



2007



## ONTARIO POWER GENERATION 2007 FACT SHEET

### Our Company

Ontario Power Generation Inc. is an electricity generating company whose principal business is the generation and sale of electricity in Ontario. OPG operates 64 hydroelectric, 3 nuclear and 5 fossil generating stations. At December 31, 2007, OPG had an in-service generating capacity of 22,158 MW, assets of \$24.8 billion, long-term debt of \$3.9 billion and equity of \$6.8 billion.

### Strategic Priorities

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

- Improving the performance of its existing hydroelectric, nuclear and fossil-fuelled generating assets;
- Increasing its generating capacity by expanding and redeveloping existing hydroelectric sites, and exploring and developing, where feasible, natural gas and nuclear opportunities in Ontario;
- Operating on a financially sustainable basis by optimizing the utilization of available resources, maximizing funds from operations, implementing effective cost management initiatives, and maintaining the value of its assets for its shareholder; and
- Achieving excellence in corporate governance, safety, social responsibility, corporate citizenship and environmental stewardship.

### 2007 in Review

- OPG submitted a rate application to the Ontario Energy Board for new payment amounts for its regulated assets, effective April 1, 2008 for a 21 month period. OPG is seeking a rate of return consistent with the scope and type of business risks associated with reliably operating, maintaining, and developing regulated assets.
- Construction of the Portlands Energy Centre is expected to be complete in a simple cycle mode by June 1, 2008.
- Construction of the Niagara tunnel through a fractured rock formation has been slower than expected. The contractor has advised that the in-service date will be delayed and alternatives, including tunnel realignment, are being investigated. Construction of the 12.5 MW Lac Seul station is expected to be in-service in the third quarter of 2008. OPG is pursuing redevelopment of several hydroelectric stations on multiple river systems in Northern Ontario.
- A recommendation on the refurbishment of the Pickering B nuclear station will be submitted to OPG's Board in early 2009. A feasibility study on the refurbishment of the Darlington station will begin in 2008. In 2007, OPG implemented initiatives in support of an EA for new nuclear units at the Darlington site and filed a project description with the CNSC.

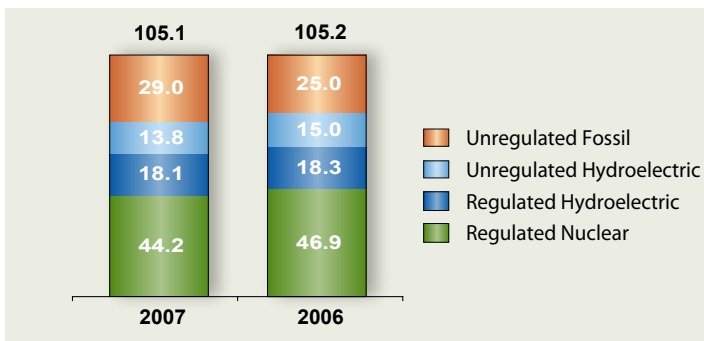
### Debt Ratings

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

### Operational & Financial Highlights

- Electricity generated of 105.1 TWh in 2007 was slightly lower than the 105.2 TWh produced in 2006. Nuclear production of 44.2 TWh decreased by 2.7 TWh compared to 2006 mainly as a result of one-time events at the Pickering A and B nuclear stations. Hydroelectric production of 31.9 TWh in 2007 was slightly lower than 2006 production of 33.3 TWh mainly due to lower water levels. Fossil production increased to 29.0 TWh in 2007 from 25.0 TWh in 2006 to offset lower nuclear and hydroelectric generation. The reliability of the majority of OPG's generating stations continued to improve in 2007.
- Net income of \$528 million in 2007 was higher than 2006 net income of \$490 million as a result of an increase in earnings from the Nuclear Funds, higher non-electricity generation revenue, greater fossil generation, lower depreciation expense, and a decrease in income tax expense. These favourable impacts were partly offset by lower generation from OPG's Pickering nuclear stations, and higher nuclear and fossil maintenance expenses.

### Electricity Sold (TWh)



### Financial Results

(\$ millions unless otherwise noted)	For the year ended December 31,	
	2007	2006
Revenue After Rebate	5,660	5,564
Fuel Expense	1,270	1,098
Gross Margin	4,390	4,466
OM&A	2,974	2,752
Other Expenses	796	945
Operating Income	620	769
Net Interest Expense & Taxes	92	279
Net Income	528	490
Capital Expenditures	666	637
Total Assets	24,839	22,750
Total Debt	3,853	3,359
Shareholder's Equity	6,807	5,749
Total Debt/Total Capitalization (%)	36.1	36.9



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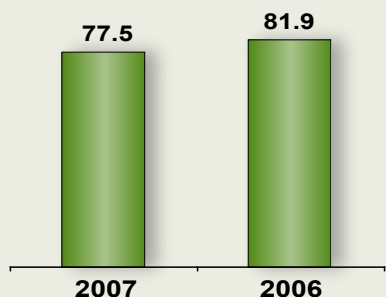
### Generation Data

	As at Dec. 31, 2007 Capacity (MW)	2007 Energy (TWh)
<b>Regulated Nuclear</b>		
Darlington	3,512	27.2
Pickering B	2,064	13.4
Pickering A *	1,030	3.6
	6,606	44.2
<b>Regulated Hydroelectric by Plant group</b>		
R.H. Saunders Station	1,045	6.6
Niagara Plant Group	2,287	11.5
	3,332	18.1
<b>Unregulated Hydroelectric by Plant group</b>		
Ottawa St. Lawrence	1,527	4.9
Northeast	1,324	4.6
Northwest	669	3.8
Evergreen Energy	120	0.5
	3,640	13.8
<b>Unregulated Fossil</b>		
Nanticoke	3,960	18.1
Lennox	2,120	0.8
Lambton	1,976	8.9
Thunder Bay	306	0.6
Atikokan	211	0.6
	8,573	29.0
<b>Wind</b>	<b>7</b>	<b>--</b>
<b>Total</b>	<b>22,158</b>	<b>105.1</b>

\* Units 2 & 3 at Pickering A are being placed in safe storage.

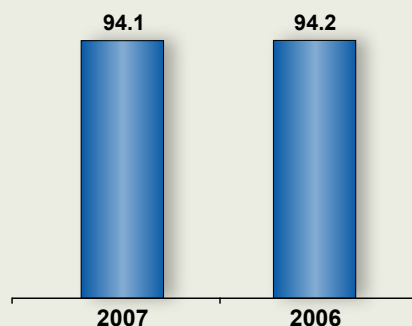
### Generation Performance

#### Regulated Nuclear Capability Factor (%)

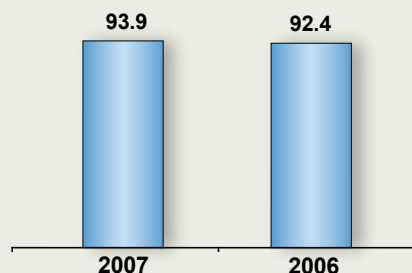


Capability Factor represents actual energy generated, adjusted for external constraints such as transmission or demand limitations, as a percentage of potential maximum generation over a specified period.

#### Regulated Hydroelectric Availability (%)

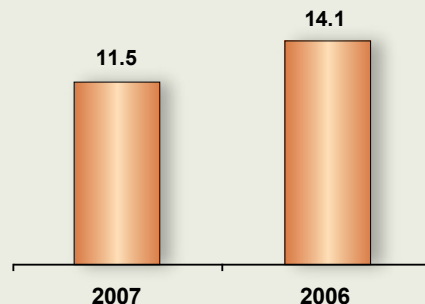


#### Unregulated Hydroelectric Availability (%)



Availability represents the amount of time that units are capable of producing electricity as a percentage of the total time for a respective period.

#### Fossil EFOR (%)



Equivalent Forced Outage Rate (EFOR) represents the amount of time that units are forced out of service as a percentage of the amount of time available to operate.