



Our Company

Ontario Power Generation Inc. is an Ontario-based electricity generation company whose principal business is the generation and sale of electricity in Ontario. OPG operates 64 hydroelectric, 5 fossil and 3 nuclear generating stations. OPG's current in-service capacity is 22,165 MW. On September 30, 2005, OPG had assets of \$21 billion, debt of \$3.9 billion and equity of \$5.2 billion.

Strategic Priorities

OPG's mandate is to cost effectively produce electricity from its nuclear, hydroelectric and fossil generating stations, while operating in a safe, open and environmentally responsible manner. To accomplish this mandate, OPG will:

- operate the Darlington and Pickering nuclear stations in a cost effective manner while undertaking prudent investments to improve their reliability and predictability;
- optimize production from its 64 hydroelectric stations as well as expand, develop, and improve its hydroelectric capacity on its own or in partnership with external parties;
- maintain the productive capability of its four remaining coal fired generating stations while operating them in an environmentally responsible manner until their scheduled closure; and
- operate in accordance with the highest standards of corporate governance, social responsibility and corporate citizenship.

Third Quarter 2005 in Review

- In August 2005, following consideration of the costs and risks associated with returning Units 2 and 3 of the Pickering A nuclear generating station to service, and taking into account OPG's current focus on improving the performance of its operating nuclear units, OPG's Board decided that while technically feasible, the return to service of these units was not justified on a commercial basis. Accordingly, an impairment loss representing the carrying value of these units was recorded in Q2 2005 results.
- On September 26, 2005, Unit 1 at the Pickering A nuclear station was synchronized to the provincial electricity grid, sending electricity from the unit to Ontario consumers. The unit was declared to be commercially available on November 3, 2005. Total costs incurred up to November 3, 2005 were \$996 million, excluding the impact of feeder inspections and replacement costs of \$20 million, which were not included in the original scope of the project.

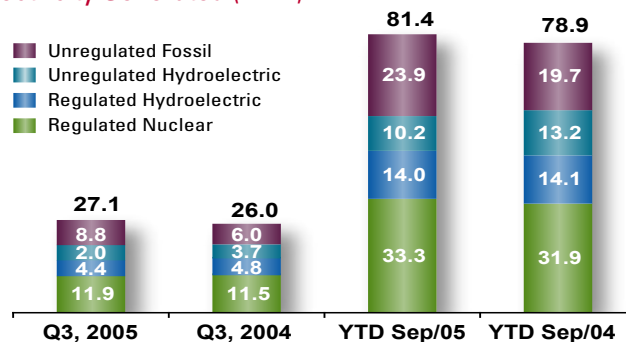
Debt Ratings

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

Financial Highlights

- Electricity generated of 27.1 TWh in Q3 2005 was higher than Q3 2004 generation of 26.0 TWh primarily a result of significantly higher fossil-fuelled generation due to improved station reliability and higher electricity demand. Year-to-date September 2005 production of 81.4 TWh was higher than year-to-date September 2004 production of 78.9 TWh due to higher fossil and nuclear production.
- Third quarter 2005 net income was \$181 million compared to a Q3 2004 net loss of \$15 million reflecting higher realized electricity prices and the deferral of non-capital costs related to the Pickering A nuclear generating station return to service project as required by regulation. Q3 2005 earnings were partly offset by lower hydroelectric production as a result of lower water levels and an increase in costs relating to nuclear maintenance and repairs.
- Year-to-date September 2005 net income was \$206 million compared to year-to-date September 2004 net income of \$8 million. Year-to-date 2005 net income was favourably impacted by OPG's third quarter results and were partially offset by impairment losses on OPG's Lennox generating station of \$202 million and on Units 2 and 3 of the Pickering A nuclear generating station of \$63 million.

Electricity Generated (TWh)

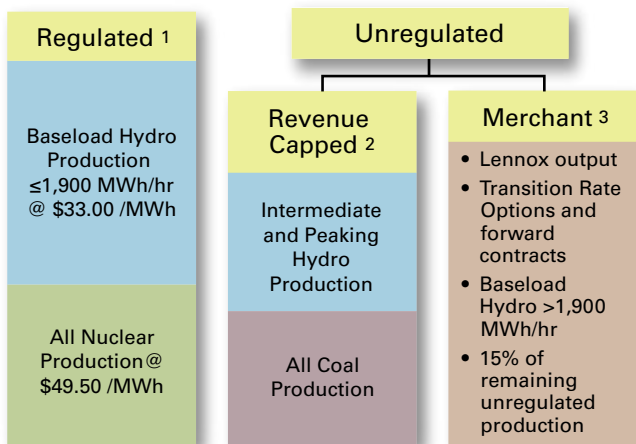


Financial Results

(\$ millions unless otherwise noted)	Three Months Ended		Nine Months Ended	
	Sept 30/05	Sept 30/04	Sept 30/05	Sept 30/04
Electricity generated (TWh)	27.1	26.0	81.4	78.9
Revenue after rebates	1,571	1,212	4,302	3,703
Fuel expense	384	290	983	870
Gross Margin	1,187	922	3,319	2,833
OM&A	627	636	1,830	1,893
Other expenses	236	251	715	760
Operating Income	324	35	774	180
Impairment of long lived assets	0	0	265	0
Net interest expense & taxes	143	50	229	172
Extraordinary item	0	0	74	0
Net (loss) Income	181	(15)	206	8
Capital expenditures	116	161	356	384
			Sept 30/05	Dec 31/04
Total Assets			20,939	19,830
Total Debt			3,896	3,404
Shareholder's Equity			5,227	5,021
Total debt/Total capitalization (%)			42.7	40.4



OPG's Current Regulatory Structure



1 Avg. Price \$45 /MWh from April 1, 2005 to no earlier than April 1, 2008

2 ~85% of production capped @ \$47/MWh to April 30, 2006

3 All production receives market clearing price

Generation Data

	Stations	As at Dec. 31, 2004 Capacity (MW)	2004 Energy (TWh)
Nuclear			
Darlington	1	3,524	26.5
Pickering B	1	2,064	12.5
Pickering A - Unit 4	1	515	3.3
- Unit 1*		515	---
- Units 2 & 3**		1,030	---
	3	7,648	42.3
Fossil			
Nanticoke	1	3,938	14.4
Lennox	1	2,140	0.6
Lambton	1	1,975	7.7
Lakeview ***	1	1,140	2.3
Thunder Bay	1	310	1.0
Atikokan	1	215	1.0
	6	9,718	27.0

Hydroelectric by Plant Group

Ottawa St. Lawrence	10	2,571	13.0
Niagara	5	2,326	11.9
Northeast	10	1,277	5.2
Northwest	10	661	4.9
	35	6,835	35.0

Eco-Logo™ Certified Green Power

Hydroelectric	29	127	0.7
Wind	3	7	---
	32	134	0.7

Total	76	24,335	105.0
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* Unit 1 was returned to service on November 3, 2005.

** Units 2 & 3 will not be returned to service.

*** The Lakeview station was taken out of service on April 30, 2005.

Generating Assets



21,650 MW of In-Service Capacity as of September 30, 2005

- 3 nuclear stations (6,103 MW)
- 5 fossil-fuelled stations (8,578 MW)
- 35 hydroelectric stations (6,835 MW)
- 29 EcoLogo™ Certified green power hydroelectric stations (127 MW)
- 3 wind power stations (7 MW)
(includes OPG's 50 per cent interest in the Huron Wind joint venture)