

Second Quarter 2011



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 June 30, 2011, OPG had an in-service capacity of 19,791 MW, assets of \$30.5 billion, long-term debt of \$4.7 billion and equity of \$8.3 billion.

OPERATIONAL & FINANCIAL HIGHLIGHTS

- Electricity generation was 20.7 TWh in Q2 2011, compared to 19.7 TWh in Q2 2010. The increase was primarily a result of greater nuclear generation due to a decrease in planned outage days, and higher water flows increasing Unregulated Hydroelectric production. These increases were partially offset by lower thermal generation due to higher hydroelectric and nuclear generation and lower demand in Ontario. For the six months ended June 30, total production was 42.9 TWh in 2011 compared to 44.2 TWh in 2010. This decrease was largely due to the displacement of thermal generation due to higher production from OPG's nuclear and hydroelectric stations, and other Ontario generators.
- Net income was \$114 M in Q2 2011 compared to a net loss of \$29 M in Q2 2010. For the six months ended June 30, 2011, net income was \$265 M compared to \$114 M for the same period in 2010. These increases were primarily due to higher earnings from the Nuclear Funds and lower OM&A, partially offset by an increase in income tax expense.

STRATEGIC PRIORITIES

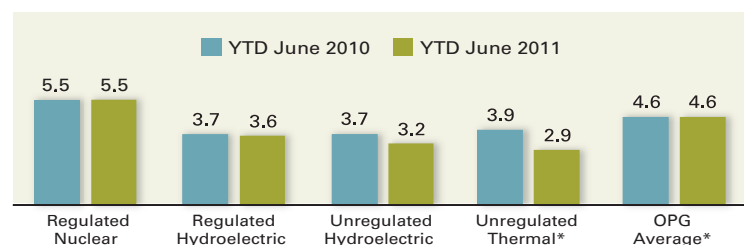
OPG's mandate is to cost-effectively produce electricity from its diversified generation assets, while operating in a safe, open and environmentally responsible manner. To accomplish its mandate, OPG is focused on the following three corporate strategies:

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

FINANCIAL RESULTS

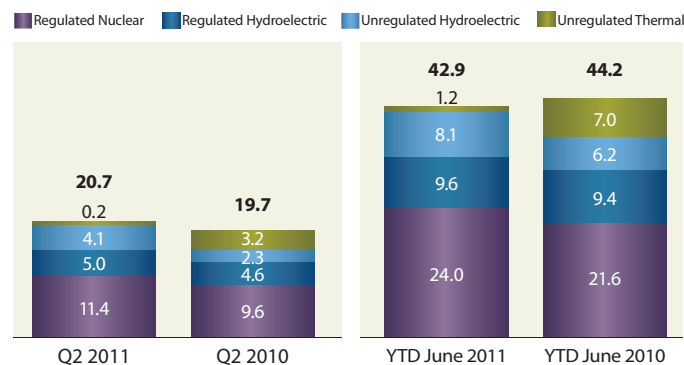
(\$ millions)	Three months ended		Six months ended	
	Jun 30/10	Jun 30/11	Jun 30/10	Jun 30/11
Revenue	1,210	1,226	2,653	2,534
Fuel Expense	210	183	457	349
Gross Margin	1,000	1,043	2,196	2,185
OM&A	781	686	1,508	1,398
Other Expenses	322	219	555	420
Operating Income (Loss)	(103)	138	133	367
Net Interest Expenses & Taxes	(74)	24	19	102
Net Income (Loss)	(29)	114	114	265
Capital Expenditures	227	262	404	545
(\$ millions unless otherwise noted)			Dec 31/10	Jun 30/11
Total Assets			29,577	30,452
Total Long-term Debt			4,228	4,733
Shareholder's Equity			8,085	8,339
Total Long-term Debt/Total Capitalization (%)			34.3	36.2

AVERAGE SALES PRICES (¢/kWh)



* Excludes revenues primarily from cost recovery agreements for the Nanticoke, Lambton and Lennox stations

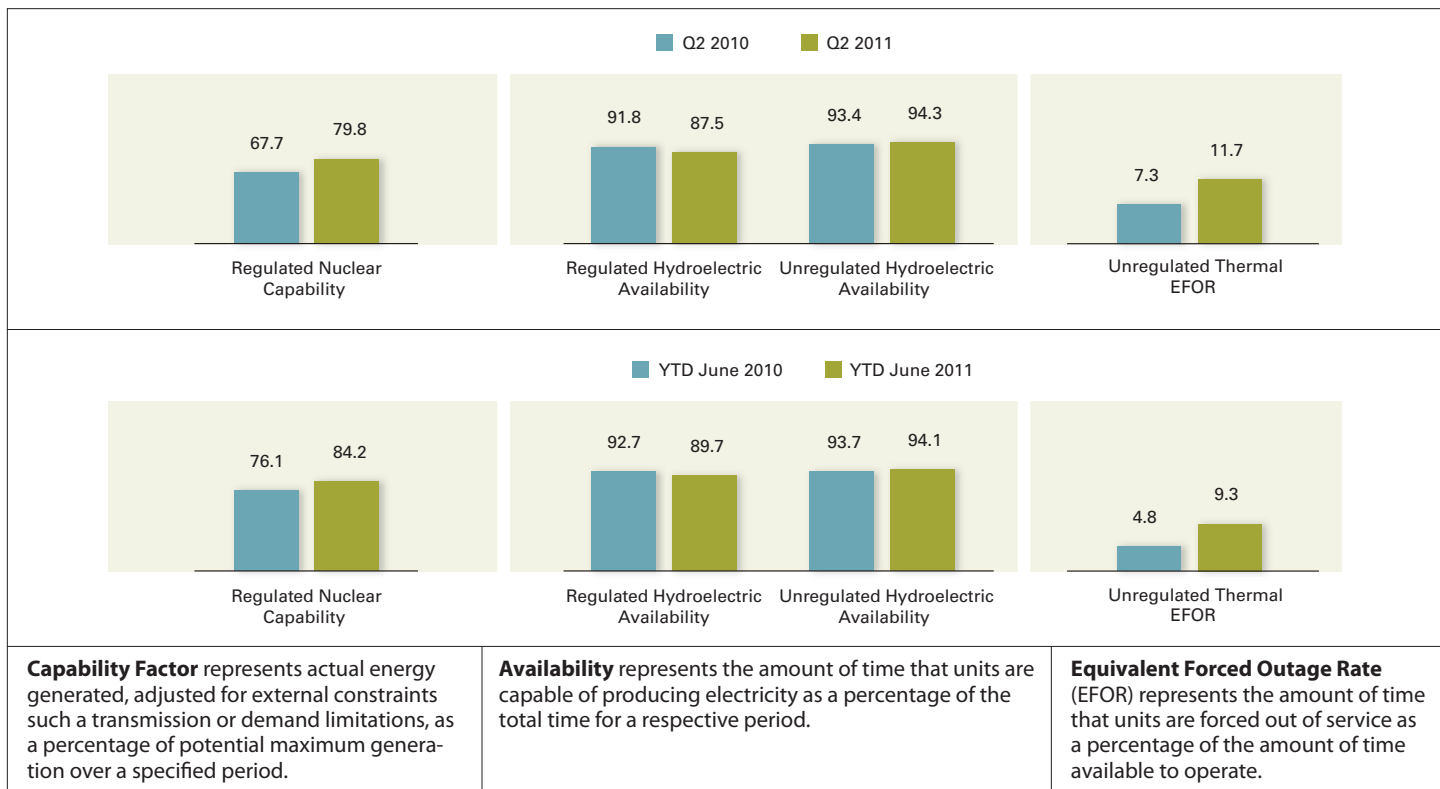
ELECTRICITY SOLD (TWh)



Second Quarter 2011



GENERATION PERFORMANCE (%)



GENERATION DATA

	As at June 30, 2011 Capacity (MW)	2010 Energy (TWh)
Nuclear		
Darlington	3,512	26.5
Pickering B	2,064	13.7
Pickering A	1,030	5.5
	6,606	45.8
Hydroelectric by Plant Group		
Niagara	2,267	12.4
Ottawa /St. Lawrence	2,571	11.1
Northeast	1,345	2.9
Northwest	687	3.6
Central Hydro	126	0.6
	6,996	30.6
Thermal		
Nanticoke	2,620	8.2
Lennox	2,100	0.1
Lambton	950	3.3
Thunder Bay	306	0.2
Atikokan	211	0.4
	6,187	12.2
Wind	2	--
Total	19,791	88.6

MAJOR PROJECTS

Project	Total Capacity (MW)	Budget	In Service Date
Niagara Tunnel ▪ Increase annual energy by 1.6 TWh/yr	N/A	\$1.6 billion	Dec 2013
Lower Mattagami ▪ Increase capacity of 4 stations	Increase from 486 MW to 924 MW	\$2.6 billion	June 2015

DEBT RATINGS

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