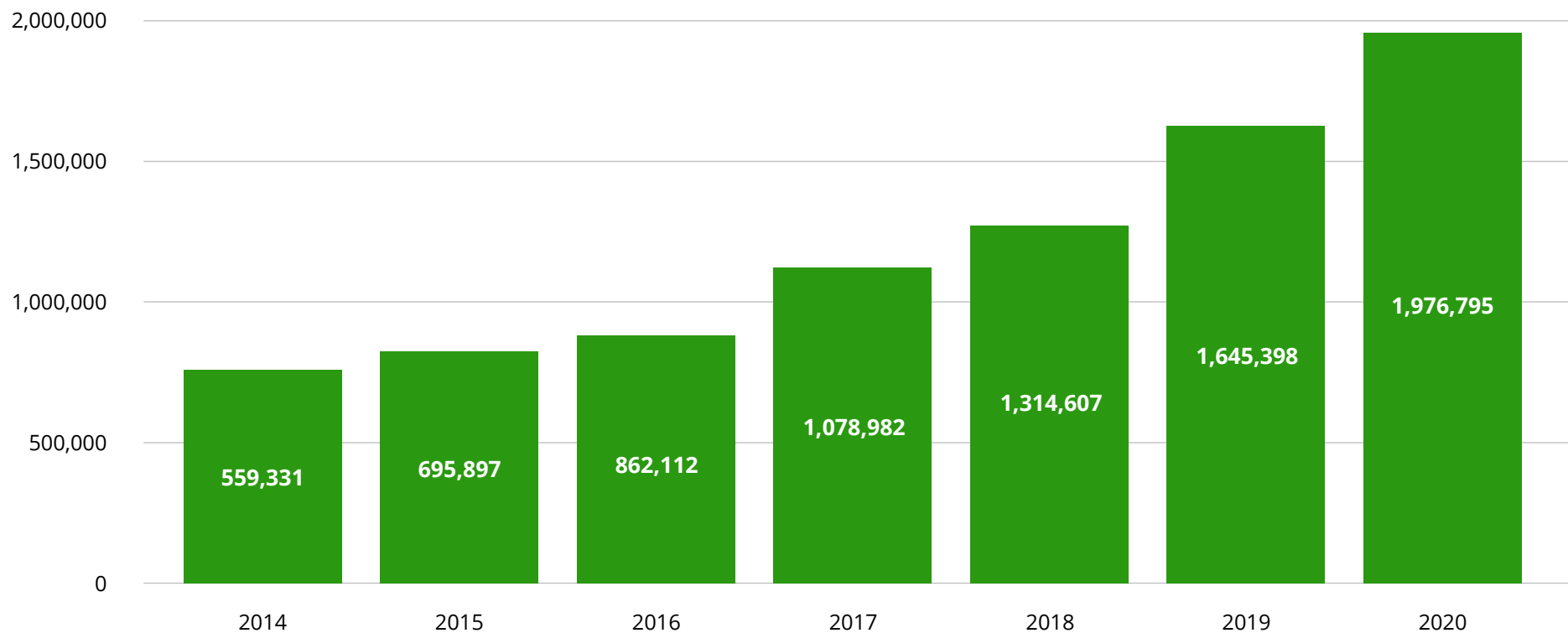
Of the total O&R rebates issued in 2020, two projects stand out. A large warehouse upgraded their inefficient fluorescent lighting with LEDs and received a rebate of \$223,140, saving over 2,200 MWh, and achieving a payback on their investment within just over two years. A local school received a \$65,000 rebate to address a

whole-building solution including HVAC, variable frequency drives, refrigeration compressor controls, demand control ventilation, plug load controls, and building energy management systems, saving over 313 MWh of energy.

[Learn more about how energy efficiency upgrades can save money and protect the environment at our website.](#)

Annual Incremental CO₂ Reductions Through Energy Efficiency Programs

(metric tons)



Reforming the Energy Vision Projects

Con Edison continues to take a leading role in facilitating the adoption of distributed energy resources by our customers through non-wires solutions. The Brooklyn-Queens Demand Management program eliminated the need for a \$1.2 billion substation to serve customers in Brooklyn and Queens by implementing smart thermostats, LED lighting upgrades, lighting controls, energy storage, combined heat and power, and other distributed energy resources to meet the demands of customers during peak periods. We are currently implementing additional non-wires programs in the Water Street, Plymouth Street, Newtown, and Glendale substation networks. In these communities we are focusing on energy efficiency measures, and energy storage to meet grid needs.

Additionally, our customer energy solutions group is running new business model demonstrations in the areas of storage integration, electric vehicle infrastructure, community distributed generation, energy efficiency, and delivering energy services to low- and middle-income customers. For example, two front-of-the-meter storage projects, which demonstrate both grid support and energy market revenue-sharing partners, were selected



through a rigorous RFI process and are in the construction stage. A community solar demonstration project for low- and moderate-income customers will also test the benefits of smart inverters on the distribution grid.

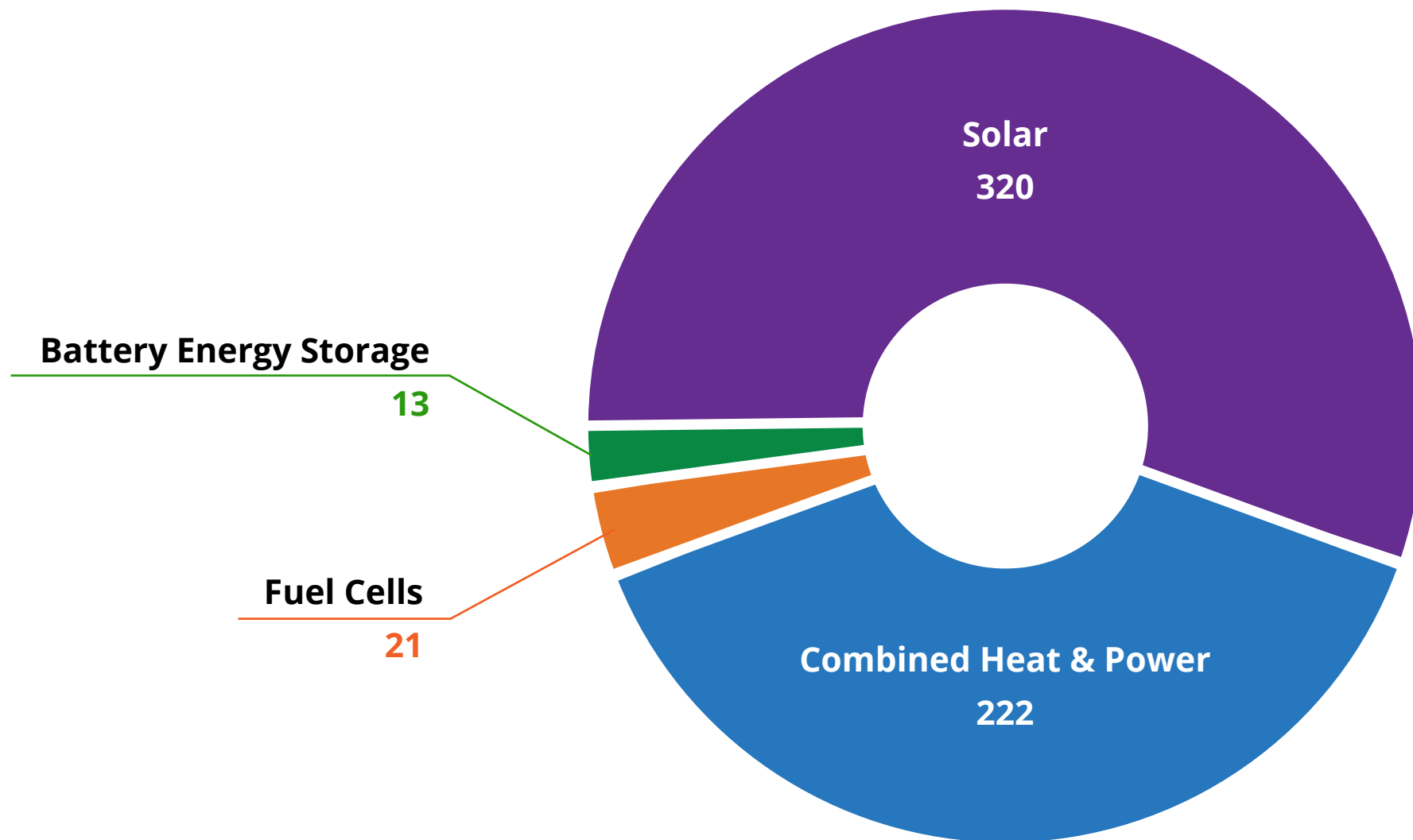
Renewables

Con Edison and O&R continue to support New York's ambitious clean energy policies, including the state's goal to source 70% of its energy from renewable resources by 2030, and 100% carbon-free electricity by 2040.

For the past decade, Con Edison and O&R, along with Sustainable CUNY at 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, we generated more than 327 megawatts of clean, renewable power by year-end 2020. A total of 35,713 Con Edison installations and 9,509 O&R installations are generating enough renewable energy to power almost 80,000 homes.

Con Edison Cumulative Installed Distributed Energy Resources Capacity (MW)

*through December 2020



Con Edison believes that all customers should have access to clean energy, regardless of income level, whether they own or rent or whether they live in a house or an apartment.

Con Edison continues to explore opportunities to be more innovative in renewable and energy storage installations. In 2021, the Company is relaunching a piloted device, ConnectDER, enabling residential customers to witness additional savings that allowed a cost-effective alternative to the traditional solar installation, while providing Con Edison's engineering teams with solar production data to better forecast and plan system needs. Con Edison also enhanced microprocessor relays to allow additional solar capacity to export power into our network systems, enabling the construction of additional community solar projects at higher capacities across the territory. Lastly, innovation in battery installations will provide power when and where customers need it the most, via the mobile emergency battery generator pilot. The effort replaces diesel emergency generators during outages with a clean, quiet source of energy. In 2020, Con Edison Company of New York (CECONY) provided electric and gas customers over \$125 million to choose energy-saving HVAC, lighting, building management systems, and other equipment. Customer upgrades last year made through

Con Edison energy efficiency programs reduced electrical usage by 575,217 megawatt hours and saved 524,920 dekatherms of gas—that is the equivalent of taking more than 66,269 cars off the road or powering 35,396 homes for one year. Technology is giving households and businesses new ways to reduce energy use, and Con Edison is at the forefront in helping customers get more value for their money while protecting the environment.

O&R has automated interconnection studies and other aspects of the interconnection process to assist customers with technical evaluations of projects for distributed energy resources. In September 2020, O&R connected the largest community DER (solar + battery storage) project in New York State, and is interconnecting DER at an increasing rate. O&R is participating in a NYSERDA PON 3770 Smart Inverter Settings Guidance for High Performing Smart Grid Applications project that will inform utilities on best practices for enabling smart inverter technology. O&R began the NYSERDA PON 4074 Distribution System of the Future project that became the model of future distribution systems. O&R is participating in the IEEE Interconnection Commissioning Program to identify, train and certify individuals for the

commissioning of any installed distributed energy resource (DER) interconnection to enhance compliance with IEEE 1547 – IEEE Standard for Interconnection and Interoperability of Distributed Energy Resources with Associated Electric Power Systems, which informs critical utility engineering and business practices for DERs in markets worldwide. A streamlined, standards-based process for interconnecting renewables and other DERs could reduce the cost and complexity among utilities, developers, and owners.

Through these initiatives, Con Edison and O&R are helping realize a greener energy future.

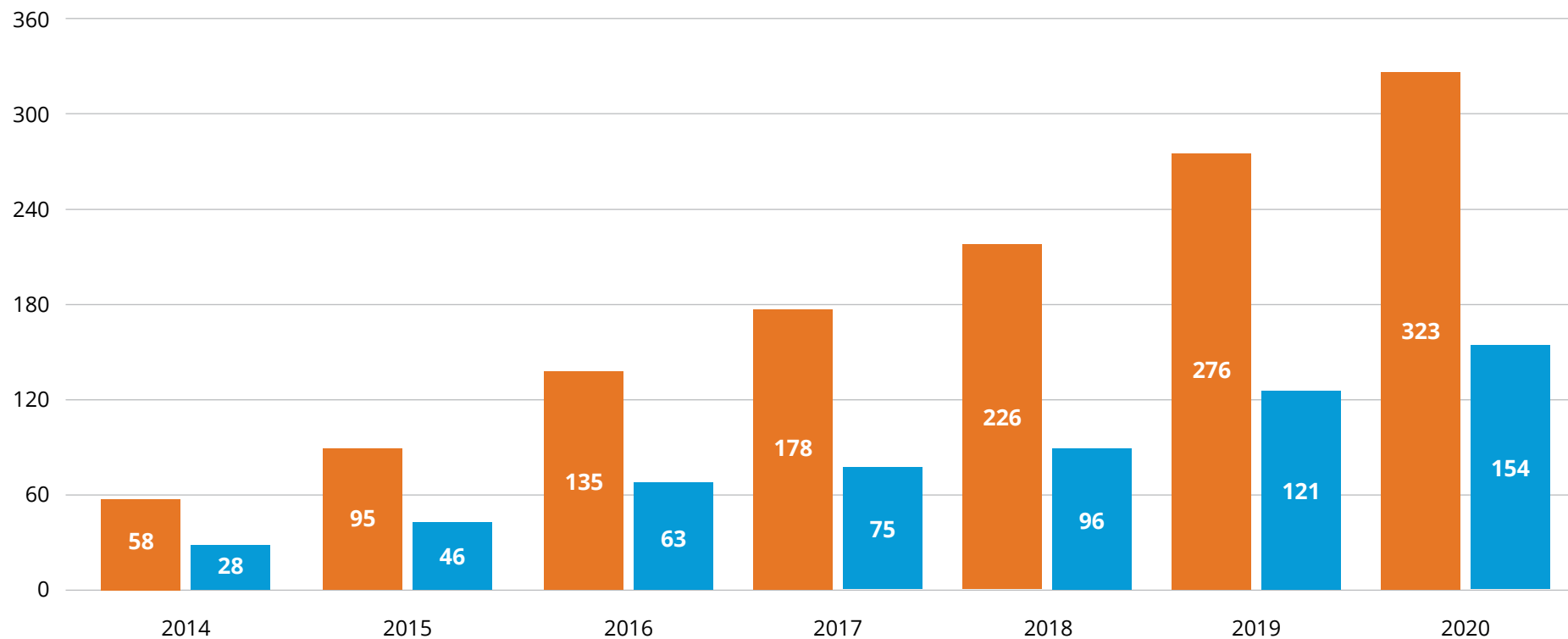


Technology: Photovoltaic Solar

Total MW, except project number

CECONY

O&R



Energy Storage

Con Edison and O&R also support energy storage through Non-Wires Solutions (“NWS” sometimes referred to as Non-Wires Alternatives). Both companies consider and often include storage as part of our load relief portfolios. Con Edison is supporting and incentivizing third-party owned and operated energy storage for local load relief as part of the portfolio of solutions in three areas across eight networks: Brooklyn-Queens Demand Management (Crown Heights, Ridgewood, and Richmond Hill), Water Street/Plymouth (Williamsburg and Prospect Park) and Newtown (Borden, Sunnyside and Maspeth) Programs. Con Edison NWS projects have installed 4.8 MW of energy storage to date, with an additional 11.9MW contracted from 2021 through 2023 summer delivery (June to September) across the programs.

As part of O&R's Pomona NWS project, the Company energized a 3MW/12MWh energy storage system in December 2020. The Company will leverage this energy storage system to provide support to the distribution system and also utilize this asset to participate in the wholesale market to earn revenues, when the asset will not be needed for distribution support.

O&R has two open procurements for energy storage systems to meet distribution system needs in place of traditional utility solutions. O&R's Monsey project will aim to defer the upgrade of an existing substation. Due to extensive load growth in the Monsey area, the current substation does not have adequate capacity to serve the forecasted load. The Monsey non-wires alternative plans to deploy a portfolio of 15MW / 58MWh batteries at three separate locations in the Monsey area to defer the upgrade of this substation. O&R is also developing a NWS project called West Warwick, that will leverage energy storage systems to address distribution system constraints. The project will use a 12MW / 57MWh battery to defer the construction of a new transmission/distribution substation. Both the West Warwick and Monsey projects are currently in the contract negotiation process with their respective winning vendors. O&R expects the batteries to be deployed and fully operational for summer 2022. The Company has also done several outreach discussions with the local town and the first responders to address any concerns they may have. In 2021, O&R will plan to release at least two (2) brand new NWS projects.

Con Edison and O&R built on the success of their existing demand response programs by releasing a Dynamic Load Management RFP in December of 2020. This solicitation is expected to give energy storage systems participating in demand response revenue certainty, which is expected to decrease barriers to installing energy storage in the service territories. Winners of the RFP will have 3-5 year contracts to provide load relief when called upon. These longer-term contracts are expected to provide revenue certainty for distribution services. This should provide energy storage developers more opportunity to participate compared with the Company's existing demand response programs, especially the Auto-DLM Program which places a premium on rapid response.

Past programs run by Con Edison to further the proliferation of energy storage included the Demand Management Program that incentivized 1.5 MW of lithium ion and valve regulated lead acid chemistries between 2017-2019.

Talent Attraction, Development & Retention

Customer & Community

Learning and Inclusion continued its focus on helping build and develop a diverse and inclusive workforce. Our veteran strategy was an important part of this work as we continued to recruit former active-duty personnel and current members of the National Guard and Reserves. As a result of the pandemic, we quickly shifted our focus to virtual recruiting events to continue this important recruiting work, although hiring across the company slowed significantly across the year. Con Edison is an active member of Veterans in Energy in Washington, DC, which provides the company with a national presence in the Veterans sector. In 2020, we partnered with “Abilities,” The Wounded Warrior Project, Disabled American Veterans, and the Veterans Administration to cast a wider net to market career opportunities to disabled veterans.

Plus, the following veteran strategic partnerships continue to help build and support our veteran pipeline:

- Soldier For Life
- NYS Department of Military Affairs
- Fleet and Family Services
- Services for the Underserved
- The Jericho Project
- The Veterans Administration
- American Legion and VFW
- The Wounded Warrior Project



In 2020, Con Edison was recognized for its veteran hiring efforts via the following awards:

- Military Times “Best for Vets” Designation, third year in a row and our highest ranking yet: 2018 (#48), 2019 (#33), and 2020 (#8)
- Military Times Magazine Best of the Best, second year in a row
- Employer Support of the Guard and Reserve (ESGR) awarded Con Edison two Patriot Awards
- Con Edison was featured for its commitment to veterans by Jim Cramer on CNBC’s “Mad Money”

By leveraging the Veterans of Con Edison Employee Resource Group and our 200 strategic partnerships, and in continued cooperation with all business enterprises across the company, we hired 36 veterans in 2020.

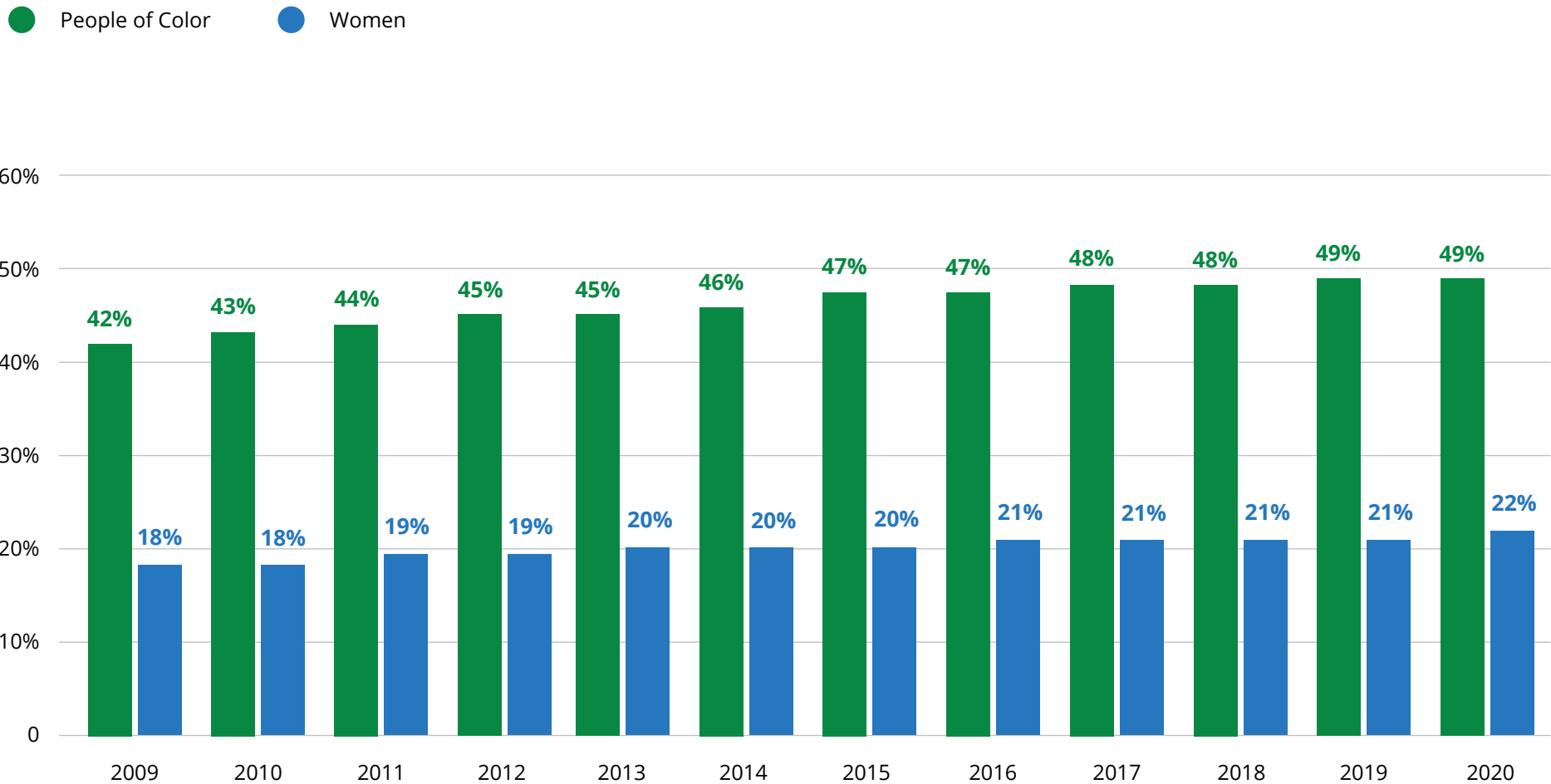
Recruitment worked with partners to provide more career fairs and career counseling to over 300 employment seekers through eight partners: Chinatown Manpower Project (CMP), Nontraditional Employment for Women (NEW), Henry Street Development, Staten Island Chamber of Commerce, Big Brothers & Big Sisters (internships), Ladders for Leaders, and

NYC Rescare – where many of these events had a focus on employment for those who lost their job due to the pandemic. We also partnered with NEW and Nassau County Community College’s Utility Readiness for Gaining Employment for Non-Traditionals (URGENT) to assist women in obtaining more jobs in the male-dominated utilities industry.

In response to the COVID crisis the company offered mental health counseling, bereavement counseling, parenting and home school resources, emergency child care for essential workers, and training for managers on how to manage with empathy and compassion. As part of our overall employee development strategy, we supported the development of a diverse workforce through internal and external training to enhance job knowledge and technical skills, and offered a competitive tuition reimbursement program, various mentoring programs, career development workshops, and online career management resources including conflict mediation, training, and coaching to empower employees to take ownership of their performance, professional relationships and careers.

Con Edison, Inc. People of Color (POC) and Women in the Workplace

Share of Promotions



Workforce Diversity & Inclusion

Customer & Community

The heart of our company is our people. Cultivating diversity isn't about checking a box. We strive to have a diverse workforce because it makes Con Edison stronger and helps us lead the industry on every level, from maintaining our best-in-class reliability to achieving a clean energy future, while creating a sustainable future for our company.

Our more than 14,000 employees come from many backgrounds, ethnicities, ages, and races, and bring different skills, viewpoints, and personalities. We aim to make sure every person here feels respected, included, and safe to speak up. If our workplace isn't open, inclusive, and diverse, we risk missing out on great ideas and varied perspectives.

Making sure our workplace is inclusive and respectful means our people can bring their best and do their best—and helps us attract and

retain the best talent. By regularly examining and improving our hiring process and retention policies, we are making Con Edison a better place to build careers, and we are building an even better Con Edison.

We will never stop working towards a more diverse workforce where everyone feels included. In a decade in which change will come faster than ever, having a truly diverse pool of talents, backgrounds, abilities, and points of view is essential to achieving our clean energy goals.

[To learn more, read our 2020 Diversity & Inclusion Report.](#)



Diversity

	2014	2015	2016	2017	2018	2019	2020
Total workforce	14,637	14,805	14,941	15,255	14,955	14,596	14,063
Management	5,866	5,983	6,151	6,430	6,424	6,394	6,317
Union	8,771	8,822	8,790	8,825	8,531	8,202	7,746
People of Color in the workforce	6,733	6,890	7,025	7,317	7,220	7,080	6,892
People of Color share	46%	47%	47%	48%	48%	49%	49%
Women in the workforce	2,946	3,009	3,063	3,210	3,179	3,123	3,083
Women share	20%	20%	21%	21%	21%	21%	22%
General Managers, Directors, & Above	240	255	253	266	270	282	255
People of Color in GMs, Directors, & Above	68	77	75	78	78	80	73
People of Color Share	28%	30%	30%	29%	28%	28%	29%
Women in GMs, Directors, & Above	69	78	77	82	84	89	79
Women Share	29%	31%	30%	31%	31%	32%	31%

Training & Professional Development

Customer & Community

As the industry continues to evolve, our critical focus is to ensure that our workforce has the right skills, knowledge, and capabilities to work in a safe manner while meeting the needs of our customers. To achieve this goal, we provide continuous state-of-the-art training and development to our employees in a wide variety of areas.

The company offers robust training programs in gas, electric, driver and customer field operations and central operations. These programs ensure employee skills, knowledge, and operational performance are maintained at the highest levels. We are focused on preparing our employees to work safely, effectively, efficiently, and in a way that is compliant with our policies, procedures, and regulatory expectations, and embodies continuous improvement. Our Learning Center

fosters a work culture centered on safety, operational excellence, and enhancing the customer experience by continually making improvements to our learning experiences.

With safety as our key business priority, we partner with our operating organizations to strengthen our focus on a zero-harm culture, which includes several digital learning modules. Our Operational Excellence guiding principles are integrated into our training curriculum and highlight the need to respect the complexity, power, and unforgiving nature of our energy systems and encourage all to manage them safely. This effort includes a focus on Human Performance Improvement (HPI) tools, safety precursors, and programs such as, “Are You Doing Enough for Safety?”



Our purposeful field visit program continues to support our efforts to enhance the learning experience, using insight from live events to assess potential gaps and training requirements and providing opportunities for real-time constructive feedback. The training effectiveness committee serves as the liaison between our operating areas and training teams to achieve, improve, and maintain quality and consistency in training. Ongoing meetings with subject matter experts from various areas allow a collective review of training activities, including curriculum, new policies and procedures, annual goals, career path and tests to ensure consistency, relevancy, and effectiveness in training offerings.

Our digital learning vision and strategy is to transform learning through innovation. We continue our multi-year program, leveraging the digital space to improve curriculum content and provide employee access to training outside of the classroom. Our enhanced digital portfolio includes e-books, technical training videos, micro-learning, and virtual/augmented-reality modules. In 2020 Learning and Inclusion transitioned much of our curriculum to the virtual learning space, creating over 140 virtual instructor-led classes in technical and leadership development skills. Key to our business success is our focus on safety. With that in mind, we also converted critical safety,



compliance, and certification courses to a virtual format, including the Emergency Response refresher, First Aid, Scaffold Awareness. In addition, we developed COVID-specific training tools, such as the Field Sensitivity during COVID video and the Workplace Re-entry Micro Learning to support our employees.

Overall, 179 digital tools (includes the virtual classes) were created in 2020. Work continued on thirteen recommendations for improvement (charters) developed as a result of a formal

assessment conducted on the state of training. Formalizing training processes, developing curriculum maps, and creating a governance structure are just a few of the recommendations we will be working on to achieve our goal of transforming learning through innovation. Work will continue on these as we move forward into 2021. We expect these efforts to continue into the future.

With the transition to a remote working environment, we proactively addressed the needs of our leaders by creating a series of short, focused virtual courses on Navigating the New Norm. This series provided tips, tools, and techniques for leaders of remote and hybrid teams to foster communication, productivity, and synergy. To support our workforce, we also introduced Change Management training in 2020 to assist employees at all levels in managing change, using tips and techniques to ensure awareness, continuous communication, and inclusion during change.

We continue to offer a robust curriculum for our future leaders geared toward leadership effectiveness, with a broad array of training options that prepare them to meet current responsibilities and future challenges. Development efforts continue as we design new offerings in leadership and professional

development, career planning, conflict management, performance management— all designed to improve the ability of managers to lead employees effectively, handle problems creatively, and lead teams to elevated performance. More than 10,000 employees attended these programs and continue to benefit from an array of tools, assessments and resources that assist with the professional development. These efforts support our culture of continuous learning and development and encourage meaningful discussions about our company, our culture, and our future.

The company's training and development strategy fosters a highly engaged workforce that produces strong performance. It also supports a high retention environment where we get to keep our best employees and enhance the company's reputation and profile, making the company more attractive to potential new recruits.



Training

	2016	2017	2018	2019	2020
Hours of instructor-led, skill-based and leadership training	604,173	703,385	544,557	543,706	497,602
Hours of eLearning	173,182	157,197	132,490	121,861	159,318
Employees taking part in a mentoring program	97	114	77	298	216
Employees taking advantage of tuition aid	607	589	572	575	538

Volunteerism

Customer & Community

Despite the upheaval created by COVID-19, employees at Con Edison and O&R answered the call to donate their own time and resources in the communities we serve. Keeping the health and safety of our workers and the general public top of mind, we engaged in many virtual volunteer activities throughout the year. We also maintained social distancing while working on various outdoor projects in our service area. To further enhance the quality of life in our communities, we continued to provide financial support, in-kind contributions and service on boards of hundreds of nonprofit organizations dedicated to the arts, environmental stewardship, civics and education.

In 2020, 163 Company employees volunteered a total of 1,256 hours at community events and programs in our service territory. Virtual events included mentoring and tutoring, mock interviewing and judging at constitutional debate programs. When health experts deemed it safe to gather outdoors, we cleaned up parks, planted tulips and enhanced public spaces that are essential to our neighborhoods. We are particularly proud of our efforts to provide help and inspire hope through volunteerism during a time that has challenged us as never before.



Sustainability Journey

1993 - 2021



Sustainability Journey



2021

For a Better Future

Everything Con Edison does as a company is with an eye toward creating a more sustainable, clean energy future for our customers, our nation and the planet. We're committed to providing alternative forms of energy that give consumers more choices and help to make our communities healthier and greener. We understand the threats posed by climate change, and we're taking bold steps to mitigate those threats and create a better world for ourselves and future generations.

Here's a snapshot of what we've done in the past year:

- We developed a climate resiliency and adaptation plan to change how we strengthen our energy systems based on our climate change vulnerability study.
- CECONY's \$1.6 billion green bond issuance was the largest of its kind in the U.S.
- We're the second-largest energy producer in North America, and the seventh largest solar provider in the world and we now have a solar energy presence in 20 states.
- Con Edison committed to the goal of 100% clean electricity by 2040. To that end, we're accelerating the move toward electric vehicles by connecting thousands of new public and customer-owned charging stations.
- We're expanding efforts to reduce the use of fossil fuels for heating through energy efficiency, investing in emerging technologies and our innovative clean-energy technologies, including our Smart Solutions program.
- Con Edison has the largest steam network in the U.S., which eliminates about 1 million tons of carbon dioxide each year.
- Our company plans to invest \$1.5 billion in energy efficiency by 2025 to meet statewide targets.



2020

Tomorrow's Clean Energy Future Starts Today

Today our customers are more environmentally conscious than ever. Their passion reinforces our own commitment to combating climate change. We're experiencing an increase in violent storms, extreme heat, and major flooding. The higher frequency of extreme weather—and our increased dependence on energy in our daily lives—underscores the need for reliability and an accelerated reduction of fossil fuels. That's why Con Edison commits itself to being a next-generation, clean-energy company, delivering the transition to the clean energy future that our customers deserve and expect.

2020 Sustainability Report

Here is a snapshot of the past year:

- We ranked seventh among solar energy producers worldwide. With a presence in 19 states, we're also the second largest solar producer in North America.
- Con Edison released results of a comprehensive climate change vulnerability study. It found the most significant climate-driven risks to Con Edison's systems include sea level rise, coastal storm surge, inland flooding from intense rainfall, hurricane-strength winds, and extreme heat. The report estimates the company might need to invest between \$1.8 billion and \$5.2 billion by 2050 on targeted programs to protect our electric, gas, and steam delivery systems and shield customers from the impacts of climate change.
- We joined several coalitions challenging the federal rollbacks of clean-energy standards, including the repeal of the Environmental Protection Agency's Affordable Clean Energy Rule and the repeal of the Clean Power Plan. We've also joined the coalition to defend strong state auto emissions standards.
- Con Edison continues to pursue natural gas alternatives, largely in Westchester, including energy efficiency measures, electric heating options, and ground-source heat pumps.
- Through our Clean Energy Businesses, we acquired 191 megawatts of solar projects, which includes the 80-megawatt Water Strider Solar in Virginia; the 101-megawatt Battle Mountain Solar in Nevada; and 10-megawatt Lakehurst Solar in New Jersey.
- Orange & Rockland continued its first large-scale energy storage deployment in Monsey, Pomona, West Haverstraw, and Blooming Grove.
- We experienced an unprecedented outage in July in which 72,000 customers in Manhattan lost power. All customers had their power restored in less than five hours. The cause was determined to be a faulty wiring mistake. Additionally in July, we intentionally turned off equipment in Brooklyn to avoid catastrophic damage. This resulted in an outage for 33,000 customers, while allowing us to keep the power on for 99,000 customers who would have lost power otherwise.
- We coordinated more than 125 drills and exercises, including a two-day national exercise, to test our response to physical- and cyber-security threats.



2019

Building Sustainable Communities and a Cleaner Energy Future

Now one of the largest solar producers in North America, Con Edison is leading the way toward a cleaner energy future. We're developing clean heating technologies as an alternative to fossil fuels, along with modernizing the grid to make it easier for customers to integrate renewable energy sources. As a next generation energy company, Con Edison is supporting a host of schools and community programs that are helping to prepare a whole new generation for green careers.

2019 Sustainability Report

Additional Highlights:

- Acquired solar and wind projects worth \$2.1 billion, through our Clean Energy Businesses, making us the second largest solar producer in North America. The acquisitions doubled the amount of green power we own, which will avoid 5.4 million metric tons of carbon emissions annually – equal to removing 1.2 million vehicles from the roads
- We've placed a temporary moratorium on new gas projects in most of Westchester, where natural gas constraints are severe. To help fill the need, we're expanding energy efficiency and demand management programs to natural gas customers and seeking smart solutions, such as renewable natural gas and geothermal projects, as an alternative to fossil fuels. We continue to work toward additional gas infrastructure projects that can meet federal and state requirements
- Providing low- and moderate-income customers access to the benefits and savings of clean energy by installing solar panels atop New York Housing Authority buildings
- Supporting the state's efforts to develop large-scale renewable generation, including offshore wind, while advocating for utility development and ownership, which would allow customers to reap the benefits and savings of renewable energy
- We're introducing college students to the possibility of future environment and energy careers through our Con Edison Scholars Network. It's a community of Con Edison STEM Scholarship recipients from colleges and universities in our service area. Students are paired with employees who are alumni from their schools for mentorship. Networking and professional development helps foster their growth and excitement for science, technology, engineering and math careers



2018

Progressing with a Clean Energy Vision

We are leading the transition to a clean energy economy by investing in renewables, energy-efficiency programs for both electric and natural gas customers, and customer-focused power generation, which will all result in significant environmental, social and economic improvements.

2018 Sustainability Report

Additional Highlights:

- Our September announcement of a \$1.6 billion acquisition of solar and wind projects will move us from the sixth to the second largest solar producer in North America; this doubles the amount of green power we own, which will prevent 5.4 million metric tons of carbon emissions annually – equal to removing 1.2 million vehicles from the roads
- We are the first utility in the country to install game-changing smart natural gas detectors that can detect gas leaks early and notify emergency responders faster than customer calls usually do
- The March Nor'easters caused more outages in Westchester than Hurricane Irene in 2011; in response, the company committed to invest \$100 million in Westchester to make the overhead system more storm-resilient and to address hazardous trees on private property to encourage removal and minimize outages
- In July, an underground steam pipe ruptured in the Flatiron district that released asbestos, steam and debris onto the streets, sidewalks and more than 40 buildings; the cause is being investigated by Con Edison and the New York State Public Service Commission
- Con Edison and O&R crews were part of a massive mutual-aid campaign to restore power in Puerto Rico, which was devastated by the impact of Hurricanes Irma and Maria. More than 100 company vehicles and some 500 employees, including power line workers, technical specialists, and support personnel, were involved.



2017

Progressing with a Clean Energy Vision

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[2017 Sustainability Report](#)

Additional Highlights:

- The New York State Public Service Commission reached a \$153 million settlement with us related to the investigation of a 2014 East Harlem gas explosion. Since that incident, we've greatly increased investments in our gas systems to further enhance public safety
- Hundreds of Con Edison personnel and contractors cleaned up insulating oil released from one of our transformers in a Brooklyn substation. The transformer contained 37,000 gallons of oil, of which 6,400 gallons was recovered from the damaged equipment. The remainder was released onto the soil at the substation. Some of the oil leaked into the East River. About 560 gallons was recovered from the river. The oil contained low levels of PCBs ranging from 6 to 8 parts per million. During cleanup, the Coast Guard issued speed restrictions. Those restrictions were reduced as oil sheens dissipated. We are upgrading our spill containment to prevent a reoccurrence
- The New York League of Conservation Voters, a group that includes business leaders, environmentalists, and politicians, honored us at their annual gala



2016

Moving Toward a Clean Energy Future

This summer, we began the installation of more than 5 million smart meters, which will give customers unprecedented control over their energy use. We're the fifth-largest solar producer in North America, and we've invested more than \$2.5 billion in renewable energy projects in 16 states.

2016 Sustainability Report

Additional Highlights:

- Our New York City customers have completed 9,700 solar-related projects, producing 101.2 megawatts. That's enough energy to power 15,000 homes
- O&R completed a solar installation project in Orangeburg—the first solar installation on a capped landfill in New York State
- New York City's largest solar installation, in the Brooklyn Navy Yard, is a Con Edison project
- Our steam-gathering stations reduced carbon dioxide emissions by seven percent compared to the 2008-2009 average. That's equal to taking 44,000 cars off the road
- JD Power ranked us No. 1 in customer satisfaction among large utilities in the East



2015

Advanced Metering Infrastructure

We are meeting customer demand for choice, convenience, and control through our Advanced Metering Infrastructure initiative. This smart meter technology will reduce operating costs and improve customer service. Over the next five years, we will invest \$1.3 billion to install smart meters and advanced communication systems throughout New York City, and Westchester, Orange, and Rockland counties. It's the biggest capital improvement project in our history.

2015 Sustainability Report

Additional Highlights:

- Ranked No. 1 among utilities in the Eastern U.S. by J.D. Power for our focus on the customer experience
- Named "Investor-Owned Utility of the Year" by the Solar Electric Power Association for smart-grid technology that connects large solar installations to the grid
- Exceeded our target of replacing 65 miles of cast iron and unprotected steel pipe, even with a doubling in the number of gas-odor calls we've responded to in the past two years
- Invested more than \$626 million to strengthen and expand infrastructure
- Converted more than 1,300 large New York City buildings from oil to gas, and installed another 2,200 new business services. The 1,300 conversions have reduced emissions of 92 tons of fine particulate matter. That's equivalent to taking about 300,000 cars off the road
- Ranked sixth among the top solar project owners in North America; invested \$778 million in renewable projects



2014

East Harlem Gas Explosion

An explosion involving natural gas leveled two buildings in East Harlem and eight lives were tragically lost. We have increased gas safety patrols to help identify leaks sooner and prevent accidents. To better educate the public about gas leaks, Con Edison has created an online gas map and enhanced communications about the importance of reporting the smell of gas.

Additional Highlights:

- We invested \$2.3 billion to keep our electric, gas, and steam systems reliable, resilient, and secure
- We're now more than halfway through our four-year plan to fortify our energy infrastructure against changing weather patterns
- We added solar farms in California, Nevada, and Texas. We also augmented our renewable profile by entering the wind market with projects in Ohio, Nebraska, and South Dakota
- Our customers installed nearly 3,000 new solar systems – more than all in our combined history – in our service territory from Orange County to Staten Island

2014 Sustainability Report



2013

Gas Addition Projects Complete

Gas additions to two steam plants significantly reduce the CECONY fleet's use of oil as a primary fuel, resulting in an average reduction of 150,000 short tons of CO₂ emissions annually.

[2013 Sustainability Report](#)

Additional Highlights:

- Sustainability Strategy re-designed by Leadership Team to better embrace the triple bottom line
- Received Outstanding Achievement in Residential Program Design and Implementation, and Outstanding Achievement in Pricing and Demand Response for CoolNYC program, along with ThinkEco, from the Association of Energy Services Professionals
- O&R named 2013 Business Leader of the Year, by Leadership Rockland



2012

Superstorm Sandy

Superstorm Sandy hits Northeast region and is the worst natural disaster to strike Con Edison's customers in the company's history. Sandy caused five times as many outages as the next-largest storm, totaling 1.1 million customer outages. Within 12 days, the company had restored service to 98 percent of the customers affected by the storm. As a result of Superstorm Sandy, and in acknowledgement of the influences of climate change, the company has committed \$1B in storm hardening activities to improve grid resiliency from future storms.

2012 Sustainability Report

Additional Highlights:

- CECONY dealt with the challenges associated with the expiration of the Collective Bargaining Agreement with Local 1-2 of the Utility Workers Union of America. By the expiration date at midnight on June 30, 2012, the parties were still not in agreement. In the early hours of July 1, the union did not agree to company proposals to extend the contract or to sign a separate agreement providing there would be no-strike or lockout without advance notice. The company believed it would be unfair to ask Con Edison customers to live under the threat of a sudden strike that could undermine the reliability of their energy services, and concluded it had no choice but to lock out the union employees to protect the safety of the system and provide its customers uninterrupted service. The lockout lasted for just under a month, concluding with an agreement reached on July 26th
- CECONY achieves its 5-year OSHA goal two years ahead of schedule, cutting the rate by more than half from a 3.24 to 1.28
- Con Edison Development becomes 5th largest solar producer in North America
- Con Edison Solutions was again recognized by Johnson County in Kansas where our Kansas office won a "Green Business Award" in recognition of its achievements in promoting sustainability and environmental responsibility



2020 GHG Emission Goal Achieved

Exceeded our 2020 goal to reduce GHG Emissions 40%.

[2011 Sustainability Report](#)

Additional Highlights:

- Met extreme weather challenges including Hurricane Irene (200,000 outages were most in Company history to date), heat waves, and a Halloween snowstorm
- Oil-to-Gas Conversion Group established
- First GRI Index published
- Con Edison Solutions announces City of New Bedford, MA city-wide, multi-site solar power initiative that will reduce the City's overall energy spending through a goal of installing up to 10 megawatts (MW) of renewable energy, enough to power approximately 1,500 homes



Pilesgrove, NJ Solar Farm

Con Edison Developments' 20-Megawatt installation in Pilesgrove, NJ, one of the largest in the country, ground-breaking is announced

[2010 Sustainability Report Executive Summary](#)

Additional Highlights:

- Ranked first among all S&P 500 companies by the Carbon Disclosure Project in its Carbon Disclosure Leadership Index, as well as first among utilities in the new Carbon Performance Leadership Index
- Received Honorable Mention in the EPA WasteWise Partner of the Year Award for recycling over 60,000 tons of materials
- Earned perfect score on the Human Rights Campaign's Corporate Equality Index, which rates company practices and policies related to lesbian, gay, bisexual, and transgender employees
- Con Edison Solutions installs its first behind the meter solar power at seven sites in MA
- Con Edison Solutions was recognized by Johnson County in Kansas where our Kansas office won a "Green Business Award" in recognition of its achievements in promoting sustainability and environmental responsibility
- Resolved three water-related consent orders for a total cost of over \$6.5M



Regional Greenhouse Gas Initiative (RGGI)

CECONY begins participation in first RGGI compliance period.

[2009 Sustainability Report Executive Summary](#)

Additional Highlights:

- Named to Dow Jones Sustainability Index for the first time
- Newsweek magazine named Con Edison to its Green Rankings list as one of the country's most environmentally friendly utility companies
- Con Edison Energy Efficiency Portfolio Standards Programs initiated
- 5-year goal to drop OSHA rate to first-quartile performance established
- Dunwoodie substation fire and release of approx. 15,000 gallons of oil to the environment accelerates water vulnerability assessment and establishment of corporate Spill Management Team



Sustainability Strategy and Communication

Sustainability Strategy first established and first Sustainability Report published.

[2008 Sustainability Report Executive Summary](#)

Additional Highlights:

- Con Edison Solutions earned a Supplier Excellence Award under the 2008 United States Postal Service Supplier Performance Awards Program
- Installed our first green roof at our training facility in Long Island City, in cooperation with Columbia University's Center for Climate Systems Research
- Recognized by the United States Environmental Protection Agency for replacing paper insulated lead-covered cable with nonleaded solid dielectric cable



Lexington Ave. Steam Main Rupture

A 24-inch steam main rupture in Midtown Manhattan, opening a 35-foot wide crater in the middle of Lexington Ave. and injuring 45 people. Con Edison immediately declares the area an asbestos-containment zone and takes all appropriate precautions, demonstrating our lessons learned from the Gramercy Park and Arthur Kill events.

[2007 EH&S Annual Report](#)

Additional Highlights:

- CECONY reaches a 75% reduction in hazardous waste generation from 1997 levels
- Named top-ranked US Utility for S&P 500 by the Carbon Disclosure Project
- Honored by the Financial Times/Citi Private Bank for the "Greatest Improvement in carbon efficiency achieved by a large Enterprise in the Americas"
- Ranked second of 27 international utilities in environmental and social performance by Innovest Strategic Value Advisors



DiversityInc

Con Edison ranked second in DiversityInc magazine's 2006 "Top 50 Companies for Diversity".

[2006 EH&S Annual Report](#)



East River Repowering Project

Con Edison declares full commercial operation of its East River Repowering Project with two state-of-the-art, natural-gas-fired steam generators which began providing steam for the company's district steam system, and supplying electricity to New York's grid. The two newly installed steam-electric generators have up-to-date emission-control technology and burn natural gas exclusively, making the East River station one of the cleanest combustion facilities in New York.

[2005 EH&S Annual Report](#)

Additional Highlights:

- Con Edison was named as a "Champion of Diversity" by the New York Urban League



2004

Committing to Eliminate Stray Voltage

An energized service box electrocutes a 30-year-old-woman. Con Edison develops an inspection and repair program aimed at eliminating contact (stray) voltage and improving public safety.

2004 EH&S Annual Report

Additional Highlights:

- Establishes Demand Side Management Program
- Clean Air Communities wins at New York State Department of Conservation Environmental Awards for four projects executed in partnership with Con Edison
- Con Edison Solutions: Earns Quality Supplier of the Year from U.S. Postal Service for millions of dollars of energy savings at hundreds of USPS locations in New York.



2003

Climate Change Partnership

Explores prospective private-sector actions to address climate change with the World Resources Institute.

2003 EH&S Annual Report



2002

Energy Company of the Year

Con Edison is named Energy Company of the Year at the Global Energy Awards sponsored by Platts/Business Week. Criteria for the award are overall excellence in safety, the delivery of energy, customer care, technological innovation, and environmental concern.

2002 EH&S Annual Report

Additional Highlights:

The EPA awards Con Edison the following:

- Clean Air Excellence Award for Hunts Point Market Truck Electrification Project
- Environmental Quality Award for mercury gauge exchange program
- WasteWise Champion Award for recycling program



2001

September 11th

Con Edison requires all responding employees to wear respirators. As a result, zero work-related illnesses are reported among company responders.

Additional Highlights:

- Con Edison endorses the Ceres Principles
- The National Arbor Day Foundation names O&R a “Tree Line USA Utility” for the first time for leadership in tree maintenance along company rights-of-way; the company will go on to win this award numerous times
- Con Edison wins the 2001 “WasteWise Champion” award for a series of recycling and other environmentally conscious actions



2000

U.S. Coast Guard William N. Berkert Award

Con Edison is honored by the U.S. Coast Guard with the William M. Benkert Award for Excellence in Marine Environmental Protection. This is the Coast Guard’s most prestigious environmental protection award and is presented in recognition of the company’s outstanding achievements extending far beyond compliance with industrial and regulatory standards.

Additional Highlights:

- CECONY first approved for company-wide certification to the International Organization for Standardization 14001 Environmental Management System Standard
- First electronic waste recycling contract established



1999

Commitment to reduce SF₆ fugitive

Continuing the commitment to reducing greenhouse gas emissions, CECONY commits to its first SF₆ reduction goal, a 5% reduction from a 1996 baseline (we have reduced our SF₆ emissions over 90%) as a founding member of the [SF6](#) Emissions Reduction Partnership for Electric Power Systems.

2002 EH&S Annual Report

Additional Highlights:

- Con Edison Solutions begins offering wind and hydropower to its customers



1998

Arthur Kill Fire

A fire at the Arthur Kill generating station exposes more than 250 emergency workers to PCBs. Con Edison does not immediately disclose their risk of exposure. The company later settles the rescuers' lawsuit for \$2 million.



1994

1989 Gramercy Park Steam Explosion

Con Edison pleads guilty to conspiracy and environmental-law violations for failing to tell authorities of asbestos release as a result of the 1989 Gramercy Park Steam explosion. The company is convicted as a criminal and sentenced to three years probation under a federal court monitor.



1996

EPA Wastewise

Con Edison voluntarily joins more than 800 businesses and state and local governments to participate in the federal EPA WasteWise program to reduce municipal solid waste.



1993

EPA's Gas Star Program

As a part of our commitment to reduce greenhouse gas emissions, Con Edison becomes one of the first American gas distribution utility companies to voluntarily join the [EPA's Gas STAR Program](#) to reduce fugitive methane emissions.



Thank you



Learn more at [conedison.com](https://www.conedison.com)