



## 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 65 hydroelectric, 3 nuclear, 5 fossil, and 2 wind generating stations. OPG also co-owns the Portland Energy Centre and the Brighton Beach gas-fired generating stations. At March 31, 2009, OPG had an in-service generating capacity of 21,762 MW, assets of \$25.7 billion, long-term debt of \$3.8 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 three corporate strategies:

- Performance Excellence in generation, safety, the environment, and finance to efficiently and reliably provide electricity to the province and deliver value to the Shareholder;
- Generation Development through capacity expansion or life extension opportunities; and
- Development and Acquiring of Talent to sustain on-going operations and successfully deliver OPG's portfolio of planned projects through a talented and engaged workforce.

## FIRST QUARTER 2009 IN REVIEW

- OPG completed several new generation projects in the first quarter of 2009. The 12.5 MW Lac Seul generation station was declared in-service in February 2009. The 550 MW Portlands Energy Centre, a partnership arrangement with TransCanada Energy Ltd, was declared in-service in a combined cycle mode, in April 2009.
- Project financing of \$200 million for the Upper Mattagami and Hound Chute hydroelectric project was finalized in May 2009.
- A realignment of the Niagara tunnel was initiated in December 2008 to minimize excavation in a rock formation causing significant overbreak. The design build contract is being renegotiated and includes a revised target cost of \$1.6 B and a revised completion of December 2013. The contract is expected to be finalized in the second quarter of 2009.
- OPG's strategy to meet recently introduced CO<sub>2</sub> emission limits targets for 2009 consists of strategic planned outages, reduction of coal-fired units offered to the independent electricity system operator, applying a uniform adder (\$/MWh), and managing fuel purchases and inventories.

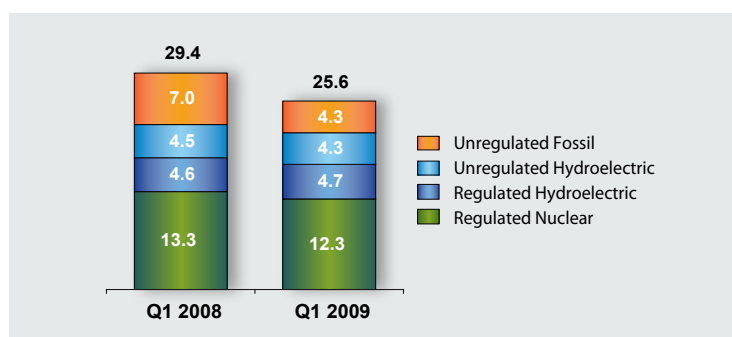
## DEBT RATINGS

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

## OPERATIONAL & FINANCIAL HIGHLIGHTS

- Electricity generated in the first quarter of 2009 was 25.6 TWh, 13% lower than the first quarter of 2008 at 29.4 TWh. A 1.0 TWh decrease in nuclear production was primarily a result of planned outages. Hydroelectric production was essentially equal to that of Q1 2008. Fossil-fuelled production decreased due to lower electricity demand in Ontario, an increase in electricity production from other Ontario generators, and a significant reduction in natural gas prices resulting in a displacement of coal-fired production.
- OPG incurred a net loss of \$9 M in the first quarter of 2009 compared to net income of \$162 M for the same period in 2008. Earnings were unfavourably affected by a decrease in gross margin primarily as a result of lower nuclear and fossil generation and higher fuel prices, and an increase in expenses related to planned maintenance outages at our nuclear generating stations.

## ELECTRICITY SOLD (TWh)



## FINANCIAL RESULTS

(\$ millions)	For the three months ended	
	March 31, 2009	March 31, 2008
Revenue After Rebate	1,481	1,563
Fuel Expense	261	304
Gross Margin	1,220	1,259
OM&A	742	691
Other Expenses	369	374
Operating Income	109	194
Net Interest Expense & Taxes	118	32
Net Income	(9)	162
Capital Expenditures	121	128
(\$ millions unless otherwise noted)	March 31, 2009	December 31, 2008
Total Assets	25,743	25,579
Total Debt	3,803	3,840
Shareholder's Equity	6,823	6,829
Total Debt/Total Capitalization (%)	35.8	36.0



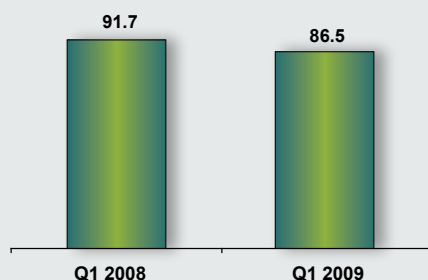
## GENERATION DATA

	As at Mar 31, 2009 Capacity (MW)	2008 Energy (TWh)
<b>Nuclear</b>		
Darlington	3,512	28.9
Pickering B	2,064	12.9
Pickering A *	1,030	6.4
	<b>6,606</b>	<b>48.2</b>
<b>Hydroelectric by Plant Group</b>		
Niagara	2,287	11.9
Ottawa St. Lawrence	2,571	13.9
Northeast	1,315	5.1
Northwest	684	4.9
Evergreen Energy	120	0.6
	<b>6,977</b>	<b>36.4</b>
<b>Fossil</b>		
Nanticoke	3,640	15.3
Lennox	2,100	0.3
Lambton	1,920	6.6
Thunder Bay	306	0.7
Atikokan	211	0.3
	<b>8,177</b>	<b>23.2</b>
<b>Wind</b>		
	<b>2</b>	<b>--</b>
<b>Total</b>	<b>21,762</b>	<b>107.8</b>

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

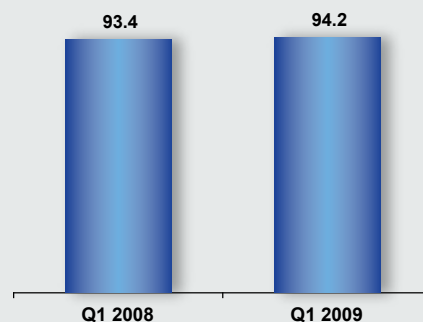
## GENERATION PERFORMANCE

Regulated Nuclear Capability Factor (%)

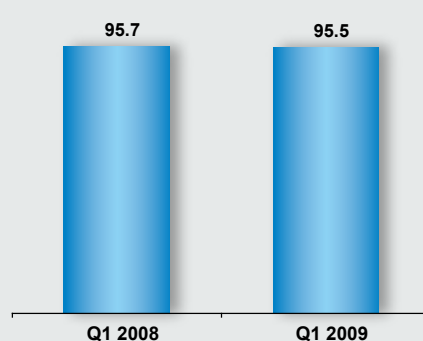


Capability Factor represents actual energy generated, adjusted for external constraints such as transmission or demand limitations, as a percentage of potential maximum generation over a specified period.

Regulated Hydroelectric Availability(%)

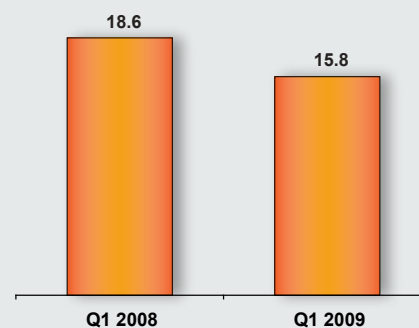


Unregulated Hydroelectric Availability(%)



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-Peak (%)



Peak Equivalent Forced Outage Rate (EFOR-Peak) represents the amount of time units are forced out of service as a percentage of the amount of time available to operate during peak demand periods.