

Year In Review 2012 **FACT SHEET**



ONTARIO POWER GENERATION



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 December 31, 2012, OPG had an in-service capacity of 19,051 MW, assets of \$37.6 B, long-term debt of \$5.1 B and equity of \$7.9 B.

OPERATIONAL & FINANCIAL HIGHLIGHTS

- Production in 2012 of 83.7 TWh decreased marginally from 84.7 TWh in 2011, primarily due to the impact of lower water levels in the lower Great Lakes, and the Northeastern and Eastern Ontario watersheds on hydroelectric generation. This decrease was partially offset by increased nuclear and thermal production. Nuclear production increased primarily as a result of fewer outage days at the Pickering stations. Thermal production increased primarily due to lower hydroelectric generation, the impact of warmer summer temperatures on primary demand, and the coal inventory drawdown strategy in advance of coal-fired station closures.
- Net income was \$367 M in 2012 compared to \$338 M in 2011. The increase was primarily a result of higher earnings from the Nuclear Funds, and a reduction in OM&A expenses. This increase was mainly offset by a decrease in revenues as a result of lower electricity market prices.
- In January 2013, the Ministry of Energy announced the advanced shutdown of the Lambton and Nanticoke generating stations by December 31, 2013.

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

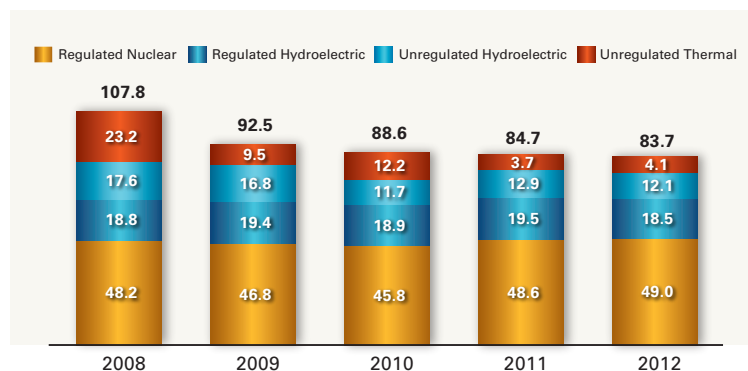
	For the year ended December 31	
(\$ millions unless otherwise noted)	2011	2012
Revenue	4,964	4,732
Fuel Expense	754	755
Gross Margin	4,210	3,977
OM&A	2,781	2,648
Other Expenses	964	778
Operating Income /(Loss)	465	551
Net Interest Expense & Taxes	127	184
Net Income /(Loss)	338	367
Capital Expenditures	1,145	1,427
Total Assets	34,443	37,601
Total Debt	4,744	5,114
Shareholder's Equity	7,626	7,904
Return On Equity (%) 12-month rolling average	4.0	4.2

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)

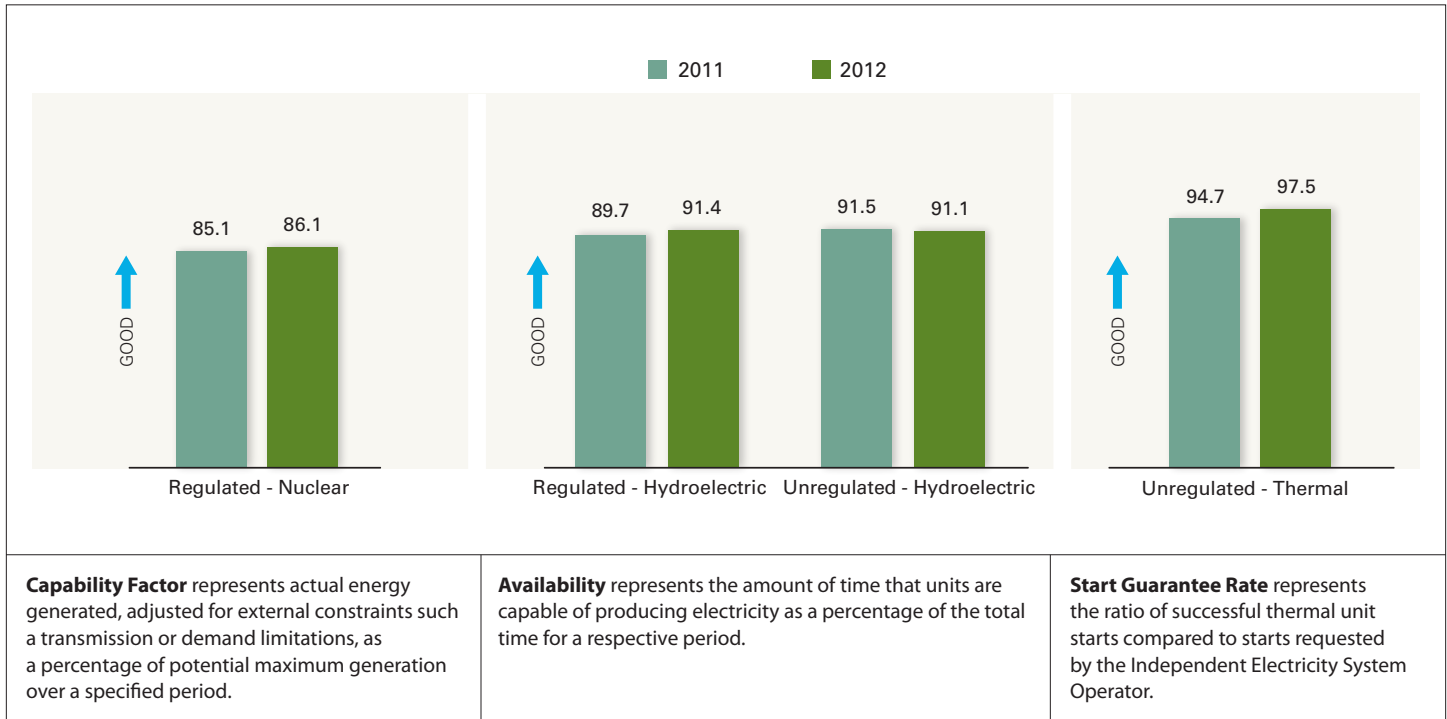


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GENERATION PERFORMANCE (%)



GENERATION DATA

	As of Dec. 31, 2012 Capacity (MW)	2012 Energy (TWh)
Nuclear		
Darlington	3,512	28.3
Pickering B	2,064	14.5
Pickering A	1,030	6.2
	6,606	49.0
Hydroelectric by Plant Group		
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
	6,996	30.6
Thermal		
Nanticoke	1,880	1.7
Lennox	2,100	0.1
Lambton	950	2.2
Thunder Bay	306	--
Atikokan	211	--
	5,447	4.1
Wind		
	2	--
Total	19,051	83.7

MAJOR PROJECTS

Project	Total Capacity (MW)	Budget	In Service
Niagara Tunnel ■ Increase annual energy by 1.6 TWh/yr	N/A	\$1.6 B	Mar 2013
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	Jun 2015

DEBT RATINGS

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