

# ONTARIO POWER GENERATION

First Quarter 2002 Fact Sheet



## OUR COMPANY

Ontario Power Generation is an Ontario based company whose principal business is the generation and sale of electricity to customers in Ontario and to interconnected markets. OPG's goal is to be a premier North American energy company, while operating in a safe, open and environmentally responsible manner. Our focus is on producing reliable electricity from our competitive generation assets, power trading, and commercial energy sales activities. OPG currently has 24, 229 MW of capacity.

## STRATEGIC PRIORITIES

- Workplace safety and employee wellness
- Nuclear recovery and return to service of Pickering A units
- Timely decontrol of generation assets for a competitive marketplace
- Competitive market performance
- Partnerships with key stakeholders
- Environmental leadership through sustainable development
- Financial performance through asset optimization and operational excellence
- Growth through strategic partnerships, geographic diversification, and energy marketing and trading

## FIRST QUARTER 2002 IN REVIEW

### Nuclear performance improves

OPG's nuclear generating stations improved their performance during the first quarter, achieving a nuclear capability factor of 90.4 percent. Of note, Darlington marked a significant improvement, recording a capability factor of 96.5 percent, more than 5 percent above the industry benchmark.

### Organizational restructuring underway

In February, OPG commenced its restructuring program, that is designed to reduce its workforce by approximately 2,000 employees over a two year period. As of March, approximately 1,200 employees have opted to take voluntary separation.

### Mississagi River stations sold to Brascan Corporation

In March, OPG announced the sale of four hydroelectric generating stations located on the Mississagi River to Brascan Corporation for approximately \$340 million. The stations have a combined generating capacity of 488 MW. The transaction closed on May 17, 2002.

### OPG receives FERC license

OPG obtained its FERC license that allows the Company to market electricity directly to end-use customers in the U.S. effective May 1, 2002.

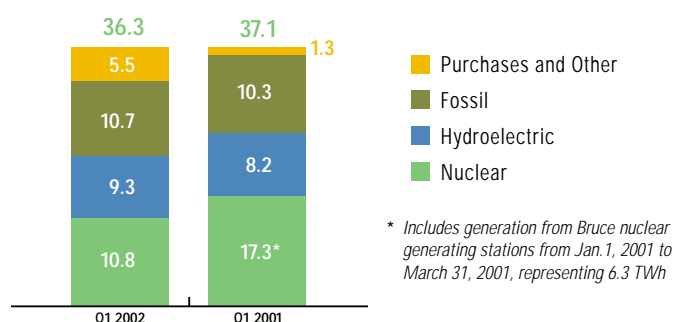
### Ontario market opening May 1, 2002

The Ontario electricity marketplace successfully opened for competition on May 1st. Approximately 270 market participants are registered with the Independent Electricity Market Operator.

## FINANCIAL HIGHLIGHTS

- Q1 2002 revenues of \$1,557 million, up from restated Q1 2001 revenues of \$1,539 million primarily due to an increase in non-energy revenues
- Electricity sales volumes of 36.3 TWh, down slightly from 37.1 TWh in Q1 2001
- Q1 2002 loss of \$217 million, lower than restated first quarter earnings in 2001 of \$102 million, as a result of:
  - Corporate restructuring charges of \$134 million
  - Transition Rate Option contracts for industrial customers due to market opening resulted in loss of \$134 million
  - Expensing a portion of Pickering A return to service expenditures
  - Lower margins due to asset disposition and decontrol

## TOTAL ELECTRICITY SOLD (TWh)



(\$ millions except where noted)	Three Months	Three Months
	Ended March 31, 2002	Ended March 31, 2001
Electricity Sold (TWh)	36.3	37.1
Revenues	1,557	1,539
Operating (loss) Income	(289)	225
Net (loss) Income	(217)	102
Capital Expenditures	156	115

	March 31 2002	December 31 2001
Total Assets	16,793	16,686
Total Long Term Debt	3,115	3,015
Shareholder's Equity	5,119	5,470
Total Debt/		
Total Capitalization (%)	40.1	36.9

## DEBT RATINGS

	Long Term Debt	Commercial Paper
S&P	BBB+	A-2
DBRS	A (low)	R-1 (low)



## INTERCONNECTION LIMITS \*

(MW)	Outflows	Inflows
Manitoba	300	369
Minnesota	150	100
Quebec	567	1,406
New York	2,500	2,050
Michigan	2,400	1,600
<b>Total</b>	<b>5,917</b>	<b>5,525</b>

\* Winter interconnection limits

## OPG GENERATING ASSETS



- 40 Hydroelectric
  - 31 Green Power
  - 6 Fossil
  - 3 Nuclear
- Four Mississagi hydroelectric stations sold to Brascan Corporation in May 2002, representing 488 MW
  - Fossil-fueled stations to be decontrolled

## GENERATION DATA as at March 31, 2001

	MW	Total Energy† (TWh) 2001
<b>Nuclear</b>		
Darlington	3,524	26.1
Pickering B	2,064	13.0
Pickering A***	2,060	0.1
Bruce A & B*	-	8.7
	<b>7,648</b>	<b>39 % 47.7</b>
<b>Hydroelectric</b>		
Ottawa-St. Lawrence River	2,265	11.5
Niagara	2,561	11.3
Northeast	1,279	4.7
Northwest**	659	5.1
Small Hydro	117	0.6
	<b>6,881</b>	<b>28 % 33.2</b>
<b>Fossil</b>		
Nanticoke	3,920	21.1
Lambton	1,975	10.4
Thunder Bay	310	1.7
Atikokan	215	0.8
Lakeview	1,140	3.0
Lennox	2,140	3.2
	<b>9,700</b>	<b>33 % 40.2</b>
<b>Total</b>	<b>24,229</b>	<b>100 % 121.1</b>

† Excludes 0.5 TWh relating to water transfers and rentals of generation facilities

\* Represents energy from Bruce nuclear generating stations from Jan. 1, 2001 to May 11, 2001, representing 6,216 MW

\*\* Includes 0.8 TWh of energy from four Mississagi hydroelectric stations

\*\*\* Currently laid-up. Planned return to service: 2002 - 2004