

# 2013

ONTARIO POWER GENERATION

## FACT SHEET FIRST QUARTER



### OUR COMPANY

Ontario Power Generation Inc. is an electricity generating company whose principal business is the generation and sale of electricity in Ontario. OPG's generation portfolio consists of 3 nuclear, 5 thermal and 65 hydroelectric generating stations, and 2 wind power turbines. OPG leases 2 nuclear generating stations to Bruce Power. OPG also co-owns the Portlands Energy Centre and the Brighton Beach gas-fired generating station. At March 31, 2013, OPG had an in-service capacity of 19,051 MW, assets of \$37.9 B, long-term debt of \$5.4 B and equity of \$8.0 B.

### OPERATIONAL & FINANCIAL HIGHLIGHTS

- First quarter production in 2013 of 21.1 TWh decreased marginally from 22.0 TWh in 2012, primarily due to lower nuclear generation as a result of an increase in planned outage days at Darlington, and an extension to the Unit 1 outage at the Pickering station.
- Net income was \$28 M in Q1 2013 compared to \$154 M for the same period in 2012. The decrease was primarily due to lower earnings from the Nuclear Funds, a decrease in nuclear production, and higher OM&A expenses due to the establishment of a regulatory deferral account in 2012 which resulted in lower post-employment benefit expenses in 2012, and lower nuclear generation. These factors were partially offset by an increase in unregulated hydroelectric revenues due to higher spot market prices.
- In March 2013, the OEB approved a settlement agreement on all aspects of OPG's application submitted in 2012, requesting approval to recover balances in authorized regulatory variance and deferral accounts as at December 31, 2012, and adopt US GAAP for regulatory purposes.
- In March 2013, the Niagara Tunnel was completed and declared in-service, approximately nine months ahead of the approved project completion date of December 31, 2013. Total project costs are expected to be ~\$100 M lower than the approved budget of \$1.6 B.

### STRATEGIC PRIORITIES

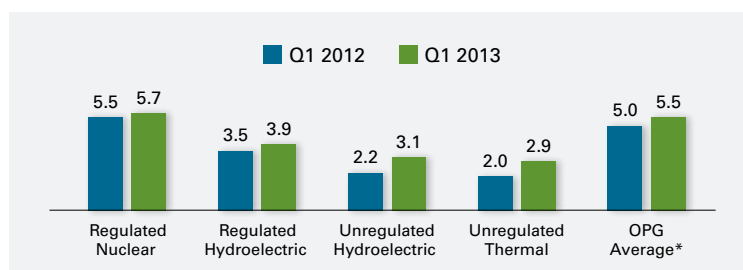
OPG's mandate is to reliably and cost-effectively produce electricity from its diversified portfolio of generating assets, while operating in a safe, open and environmentally responsible manner. To accomplish its mandate, OPG is focused on the following three corporate strategies:

- Performance Excellence in generation, safety, and the environment
- Project Excellence in generation development through capacity expansion, life extension or new construction opportunities
- Financial Sustainability by earning an appropriate return on assets, exploiting efficiency improvements, and maintaining the value of its assets for its Shareholder

### FINANCIAL RESULTS

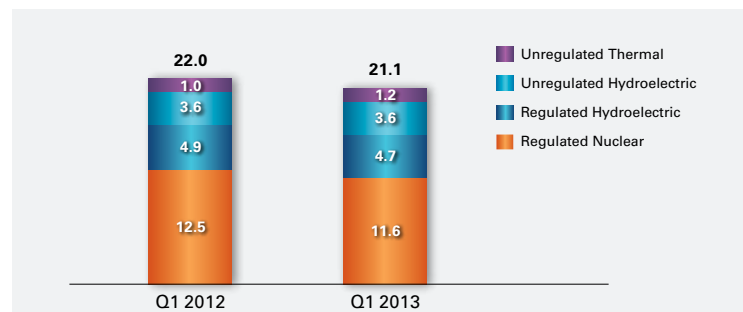
(\$ millions)	For the three months ended	
	March 31, 2012	March 31, 2013
Revenue	1,199	1,255
Fuel Expense	192	183
Gross Margin	1,007	1,072
OM&A	635	700
Other Expenses	173	315
Operating Income	199	57
Net Interest Expense & Taxes	45	29
Net Income	154	28
Capital Expenditures	333	393
(\$ millions unless otherwise noted)	Dec 31, 2012	Mar 31, 2013
Total Assets	37,601	37,941
Total Debt	5,114	5,409
Shareholder's Equity	7,904	7,951
Return On Equity (%) 12-month rolling average	4.2	2.7

### AVERAGE SALES PRICES (¢/kWh)



\* Includes revenues primarily from cost recovery agreements for the Nanticoke, Lambton and Lennox stations, and Hydroelectric Energy Supply Agreements

### ELECTRICITY SOLD (TWh)



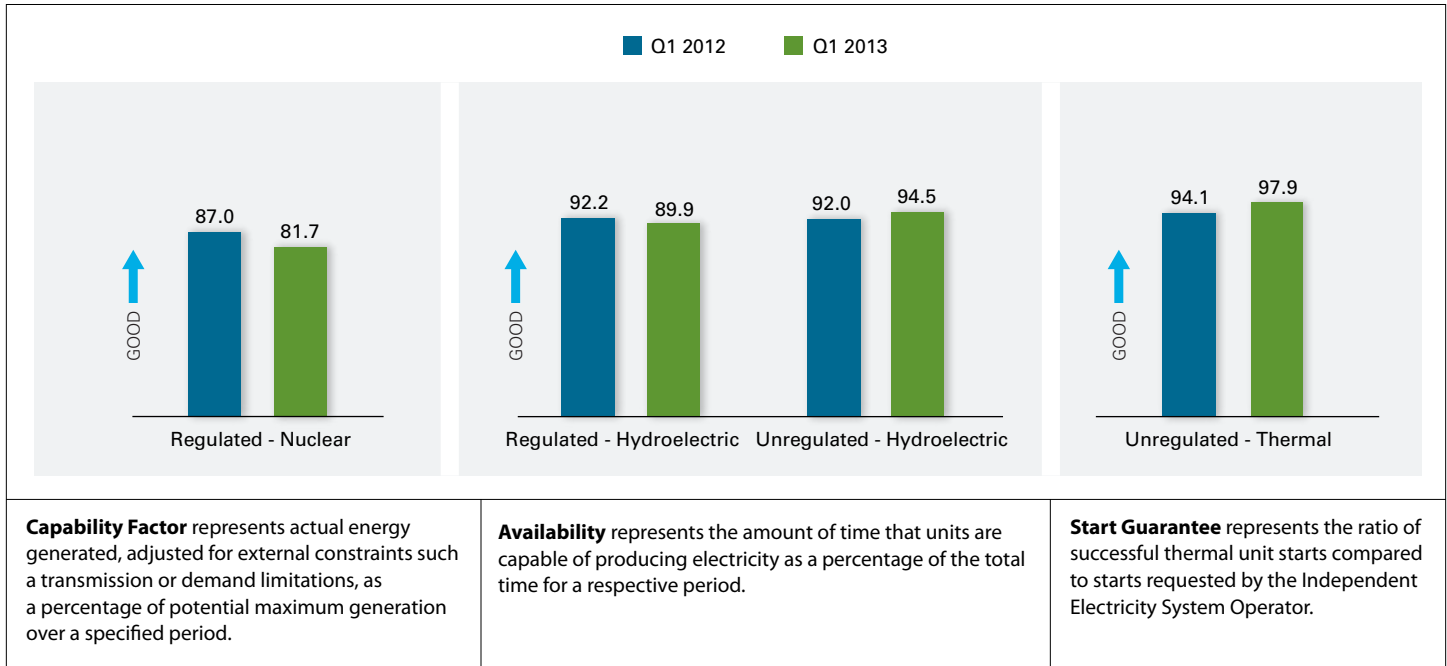
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### GENERATION PERFORMANCE (%)



### GENERATION DATA

	As of March 31, 2013 Capacity (MW)	2012 Energy (TWh)
<b>Nuclear</b>		
Darlington	3,512	28.3
Pickering B	2,064	14.5
Pickering A	1,030	6.2
	<b>6,606</b>	<b>49.0</b>
<b>Hydroelectric by Plant Group</b>		
Niagara	2,267	12.0
Ottawa / St. Lawrence	2,571	11.5
Northeast	1,345	3.0
Northwest	687	3.6
Central Hydro	126	0.5
	<b>6,996</b>	<b>30.6</b>
<b>Thermal</b>		
Nanticoke	1,880	1.7
Lennox	2,100	0.1
Lambton	950	2.2
Thunder Bay	306	--
Atikokan	211	--
	<b>5,447</b>	<b>4.0</b>
<b>Wind</b>		
	<b>2</b>	<b>--</b>
<b>Total</b>	<b>19,051</b>	<b>83.7</b>

### MAJOR PROJECTS

Project	Total Capacity (MW)	Budget	In Service
Atikokan Generating Station ■ Convert to biomass fuel	200 MW	\$170 M	2014
Lower Mattagami ■ Increase capacity of 4 stations	Increase from 486 MW to 924 MW	\$2.6 B	June 2015

### DEBT RATINGS

	Long Term Debt	Commercial Paper	Outlook
S&P	A-	A-1 (low) Cdn	Negative
DBRS	A (low)	R-1 (low)	Stable