

November 11, 2025

OPG Reports 2025 Third Quarter Financial Results

OPG secures historic 20-year nuclear operating licence renewal; Darlington Refurbishment nears finish line ahead of schedule; Company establishes landmark funding for major capital projects

Oshawa, ON – Ontario Power Generation Inc. (OPG or Company) today reported its financial and operating results for the third quarter of 2025, with net income attributable to the Shareholder of \$482 million, compared to \$379 million for the same period last year. Net income attributable to the Shareholder was \$1,528 million for the nine months ended September 30, 2025, compared to \$760 million for the same period in 2024.

Darlington Operating Licence Renewal and Darlington Refurbishment Update

In September 2025, the Canadian Nuclear Safety Commission (CNSC) announced its decision to renew OPG's licence to operate the Darlington nuclear generating station (Darlington GS) for a 20-year term – the longest nuclear operating licence ever granted in Canada.

“The station's strong performance, the proficiency of our highly skilled workers, and OPG's continued commitment to safety and operational excellence all played a role in this achievement,” said Nicolle Butcher, OPG President and CEO. “With Darlington's refurbishment nearing completion, we look forward to reliable continued operation of the station, through this licence term and beyond.”

The Darlington Refurbishment Project is progressing toward completion in the first half of 2026, ahead of its originally scheduled completion in late 2026 and expected to be within budget.

“With the finish line in sight, we are poised to complete this project ahead of schedule and within budget,” said Butcher. “This will serve as a blueprint for OPG's future projects, including deploying a fleet of small modular reactors (SMRs) at the Darlington New Nuclear Project (DNNP) site, and refurbishing the Pickering nuclear generating station (Pickering GS), if approved.”

Financing Our Growth

OPG remains committed to supporting the provincial and federal efforts to ensure sustainable economic growth and long-term energy security. As it advances its planned and ongoing large-scale capital projects, OPG has made progress in securing diverse sources of financing, alongside government support through financial policy tools that will benefit ratepayers.

As announced on October 23, 2025, OPG has secured up to \$3 billion in equity financing for the four-SMR DNNP – up to \$1 billion from the Building Ontario Fund and up to \$2 billion through the Canada Growth Fund, subject to the satisfaction of conditions – putting Ontario innovation on the global map and contributing to a long-term clean electricity future that will support economic wellbeing and energy security for Canadians.

The Government of Canada’s recent reintroduction of the Clean Electricity Investment Tax Credit marks a significant milestone for OPG. This 15 per cent refundable tax credit will provide substantial financial support for federally tax-exempt entities like OPG. This incentive is expected to further strengthen OPG’s ability to invest in clean electricity projects, reducing ratepayers’ costs and helping to meet Ontario’s increasing electricity demand.

“We are focused on our ongoing operations in Ontario, and on meeting growing demand for low-carbon energy,” said Butcher. “We continue to execute on a long-term financing path that will assist in meeting capital requirements for our project initiatives right here at home – nuclear and hydroelectric refurbishments, building new generation including the DNNP, and exploring new nuclear potential in Port Hope – so we can continue to power Ontario, and benefit our economy and supply chains.”

Port Hope Nuclear Discovery Centre

In October 2025, OPG opened the Port Hope Nuclear Discovery Centre – a new hub for learning, exploration, and community engagement related to potential new nuclear generation at the Wesleyville site.

The opening of the Centre is the next step in the exploration process, which OPG has been undertaking since the Michi Saagiig of the Williams Treaties First Nations signaled their willingness to enter into discussions on the potential for large-scale new nuclear generation at the Wesleyville site, and the Municipality of Port Hope issued a formal expression of interest.

“Over the past several months, we have been actively engaging with residents, stakeholders, Rightsholders, and the public about the potential for new nuclear generation at the Wesleyville site,” said Butcher. “This space will serve as another venue for community members and Indigenous Nations to access up-to-date information, participate in activities, and share their feedback.”

Chenau Generating Station Anniversary

Over the next two decades, OPG will continue to invest in its existing hydroelectric assets across the province to ensure reliable and efficient operations and increase production of renewable energy. These opportunities include station refurbishments to modernize facility infrastructure, improve existing generating capacity, uncover additional

efficiencies, and, in some cases, redevelop an entire site. Many of OPG's hydroelectric assets have already served Ontarians for decades, including the Chenaux generating station on the Ottawa River, which recently celebrated its 75th anniversary by opening its doors for a well-attended community open house.

"Our hydroelectric stations – like Chenaux – have reliably stood the test of time, generating electricity for Ontarians for decades, with regular maintenance, upkeep and investment," said Butcher. "As we advance investments across our hydro fleet, we can be confident these clean power workhorses will continue to affordably serve Ontarians for decades to come."

Third quarter highlights include:

Net Income attributable to the Shareholder

Net income attributable to the Shareholder for the three and nine month periods ended September 30, 2025 was \$482 million and \$1,528 million, respectively, representing an increase of \$103 million and \$768 million compared to the same periods in 2024. The increases for both periods were primarily attributable to higher earnings from the Regulated – Nuclear Generation business segment, reflecting lower operating, maintenance and administration expenses, mainly due to fewer planned cyclical outage activities and the cessation of commercial operation of Unit 1 and Unit 4 of the Pickering GS in the fourth quarter of 2024 and, for the nine months ended September 30, 2025, higher revenue as a result of higher nuclear electricity generation.

Generating and Operating Performance

Electricity generated was 22.3 terawatt hours (TWh) and 67.7 TWh for the three and nine month periods ended September 30, 2025, respectively, compared to 21.7 TWh and 61.7 TWh for the same periods in 2024.

Regulated – Nuclear Generation Segment

Electricity generation from the Regulated – Nuclear Generation business segment increased by 0.3 TWh and 4.7 TWh for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024. The increases in both periods were primarily due to electricity generation from Unit 1 of the Darlington GS following its return to service from refurbishment in November 2024 and fewer planned outage days at the Darlington GS and the Pickering GS, partially offset by reduced electricity generation resulting from the cessation of commercial operation of Unit 1 and Unit 4 of the Pickering GS in the fourth quarter of 2024.

The Darlington GS unit capability factor increased to 99.5 per cent and 98.9 per cent for the three and nine month periods ended September 30, 2025, respectively, compared to 94.8 per cent and 74.8 per cent for the same periods in 2024.

The Pickering GS unit capability factor increased to 94.9 per cent and 94.5 per cent for the three and nine month periods ended September 30, 2025, respectively, compared to 91.5 per cent and 82.9 per cent for the same periods in 2024.

The increases in the unit capability factors in both periods were due to fewer planned and unplanned outage days at each generating station.

Regulated – Hydroelectric Generation Segment

Electricity generation from the Regulated – Hydroelectric Generation business segment decreased by 0.6 TWh and 0.5 TWh for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024, primarily due to lower water inflow conditions across most of Ontario during the third quarter of 2025.

Availability at the regulated hydroelectric stations increased to 85.7 per cent and 86.5 per cent for the three and nine month periods ended September 30, 2025, respectively, compared to 81.5 per cent and 86.3 per cent for the same periods in 2024. The increase for the three months ended September 30, 2025 was primarily due to fewer planned outages across the regulated hydroelectric fleet. Hydroelectric Availability for the nine months ended September 30, 2025 was comparable to the same period in 2024.

Contracted Hydroelectric and Other Generation Segment

Electricity generation from the Contracted Hydroelectric and Other Generation business segment increased by 0.4 TWh and 0.7 TWh for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024, primarily due to higher water flows across the contracted hydroelectric facilities in northeastern Ontario during the second and third quarters of 2025.

Availability of the hydroelectric stations in the business segment increased to 89.0 per cent and to 85.2 per cent for the three and nine month periods ended September 30, 2025, respectively, compared to 79.0 per cent and 82.4 per cent for the same periods in 2024. The increases for the three and nine month periods ended September 30, 2025, compared to the same periods in 2024, were primarily due to fewer planned outages at the Lower Mattagami hydroelectric generating stations.

Atura Power Segment

Electricity generation from the Atura Power business segment increased by 0.5 TWh and 1.1 TWh for the three and nine month periods ended September 30, 2025, compared to the same periods in 2024, primarily due to higher demand for electricity generation from the combined cycle plants.

Thermal Availability of the generating stations in the segment increased to 88.2 per cent as at September 30, 2025, compared to 87.7 per cent as at September 30, 2024, primarily due to fewer planned and unplanned outages at the Halton Hills and Napanee generating stations.

Generation Development

The Company is undertaking a number of generation development and other projects to maximize the value of and expand its generating fleet in support of Ontario's electricity system.

Darlington Refurbishment Project

On August 20, 2025, the Unit 4 refurbishment at the Darlington GS completed the third major segment, Reassembly, which involved the installation and reassembly of reactor components, including new feeder tubes and fuel channel assemblies.

The Power Up segment, which involves loading new fuel into the reactor, restoring the reactor vault, reconnecting the unit to the rest of the station, and returning the unit to service, commenced following the completion of the Reassembly segment, with the loading of new fuel into the reactor completed in September 2025. The project is currently working to restore the reactor vault, which includes removing the bulkheads to reconnect Unit 4 back to the operating units.

The total project costs, including the impacts of the COVID-19 pandemic and inflation, are tracking within the \$12.8 billion budget.

Darlington New Nuclear Project

Following the CNSC's approval of the licence to construct and the Province of Ontario's approval to proceed, OPG is advancing the execution phase of the first SMR at the DNNP site. OPG expects to complete the construction of the first SMR by the end of the decade and connect it to the electricity grid by the end of 2030. The total budget for the first SMR, including infrastructure that would be common for all four planned SMRs at the site, is \$7.7 billion.

During the third quarter of 2025, the project completed the foundation work for the radiation waste, control and service buildings. OPG also completed the construction of the on-site pre-assembly building, which will support the final assembly of reactor building structural components for the first SMR.

OPG also continues to advance planning and licensing activities for the three additional SMRs, with site grading activities completed in July 2025. Pending provincial and regulatory approvals for the construction of these additional SMRs, the DNNP's total generating capacity is expected to reach approximately 1,200 MW.

Further details on OPG's major projects can be found in Management's Discussion and Analysis as at and for the three and nine month periods ended September 30, 2025, section, *Core Business and Outlook* under the heading, *Project Excellence*.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

<i>(millions of dollars – except where noted)</i>	Three Months Ended		Nine Months Ended	
	September 30 2025	2024	September 30 2025	2024
Revenue	2,066	1,891	6,255	5,349
Fuel expense	369	267	1,025	760
Operations, maintenance and administration expenses	661	775	2,032	2,485
Depreciation and amortization expenses	360	331	1,070	935
Accretion on fixed asset removal and nuclear waste management liabilities	310	303	934	914
Earnings on nuclear fixed asset removal and nuclear waste management funds	(284)	(277)	(848)	(822)
Other net expenses (gains)	10	(11)	10	31
Earnings before interest and income taxes	640	503	2,032	1,046
Net interest expense	40	48	148	144
Income tax expense	114	72	342	128
Net income	486	383	1,542	774
Net income attributable to the Shareholder	482	379	1,528	760
Net income attributable to non-controlling interest ¹	4	4	14	14
Earnings (loss) before interest and income taxes				
Electricity generating business segments	660	499	2,069	1,102
Regulated – Nuclear Sustainability Services	(23)	(24)	(77)	(84)
Other	3	28	40	28
Earnings before interest and income taxes	640	503	2,032	1,046
Cash flow provided by operating activities	1,461	746	3,090	1,782
Capital expenditures ²	1,362	908	4,204	2,627
Electricity generation (TWh)				
Regulated – Nuclear Generation	9.8	9.5	29.4	24.7
Regulated – Hydroelectric Generation	7.2	7.8	24.1	24.6
Contracted Hydroelectric and Other Generation ³	1.2	0.8	4.5	3.8
Atura Power	4.1	3.6	9.7	8.6
Total OPG electricity generation	22.3	21.7	67.7	61.7
Nuclear unit capability factor (per cent) ⁴				
Darlington Nuclear GS	99.5	94.8	98.9	74.8
Pickering Nuclear GS	94.9	91.5	94.5	82.9
Availability (per cent)				
Regulated – Hydroelectric Generation	85.7	81.5	86.5	86.3
Contracted Hydroelectric and Other Generation – hydroelectric stations	89.0	79.0	85.2	82.4
Atura Power ⁵	88.2	87.7	88.2	87.7

¹ Relates to the following: 25 per cent interest of Amisk-oo-Skow Finance Corporation, a corporation wholly owned by the Moose Cree First Nation, in Lower Mattagami Limited Partnership; 33 per cent interest of Coral Rapids Power Corporation, a corporation wholly owned by the Taykwa Tagamou Nation, in PSS Generating Station Limited Partnership; 15 per cent and 5 per cent interests of corporations wholly owned by Six Nations of Grand River Development Corporation and the Mississaugas of the Credit First Nation, respectively, in Nanticoke Solar LP; and non-controlling interests in certain electricity generating facilities in the United States.

² Includes net changes in accruals.

³ Includes OPG's proportionate share of electricity generation from co-owned and minority shareholdings in electricity generating facilities.

⁴ Excludes nuclear unit(s) during the period in which they are undergoing refurbishment. Accordingly, Unit 1 of the Darlington GS was excluded from the reported planned and unplanned outage days during its refurbishment period of February 15, 2022 to November 27, 2024 and Unit 4 of the Darlington GS has been excluded from the measure since commencing refurbishment on July 19, 2023.

⁵ Reflects the thermal availability of combined cycle plants as at the period end date, calculated on a three-year rolling average basis.

About OPG

As Ontario's largest and one of North America's most diverse electricity generators, OPG invests in local economies and employs thousands of people across Ontario. OPG and its family of companies are advancing the development of new low-carbon technologies, refurbishment projects and electrification initiatives to power the growing demands of a clean economy. Learn more about how the company is delivering these initiatives while prioritizing people, partnerships and strong communities at www.opg.com.

Ontario Power Generation Inc.'s unaudited interim consolidated financial statements and Management's Discussion and Analysis as at and for the three and nine month periods ended September 30, 2025, can be accessed on OPG's web site (www.opg.com), the Canadian Securities Administrators' web site (www.sedarplus.com), or can be requested from the Company.

For further information, please contact:

Ontario Power Generation
416-592-4008 or 1-877-592-4008
Follow us [@opg](#)

ONTARIO POWER GENERATION INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
2025 THIRD QUARTER REPORT

TABLE OF CONTENTS

Forward-Looking Statements	3
The Company	4
Highlights	6
Significant Developments	12
Core Business and Outlook	14
Environmental, Social, Governance and Sustainability	19
Discussion of Operating Results by Business Segment	21
Regulated – Nuclear Generation Segment	21
Regulated – Nuclear Sustainability Services Segment	23
Regulated – Hydroelectric Generation Segment	24
Contracted Hydroelectric and Other Generation Segment	25
Atura Power Segment	26
Liquidity and Capital Resources	27
Balance Sheet Highlights	29
Critical Accounting Policies and Estimates	29
Risk Management	30
Related Party Transactions	32
Internal Control over Financial Reporting and Disclosure Controls	34
Quarterly Financial Highlights	35
Key Operating Performance Indicators and Non-GAAP Financial Measures	36

ONTARIO POWER GENERATION INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) should be read in conjunction with the unaudited interim consolidated financial statements and accompanying notes of Ontario Power Generation Inc. and its subsidiaries (OPG or Company) as at and for the three and nine month periods ended September 30, 2025. OPG's unaudited interim consolidated financial statements are prepared in accordance with United States generally accepted accounting principles (US GAAP) and are presented in Canadian dollars, unless otherwise noted.

For a complete description of OPG's corporate strategies, risk management, corporate governance, and the effect of critical accounting policies and estimates on OPG's results of operations and financial condition, this MD&A should also be read in conjunction with OPG's audited consolidated financial statements, Annual Information Form, and MD&A as at and for the year ended December 31, 2024.

As required by *Ontario Regulation 395/11*, as amended, a regulation under the *Financial Administration Act* (Ontario), OPG adopted US GAAP for the presentation of its consolidated financial statements, effective January 1, 2012. Since January 1, 2012, OPG has also received exemptive relief from the Ontario Securities Commission (OSC) that allows OPG to apply US GAAP instead of International Financial Reporting Standards (IFRS). In September 2022, the OSC approved an exemption which allows the Company to continue to apply US GAAP up to January 1, 2027. The term of the exemption is subject to certain conditions, which may result in the expiry of the exemption prior to January 1, 2027. For details, refer to the section, *Critical Accounting Policies and Estimates* under the heading, *Exemptive Relief for Reporting under US GAAP*, in OPG's 2024 annual MD&A. This MD&A is dated November 11, 2025.

Additional information about OPG, including the Company's Annual Information Form, is available on SEDAR+ at www.sedarplus.com and the Company's website at www.opg.com.

FORWARD-LOOKING STATEMENTS

The MD&A contains forward-looking statements that reflect OPG's current views regarding certain future events and circumstances. Any statement contained in this document that is not current or historical is a forward-looking statement. OPG generally uses words such as "anticipate", "believe", "budget", "foresee", "forecast", "estimate", "expect", "schedule", "intend", "plan", "project", "seek", "target", "goal", "strategy", "may", "will", "should", "could" and other similar words and expressions to indicate forward-looking statements. The absence of any such word or expression does not indicate that a statement is not forward-looking.

All forward-looking statements involve inherent assumptions, risks and uncertainties, including those set out in the section, *Risk Management*, and forecasts discussed in the section, *Core Business and Outlook*. All forward-looking statements could be inaccurate to a material degree. In particular, forward-looking statements may contain assumptions such as those relating to OPG's generating station (GS) performance, availability and operating lives, fuel costs, surplus baseload generation (SBG), fixed asset removal and nuclear waste management obligations and costs, availability of facilities for the permanent disposal of used nuclear fuel and other nuclear waste, performance and earnings of segregated nuclear and OPG pension funds, refurbishment of existing facilities, development and construction of new facilities, acquisition transactions and other business expansion opportunities, performance of acquired businesses, divestiture transactions including timing and satisfaction of closing conditions, defined benefit pension and other post-employment benefit (OPEB) obligations and costs, income taxes, proposed new legislation, government policy including tariffs and the trade environment, the ongoing evolution and growth of electricity industries and markets in Ontario, Canada and the United States of America (United States or US), the continued application and renewal of energy supply agreements (ESAs) with the Independent Electricity System Operator (IESO) and other contracts for non-regulated facilities, inflation, interest rates, foreign currency exchange rates, commodity prices, wholesale electricity market prices, environmental and other regulatory requirements, operating licence applications to the Canadian Nuclear Safety Commission (CNSC) and the Federal Energy Regulatory Commission (FERC), health, safety and environmental developments, changes in the Company's workforce, renewal of union collective agreements, business continuity events, the weather, climate change, technological change, geopolitical events, financing requirements and liquidity, funding sources, applications to the Ontario Energy Board (OEB) for regulated prices, the impact of regulatory decisions by the OEB, clean energy investment government programs, forecasts of earnings, cash flow, earnings before interest, income taxes, depreciation and amortization, gross margin, operations, maintenance and administration (OM&A) expenses and project and other expenditures, retention of critical talent, supply chain availability and capacity, and supplier and third party performance. Accordingly, undue reliance should not be placed on any forward-looking statement. The forward-looking statements included in this MD&A are made only as of the date of this MD&A. Except as required by applicable securities laws, OPG does not undertake to publicly update these forward-looking statements to reflect new information, future events or otherwise.

Use of Non-GAAP Financial Measures

The Company uses the following non-GAAP financial performance measures in the MD&A:

- "Earnings before Interest, Income Taxes, Depreciation and Amortization"; and
- "Gross Margin".

For a detailed description of each of the non-GAAP measures used in this MD&A, refer to the section, *Key Operating Performance Indicators and Non-GAAP Financial Measures*. The non-GAAP financial performance measures set out in this MD&A are intended to provide additional information to investors and do not have any standardized meaning under US GAAP, and therefore may not be comparable to other issuers, and should not be considered in isolation or as a substitute for measures of performance prepared under US GAAP.

THE COMPANY

OPG is an Ontario-based electricity generation company whose principal business is the generation and sale of electricity. OPG was established under the *Business Corporations Act* (Ontario) and is wholly owned by the Province of Ontario (Province or Shareholder).

As at September 30, 2025, OPG owned and operated two nuclear generating stations, 66 hydroelectric generating stations, two thermal generating stations, one solar facility and four combined-cycle gas turbine (combined cycle) plants in Ontario, Canada. The combined cycle plants are natural gas-fired facilities owned and operated through the Company's wholly-owned subsidiary operating as Atura Power. Through its US-based wholly-owned subsidiary, OPG Eagle Creek Holdings LLC (Eagle Creek), OPG also wholly or jointly owned and operated 85 hydroelectric generating stations and held minority interests in 14 hydroelectric and two solar facilities in the US as at September 30, 2025. In addition, OPG owned two nuclear generating stations in Ontario, the Bruce A GS and the Bruce B GS, which are leased on a long-term basis to, and operated by, Bruce Power L.P. (Bruce Power).

In October 2025, OPG entered into an agreement to sell Eagle Creek's electricity generation and development business in the US. Further details on the transaction can be found in the section, *Significant Developments* under the heading, *Financial Strength – Agreement to Sell US Electricity Generation Operations*.

Reporting Structure

The composition of OPG's reportable business segments effective as at September 30, 2025 was as follows:

- Regulated – Nuclear Generation;
- Regulated – Nuclear Sustainability Services;
- Regulated – Hydroelectric Generation;
- Contracted Hydroelectric and Other Generation; and
- Atura Power.

Income from the generating stations leased to Bruce Power is included in revenue under the Regulated – Nuclear Generation business segment. The leased stations are not included in the Company's electricity generation and other operating statistics set out in this MD&A.

Trends

OPG's quarterly electricity generation and the financial results of the Regulated – Nuclear Generation business segment are primarily impacted by maintenance outage cycles, unplanned outage activities and timing of refurbishment activities at the nuclear generating stations, which may result in period-over-period variability in OPG's financial results. The maintenance outage cycle at each of OPG's nuclear generating stations determines the number of planned outages in a particular year. Outage cycles are designed to ensure continued safe and reliable long-term operations of the stations and their compliance with the CNSC's regulatory requirements.

The Darlington and Pickering nuclear generating stations have been designed to operate at full power as baseload generating facilities and therefore their electricity production does not vary with changes in grid-supplied electricity demand.

OPG's quarterly electricity generation from the Regulated – Hydroelectric Generation, Contracted Hydroelectric and Other Generation, and Atura Power business segments is affected by changes in grid-supplied electricity demand. Changes in grid-supplied electricity demand are primarily caused by variations in seasonal weather conditions, changes in economic conditions, the impact of small-scale generation embedded in distribution networks, and the impact of conservation efforts. Historically, there has been greater electricity demand in Ontario during the winter and summer months due to heating and air conditioning demands. The financial impact of forgone hydroelectric electricity generation from the Regulated – Hydroelectric Generation business segment due to SBG conditions is mitigated by a regulatory variance account authorized by the OEB.

OPG's quarterly electricity generation from hydroelectric facilities is impacted by weather conditions that affect water flows. Historically, there have been higher water flows in the second quarter as a result of snow and ice melt entering the river systems. The financial impact of variability in water flows on the Regulated – Hydroelectric Generation business segment is mitigated by a regulatory variance account authorized by the OEB.

The financial impact of variability in electricity generation from the Contracted Hydroelectric and Other Generation business segment and the Atura Power business segment is mitigated by the terms of the applicable ESAs with the IESO for the contracted generating facilities in Ontario.

In-Service Generating Capacity

OPG's in-service generating capacity by business segment as at September 30, 2025 and December 31, 2024 was as follows:

<i>(MW)</i>	As At	
	September 30 2025	December 31 2024
Regulated – Nuclear Generation ¹	4,698	4,698
Regulated – Hydroelectric Generation ²	6,566	6,566
Contracted Hydroelectric and Other Generation ^{2,3}	4,080	4,080
Atura Power	2,750	2,715
Total ⁴	18,094	18,059

¹ The in-service generating capacity as at September 30, 2025 and December 31, 2024 excludes Unit 4 of the Darlington GS. Unit 4 was taken offline for refurbishment in July 2023 and has a generating capacity of 878 MW. As at September 30, 2025 and December 31, 2024, the Darlington GS had three units in service and the Pickering GS had four units in service.

² In-service generating capacity is initially based on estimates at the time of asset in-service. The final capacity may differ once required engineering assessments have been completed and verified.

³ Includes OPG's proportionate share of in-service generating capacity from co-owned and minority shareholdings in electricity generating facilities.

⁴ In-service generating capacity represents the portion of installed capacity (the highest level of MW output which a generating unit can maintain indefinitely under reference conditions, without damage to the unit) that has not been removed from service. The Bruce Power leased stations are excluded from electricity generation and operating statistics set out in this MD&A.

The total in-service generating capacity as at September 30, 2025 increased by 35 megawatts (MW) compared to December 31, 2024. The increase was due to the completion of the contractual generating capacity upgrades at the Halton Hills GS in the first quarter of 2025, as previously awarded by the IESO.

HIGHLIGHTS

Overview of Results

This section provides an overview of OPG's unaudited interim consolidated operating results for the three and nine month periods ended September 30, 2025, compared to the same periods in 2024. A discussion of OPG's performance by business segment can be found in the section, *Discussion of Operating Results by Business Segment*.

<i>(millions of dollars – except where noted)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Revenue	2,066	1,891	6,255	5,349
Fuel expense	369	267	1,025	760
Operations, maintenance and administration expenses	661	775	2,032	2,485
Depreciation and amortization expenses	360	331	1,070	935
Accretion on fixed asset removal and nuclear waste management liabilities	310	303	934	914
Earnings on nuclear fixed asset removal and nuclear waste management funds	(284)	(277)	(848)	(822)
Other net expenses (gains)	10	(11)	10	31
Earnings before interest and income taxes	640	503	2,032	1,046
Net interest expense	40	48	148	144
Income tax expense	114	72	342	128
Net income	486	383	1,542	774
Net income attributable to the Shareholder	482	379	1,528	760
Net income attributable to non-controlling interest ¹	4	4	14	14
Electricity generation (TWh) ²	22.3	21.7	67.7	61.7
Cash flow provided by operating activities	1,461	746	3,090	1,782
Capital expenditures ³	1,362	908	4,204	2,627
Earnings (loss) before interest and income taxes by segment				
Regulated – Nuclear Generation	392	241	1,147	245
Regulated – Hydroelectric Generation	113	120	439	446
Contracted Hydroelectric and Other Generation ⁴	79	54	267	197
Atura Power	76	84	216	214
Total electricity generating business segments	660	499	2,069	1,102
Regulated – Nuclear Sustainability Services	(23)	(24)	(77)	(84)
Other	3	28	40	28
Earnings before interest and income taxes	640	503	2,032	1,046

¹ Relates to the following: 25 percent interest of Amisk-oo-Skow Finance Corporation, a corporation wholly owned by the Moose Cree First Nation, in Lower Mattagami Limited Partnership; 33 percent interest of Coral Rapids Power Corporation, a corporation wholly owned by the Taykwa Tagamou Nation, in PSS Generating Station Limited Partnership; 15 percent interest and 5 percent interest of corporations wholly owned by Six Nations of Grand River Development Corporation and the Mississaugas of the Credit First Nation, respectively, in Nanticoke Solar LP; and non-controlling interests in certain electricity generating facilities in the US.

² Includes OPG's proportionate share of electricity generation from co-owned and minority-held facilities.

³ Includes net changes in accruals.

⁴ Includes contracted revenue from hydroelectric generating stations in Ontario operating under ESAs, with expiration dates ranging from 2059 to 2067.

Third Quarter

Net income attributable to the Shareholder was \$482 million for the third quarter of 2025, representing an increase of \$103 million compared to the same period in 2024.

Earnings before interest and income taxes (EBIT) were \$640 million for the third quarter of 2025, representing an increase of \$137 million compared to the same period in 2024.

Significant factor that increased EBIT:

- Lower OM&A expenses of \$130 million from the Regulated – Nuclear Generation business segment, primarily due to higher amounts of OM&A expenses recorded as recoverable from customers through OEB-authorized regulatory deferral and variance accounts (regulatory accounts) in the third quarter of 2025, lower expenditures related to the cyclical maintenance activities as a result of fewer planned outage days at both the Darlington nuclear generating station (Darlington GS) and the Pickering nuclear generating station (Pickering GS), and the cessation of commercial operation of Unit 1 and Unit 4 of the Pickering GS in the fourth quarter of 2024.

Significant factor that decreased EBIT:

- A gain of \$25 million recorded in the third quarter of 2024 within the Other category related to changes in the market value of non-core equity holdings in a publicly traded company.

Net interest expense decreased by \$8 million in the third quarter of 2025, compared to the same period in 2024, primarily due to a higher amount of interest costs capitalized related to increased project expenditures, including the Pickering Refurbishment project and the development of a battery energy storage system at the Napanee GS site (Napanee BESS).

Income tax expense increased by \$42 million in the third quarter of 2025, compared to the same period in 2024. The increase was primarily due to the impact of higher earnings before income taxes.

Year-To-Date

Net income attributable to the Shareholder was \$1,528 million for the first nine months of 2025, representing an increase of \$768 million compared to the same period in 2024.

Earnings before interest and income taxes were \$2,032 million for the first nine months of 2025, an increase of \$986 million compared to the same period in 2024.

Significant factors that increased EBIT:

- Lower OM&A expenses of \$479 million from the Regulated – Nuclear Generation business segment, largely due to lower expenditures related to the cyclical maintenance activities as a result of fewer planned outage days at both the Darlington GS and Pickering GS, and the cessation of commercial operation of Unit 1 and Unit 4 of the Pickering GS in the fourth quarter of 2024; and
- Increase in revenue of \$457 million from the Regulated – Nuclear Generation business segment due to higher electricity generation of 4.7 terawatt hours (TWh). The higher electricity generation was primarily driven by the return to service of Unit 1 of the Darlington GS following refurbishment in November 2024 and fewer planned outage days at both the Darlington GS and the Pickering GS, partially offset by the cessation of commercial operation of Unit 1 and Unit 4 of the Pickering GS in the fourth quarter of 2024.

Net interest expense for the nine months ended September 30, 2025 was comparable to the same period in 2024. An increase in the interest expense on the Company's long-term debt due to bond issuances during 2024 and the first quarter of 2025 was largely offset by a higher amount of interest costs capitalized related to increased project expenditures, including the Pickering Refurbishment project and the Darlington New Nuclear Project (DNNP), and a higher amount of interest recorded as recoverable from customers through regulatory accounts.

Income tax expense increased by \$214 million for the nine months ended September 30, 2025, compared to the same period in 2024. The increase was primarily due to the impact of higher earnings before income taxes.

Electricity Generation

Electricity generation for the three and nine month periods ended September 30, 2025 and 2024 was as follows:

(TWh)	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Regulated – Nuclear Generation	9.8	9.5	29.4	24.7
Regulated – Hydroelectric Generation	7.2	7.8	24.1	24.6
Contracted Hydroelectric and Other Generation ¹	1.2	0.8	4.5	3.8
Atura Power	4.1	3.6	9.7	8.6
Total OPG electricity generation	22.3	21.7	67.7	61.7

¹ Includes OPG's proportionate share of electricity generation from co-owned and minority shareholdings in electricity generating facilities.

Total OPG electricity generation increased by 0.6 TWh and 6.0 TWh for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024.

Electricity generation from the Regulated – Nuclear Generation business segment increased by 0.3 TWh and 4.7 TWh for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024. The increases in both periods were primarily due to electricity generation from Unit 1 of the Darlington GS following its return to service from refurbishment in November 2024 and fewer planned outage days at both the Darlington GS and the Pickering GS. The increases were partially offset by reduced electricity generation resulting from the cessation of commercial operation of Unit 1 and Unit 4 of the Pickering GS in the fourth quarter of 2024.

Electricity generation from the Regulated – Hydroelectric Generation business segment decreased by 0.6 TWh and 0.5 TWh for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024, primarily due to lower water inflow conditions across most of Ontario during the third quarter of 2025.

Electricity generation from the Contracted Hydroelectric and Other Generation business segment increased by 0.4 TWh and 0.7 TWh for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024, primarily due to higher water flows across the contracted hydroelectric facilities in northeastern Ontario during the second and third quarters of 2025.

Electricity generation from the Atura Power business segment increased by 0.5 TWh and 1.1 TWh for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024, primarily due to higher demand for electricity generation from the combined cycle plants.

Ontario's electricity demand as reported by the IESO for the three and nine month periods ended September 30, 2025, excluding electricity exports out of the province, was 37.9 TWh and 108.9 TWh, respectively, compared to 36.9 TWh and 105.4 TWh for the same periods in 2024.

Power that is surplus to the Ontario market is managed by the IESO, mainly through generation reductions at hydroelectric and certain nuclear generating stations, and other grid-connected renewable resources. Baseload generation surplus in Ontario was higher in the three and nine month periods ended September 30, 2025, compared to the same periods in 2024. Production forgone at OPG's regulated hydroelectric stations due to SBG conditions was 0.1 TWh and 0.7 TWh for the three and nine month periods ended September 30, 2025, respectively, compared to nil and 0.3 TWh for the same periods in 2024. The gross margin impact of production forgone at OPG's regulated hydroelectric stations due to SBG conditions was offset by the impact of a regulatory variance account authorized by the OEB. OPG did not forgo any electricity production at its nuclear generating stations due to SBG conditions.

Cash Flow from Operations

Cash flow provided by operating activities was \$1,461 million and \$3,090 million for the three and nine month periods ended September 30, 2025, respectively, compared to \$746 million and \$1,782 million for the same periods in 2024.

The increase for the three months ended September 30, 2025 was primarily driven by higher reimbursement of eligible expenditures on nuclear fixed asset removal and nuclear waste management from the nuclear fixed asset removal and nuclear waste management segregated funds (Nuclear Segregated Funds) and higher revenue receipts from the Regulated – Nuclear Generation business segment. The increase for the nine months ended September 30, 2025 was primarily due to higher revenue receipts from the Regulated – Nuclear Generation business segment and lower income tax installment payments.

Capital Expenditures

Capital expenditures for the three and nine month periods ended September 30, 2025 and 2024 were as follows:

<i>(millions of dollars)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Regulated – Nuclear Generation – Darlington Refurbishment	149	255	556	748
Regulated – Nuclear Generation – Pickering Refurbishment	361	91	1,053	215
Regulated – Nuclear Generation – DNNP	288	141	703	381
Regulated – Nuclear Generation – Excluding Darlington Refurbishment, Pickering Refurbishment and DNNP	154	145	398	492
Regulated – Hydroelectric Generation	212	123	503	282
Contracted Hydroelectric and Other Generation	40	64	109	162
Atura Power	85	53	642	253
Other	73	36	240	94
Total capital expenditures ¹	1,362	908	4,204	2,627

¹ Includes net changes in accruals.

Total capital expenditures increased by \$454 million and \$1,577 million for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024.

Capital expenditures for the Darlington Refurbishment project decreased by \$106 million and \$192 million for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024. The decreases were primarily due to the return to service of Unit 1 of the Darlington GS from refurbishment in November 2024. The decrease for the nine months ended September 30, 2025 was partially offset by higher expenditures on refurbishment activities at Unit 4 of the Darlington GS.

Capital expenditures for the Pickering Refurbishment project increased by \$270 million and \$838 million for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024. The increases in both periods were due to higher expenditures on pre-execution refurbishment activities for Units 5 to 8 of the Pickering GS reflecting the project's transition to the definition phase in January 2025.

Capital expenditures for the DNNP increased by \$147 million and \$322 million for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024. The increases in both periods were driven by commencement of construction activities for the first small modular reactor (SMR), Unit 1, and infrastructure that would be common for all four planned SMRs at the DNNP site in the second quarter of 2025, as well as higher expenditures for site preparation and other ongoing development activities for the additional three planned SMRs.

Excluding the Darlington Refurbishment project, the Pickering Refurbishment project and the DNNP, capital expenditures for the Regulated – Nuclear Generation business segment decreased by \$94 million for the nine months ended September 30, 2025, compared to the same period in 2024. The decrease was primarily due to the completion of the water treatment facility at the Darlington GS in the second quarter of 2024, and the completion of the replacement of primary moisture separators, a component of steam generators, in Unit 1 and Unit 4 of the Darlington GS. Capital expenditures for the three months ended September 30, 2025 were comparable to the same period in 2024.

Capital expenditures for the Regulated – Hydroelectric Generation business segment increased by \$89 million and \$221 million for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024. The increases in both periods were primarily due to higher expenditures on the redevelopments of the Kakabeka Falls and several other hydroelectric generating stations as well as the ongoing refurbishment program across the hydroelectric fleet.

Capital expenditures for the Contracted Hydroelectric and Other Generation business segment decreased by \$24 million and \$53 million for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024. The decreases in both periods were primarily due to lower expenditures on the Smoky Falls Dam Safety project, and lower expenditures on the Little Long Dam Safety project driven by project closing activities undertaken in the third quarter of 2024.

Capital expenditures for the Atura Power business segment increased by \$32 million and \$389 million for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024. The increases in both periods were primarily due to higher expenditures on the development of the Napanee BESS under a long-term agreement with the IESO executed in 2023, higher expenditures for the expansion of the combined cycle plant at the Napanee GS under a long-term agreement with the IESO executed in 2024, and higher expenditures for the advancement of the Niagara Hydrogen Centre, a low-carbon hydrogen development project. The increases in both periods were partially offset by lower expenditures at existing combined cycle plant facilities.

Capital expenditures within the Other category increased by \$37 million and \$146 million for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024. The increases in both periods were primarily due to higher expenditures related to the retrofitting and renovation of OPG's new corporate headquarters building in Oshawa, Ontario prior to occupancy in August 2025 and higher expenditures on information technology improvements.

Further details on the Company's major projects can be found in sections, *Core Business and Outlook* under the heading, *Project Excellence*, and *Significant Developments* under the heading, *Project Excellence*.

SIGNIFICANT DEVELOPMENTS

Project Excellence

Darlington Refurbishment

On August 20, 2025, the Unit 4 refurbishment at the Darlington GS completed the third major segment, Reassembly, which involved the installation and reassembly of reactor components, including new feeder tubes and fuel channel assemblies.

The Power Up segment, which involves loading new fuel into the reactor, restoring the reactor vault, reconnecting the unit to the rest of the station, and returning the unit to service, commenced following the completion of the Reassembly segment, with the loading of new fuel into the reactor completed in September 2025. The project is currently working to restore the reactor vault, which includes removing the bulkheads to reconnect Unit 4 back to the operating units. Vault restoration is on track for completion in December 2025. Achievement of this milestone will represent the completion of construction work, full reconnection of Unit 4 to the station, and transition of the unit to start-up activities.

Unit 4 is expected to be safely returned to service in the first half of 2026, ahead of its original schedule, reflecting the benefits and efficiencies from the experience of the completed refurbishments of Unit 2, Unit 3 and Unit 1.

The total project costs, including the impacts of the COVID-19 pandemic, are tracking within the \$12.8 billion budget.

Operational Excellence

Darlington Nuclear Operating Licence Renewal

On September 25, 2025, following public hearings held in March 2025 and June 2025, the CNSC announced the renewal of OPG's power reactor operating licence for the Darlington GS for a 20-year period, valid until November 30, 2045, marking the longest operating licence term ever granted to a Canadian nuclear generating station.

Financial Strength

Equity Commitment Agreement for Darlington New Nuclear Project with Building Ontario Fund and Canada Growth Fund

In October 2025, it was announced that OPG has secured up to \$3 billion in equity financing for the four-SMR DNNP, up to \$1 billion from the Building Ontario Fund (BOF) and up to \$2 billion through the Canada Growth Fund (CGF), subject to the satisfaction of certain conditions. OPG will remain the majority owner and operator of the DNNP, with the CGF and BOF acquiring minority equity interests of up to 15 percent and 7.5 percent ownership, respectively. The CGF and BOF's capital will be made available to OPG in two tranches – initial capital funding for Unit 1 and additional capital for the three additional SMRs once the project meets certain milestones.

Federal Clean Electricity Investment Tax Credits

In the federal budget of November 2025, the Government of Canada reiterated its intention to introduce the Clean Electricity Investment Tax Credit (CEITC), which was originally announced as part of the 2023 federal budget. For eligible projects commencing after March 2023, the CEITC provides a 15 percent refundable tax credit on eligible clean electricity investments made after April 16, 2024, by federally tax-exempt entities including OPG. If certain labour conditions are not met, these refundable credits are reduced by 10 percent. These CEITCs will be available for certain clean energy projects up to and including 2034, subject to compliance with certain conditions. Among others, eligible investments in new projects including SMRs and large-scale nuclear reactors, hydroelectric electricity generation, certain stationary electricity storage systems including battery and pumped hydroelectric storage projects, and refurbishment of certain existing facilities could qualify for the CEITC.

Agreement to Sell US Electricity Generation Operations

In October 2025, OPG entered into an agreement to sell Eagle Creek's electricity generation and development business in the US for a consideration of USD \$1.48 billion, inclusive of debt to be assumed by the purchaser and subject to working capital and other adjustments that are to be finalized upon the closing of the transaction. The proceeds from the sale will support funding needs for the Company's Ontario-based projects and initiatives with respect to the development and generation of electricity in the province. The closing of the transaction is expected to occur in the first quarter of 2026, and is subject to customary closing conditions including regulatory approvals. Eagle Creek's operating results are reported under the Contracted Hydroelectric and Other Generation business segment.

Social Licence

Port Hope Nuclear Information Centre

With the Michi Saagiig First Nations of the Williams Treaties' willingness to enter discussions and after a formal expression of interest from the Municipality of Port Hope in January 2025 for the potential for new nuclear energy generation at the Wesleyville site. OPG has been working with local communities and First Nations to determine their support for a potential project. In October 2025, OPG announced the opening of the Port Hope Nuclear Discovery Centre, a new hub that aims to provide learning opportunities, foster community engagement, and serve as a venue for residents, stakeholders, and Indigenous Nations to access information, participate in activities, and share feedback related to a potential project. The opening of the centre is the next step in the exploration process for potential new nuclear energy generation at the Wesleyville site and reflects OPG's commitment to working with local communities and First Nations to determine their support.

CORE BUSINESS AND OUTLOOK

The discussion in this section is qualified in its entirety by the cautionary statements included in the section, *Forward-Looking Statements* at the beginning of the MD&A.

The following sections provide an update to OPG's disclosures in the 2024 annual MD&A related to its four business imperatives – operational excellence, project excellence, financial strength, and social licence. A detailed discussion of these imperatives as part of OPG's corporate strategy is included in the 2024 annual MD&A in the sections, *The Company* and *Core Business and Outlook*.

Operational Excellence

Electricity Generation Production and Reliability

Nuclear Operations

OPG's plan to optimize the end of operations dates for the Pickering GS includes operating Units 5 to 8 until the end of September 2026, prior to their planned refurbishment. The current CNSC power reactor operating licence for the Pickering GS is valid until August 31, 2028. On June 27, 2025, OPG submitted an application to the CNSC to renew the power reactor operating licence for the Pickering GS for a period of 10 years, inclusive of planned refurbishment activities. The two-part public hearing on the application is scheduled to be held by the CNSC in April 2026 and June 2026.

In January 2025, the Province announced its approval of OPG's plan to proceed with the project definition phase as the next step toward refurbishing Units 5 to 8 of the Pickering GS. The OPG Board of Directors' (Board) approved budget for the project definition phase is \$4.1 billion, bringing the total Board-approved budget for the project to date to \$6.2 billion. During the definition phase, OPG has been completing a high-quality cost estimate and schedule for the project, furthering procurement and contracting work, continuing to optimize project scope, and developing the project execution plan. The remaining definition phase is expected to last through 2026. Once refurbished, the Pickering GS would continue to provide over 2,000 MW of baseload generating capacity, equivalent to powering approximately two million homes, to help meet Ontario's demand for electricity. The refurbishment of Units 5 to 8 of the Pickering GS is anticipated to be completed by the mid-2030s.

Collective Agreement

The current two-year collective agreement between the Society of United Professionals (Society) and OPG expires on December 31, 2025. Negotiations for the renewal of the collective agreement began in September 2025 and are ongoing. The Society bargaining unit represents over 30 percent of OPG's workforce.

Project Excellence

Darlington New Nuclear Project

OPG continues to advance the DNNP and expects to complete the construction of Canada's first grid-scale SMR by the end of the decade and connect it to the electricity grid by the end of 2030, using the BWRX-300 reactor plant technology.

During the third quarter of 2025, the project completed the foundation work for the radiation waste, control and service buildings. OPG also completed the construction of the on-site pre-assembly building, which will support the final assembly of reactor building structural components for the first SMR. OPG also continues to advance planning and licensing activities for the three additional SMRs, with site grading activities completed in July 2025. Pending Provincial and regulatory approvals for the construction of these additional SMRs, the DNNP's total generating capacity is expected to reach approximately 1,200 MW.

The DNNP is prescribed for rate regulation by the OEB, with the recovery of DNNP costs to be reviewed by the OEB in a future proceeding for OPG's regulated prices. For details on financing developments in support of funding requirements for the project, refer to the section, *Significant Developments* under the heading, *Financial Strength – Equity Commitment Agreement for Darlington New Nuclear Project with Building Ontario Fund and Canada Growth Fund*.

OPG's major projects in the execution phase as at September 30, 2025 are outlined below:

Project <i>(millions of dollars)</i>	Capital Expenditures		Approved Budget	Expected In-service Date	Current Status
	Year-to-date	Life-to-date			
Darlington Refurbishment Project	556	11,746	12,800 ¹	Unit 4 – 2026	The Unit 4 refurbishment is currently in the Power Up segment. The project is expected to be completed in the first half of 2026, ahead of its original schedule, and within budget.
Darlington New Nuclear Project	703	1,674	7,700 ²	Unit 1 – 2030	The project is advancing the execution phase of the first SMR at the DNNP site. The project is tracking on schedule and on budget.
Redevelopment of Kakabeka Falls Hydroelectric GS	99	138	519	2028	Demolition work has been completed. Major excavation and earthwork construction continues to progress as planned. The project is tracking on schedule and on budget.
Atura Power Development Projects	539	827	1,500 ³	Niagara Hydrogen Centre – 2026 ⁴	Interior equipment installation has been completed, and the building structure is nearing completion for the Niagara Hydrogen Centre. Process piping and electrical installation are in progress. All substation equipment has been installed, and the medium-voltage line installation is underway.
				Napanee BESS – 2026	Site civil work is nearing completion, and substation foundations have been completed for the Napanee BESS project. Battery system connections are underway. The high-voltage transformer has been fully assembled with testing underway.
				Napanee Combined Cycle GS Expansion Project – 2028	All equipment supply contracts have been awarded, and engineering design has been substantially completed for the Napanee Combined Cycle GS Expansion Project. Site construction will commence upon obtaining applicable permits.
					These projects are tracking on schedule and within the total approved budget.

¹ The total project budget of \$12.8 billion is for the refurbishment of all four units at the Darlington GS. The refurbishments of Units 1 to 3 have been completed. Refurbishment of the four generating units is expected to extend the operating life of the station by at least 30 years.

² The approved budget of \$7.7 billion includes \$6.1 million allocated to Unit 1 and \$1.6 billion allocated to systems and services that would be common to all four SMRs planned as part of the project.

³ The total project budget of approximately \$1.5 billion is for the Niagara Hydrogen Centre, the Napanee BESS and the Napanee Combined Cycle GS Expansion projects.

⁴ The expected in-service date of the Niagara Hydrogen Centre was previously updated from 2025 to 2026.

Financial Strength

Increasing Revenue, Reducing Costs and Achieving Appropriate Return

In line with its commercial mandate, OPG is focused on increasing revenue and net income, and achieving an appropriate return on the Shareholder's investment, while seeking to minimize the impact on electricity customers through continuous improvement in the Company's cost structure.

For regulated operations, achievement of the above objectives is largely dependent on outcomes of OPG's applications for regulated prices to the OEB and prudent growth of rate base earning a return. Rate base for OPG represents the average net level of investment in regulated fixed and intangible assets in service and an allowance for working capital.

The following table presents the OEB-authorized regulated prices for electricity generated from OPG's regulated facilities in Ontario for the period from January 1, 2024 to December 31, 2026 in effect as of the date of this MD&A:

(\$/MWh)	2024	2025	2026
Regulated – Nuclear Generation			
Base regulated price ¹	103.48	102.85	111.33
Deferral and variance account rate riders ²	4.28	8.76	12.43
Total regulated price	107.76	111.61	123.76
Regulated – Hydroelectric Generation			
Base regulated price	43.88	43.88	43.88
Deferral and variance account rate riders ²	3.64	3.30	3.30
Total regulated price	47.52	47.18	47.18

¹ Base regulated prices for the nuclear facilities were established using a rate smoothing approach that defers a portion of each year's approved nuclear revenue requirement for future collection in the Rate Smoothing Deferral Account. Base regulated prices for the nuclear facilities do not include amounts deferred in the Rate Smoothing Deferral Account.

² Deferral and variance account riders reflect the OEB's January 2022 payment amounts order that authorized recovery and repayment of balances recorded in regulatory accounts as at December 31, 2019, and, effective July 2024, the OEB's June 2024 decision and order that authorized recovery and repayment of balances recorded in regulatory accounts as at December 31, 2022.

The base regulated prices for OPG's nuclear electricity generation (nuclear base regulated price) in effect for the period from January 1, 2022 to December 31, 2026 were established by the payment amounts order issued by the OEB in January 2022 reflecting the OEB's decisions on OPG's 2022-2026 rate application issued during the second half of 2021. The nuclear base regulated prices for this period were set on the assumption of the continued operation of Units 5 to 8 of the Pickering GS until the end of 2025, contributing to the higher nuclear base regulated price in 2026. Pursuant to the Pickering B Variance Account (formerly Pickering B Extension Variance Account) established under *Ontario Regulation 53/05* and subject to the OEB's review, OPG will return to ratepayers the additional revenues net of costs associated with operating these units between January 1, 2026 and September 30, 2026.

Pursuant to *Ontario Regulation 53/05*, the base regulated price for OPG's hydroelectric electricity generation (hydroelectric base regulated price) for the period from January 1, 2022 to December 31, 2026 has been set equal to the 2021 hydroelectric base regulated price.

In 2024, the OEB initiated a generic cost of capital proceeding to review the methodology for determining the cost of capital parameters and deemed capital structure used for setting utility rates. As part of its decision issued in March 2025, the OEB updated the cost of capital parameters including the prescribed rate of return on deemed equity applicable to all electricity transmitters, electricity distributors, natural gas utilities, and rate-regulated electricity generators. As a result, the interim prescribed return on a deemed equity portion (ROE) of 9.25 percent applicable to 2025 cost-based rate applications was updated to 9.0 percent on a final basis, effective January 1, 2025. On October 31, 2025, the OEB published a prescribed ROE of 9.11 percent applicable to 2026 cost-based rate applications, effective January 1, 2026. The prescribed ROE will continue to be updated annually through the OEB's ROE adjustment formula. These changes do not affect the prescribed ROE levels or other cost of capital parameters reflected in OPG's previously authorized regulated prices for the period through December 31, 2026. While the OEB did not make changes to deemed capital structures in the generic cost of capital proceeding, it stated that it would consider, on its merits, a proposal by OPG to modify its deemed capital structure, should OPG submit one in its next

application for new regulated prices. For information on OEB-approved cost of capital parameters and rate base levels reflected in OPG's authorized regulated prices through December 31, 2026, refer to OPG's 2024 annual MD&A in the section, *Revenue Mechanisms for Regulated and Non-Regulated Generation*.

Effective July 1, 2025, the Province amended *Ontario Regulation 53/05* to clarify the scope of the Pickering B Variance Account such that OPG can record costs incurred on or after January 1, 2024 to preserve the ability to operate Units 5 to 8 of the Pickering GS upon refurbishment for future recovery, subject to review by the OEB. These costs can be recorded in the account until the effective date of the OEB's first order setting nuclear base regulated prices that comes into effect on or after January 1, 2027.

Under the current OEB rate-setting framework, OPG begins recovering costs through regulated prices once projects are placed in-service. In May 2025, the Province proposed potential changes in regulations that would establish a new mechanism for concurrent cost recovery to allow OPG to recover debt interest during the construction periods of the DNNP and the Pickering Refurbishment project (if the project is approved to proceed). The proposed change would also prescribe a new OEB-regulated generator and establish the applicable rate-setting framework to enable OPG to enter into commercial partnerships for the DNNP. The comment period for the proposal ended on June 26, 2025. In conjunction with these proposed regulatory amendments, the Province indicated that it would continue to work with OPG to minimize ratepayer impacts and identify additional sources of cash to ensure sufficient funds are available to finance these projects.

For generation assets that do not form part of the rate regulated operations, OPG generally seeks to secure long-term revenue arrangements that support an appropriate return on the investment. In line with this strategy, all of OPG's non-regulated facilities in Ontario are subject to ESAs with the IESO. These contracts are generally designed to provide for recovery of operating costs and capital investment in the underlying facilities and a return on invested capital, subject to the facilities continuing to meet their contractual obligations.

Ensuring Availability of Cost Effective Funding

OPG actively monitors its funding requirements and forecasts availability of funds to ensure that it can meet the Company's operational needs, project and other commitments, and long-term obligations. In addition to funds generated from operations, OPG currently utilizes the following primary funding sources: commercial paper; letters of credit; credit facilities; public debt offerings; debt sourced from the Ontario Electricity Financial Corporation (OEFC) and Ontario Financing Authority (OFA), agencies of the Province; and private placement and other project financing arrangements.

Credit Ratings

Maintaining an investment grade credit rating supports OPG's ability to access cost effective financing. As at September 30, 2025, the Company's credit ratings were as follows:

Type of Rating	DBRS Limited (DBRS) ¹	S&P Global Ratings (S&P) ²	Moody's Investors Service (Moody's) ³
Issuer rating	A (low)	BBB+	A3
Senior unsecured debt	A (low)	BBB+	A3
Trend/Outlook	Stable	Stable	Stable
Commercial paper program – Canada	R-1 (low)	A-1 (low)	NR ⁴
Commercial paper program – US	NR ⁴	A-2	P-2

¹ In April 2025, DBRS confirmed OPG's A (low) issuer rating, A (low) senior unsecured debt rating and R-1 (low) Canadian commercial paper rating, all with Stable trends.

² In August 2024, S&P confirmed OPG's ratings including BBB+ issuer rating with stable outlook, BBB+ senior unsecured debt rating and A-1 (low) Canada commercial paper rating.

³ In May 2025, Moody's confirmed OPG's A3 issuer rating with stable outlook, A3 senior unsecured debt rating and P-2 US commercial paper rating.

⁴ NR indicates no rating assigned.

Additional discussion of the Company's credit facilities and liquidity can be found in the section, *Liquidity and Capital Resources*.

Social Licence

OPG is committed to maintaining high standards of public health and safety and corporate citizenship, including environmental stewardship, transparency, community engagement and Indigenous relations. The Company also strives to be a leader in climate change action, equity, diversity and inclusion (ED&I) practices, and advancing reconciliation with Indigenous peoples.

Further details on social licence activities and initiatives can be found in the section, *Environmental, Social, Governance and Sustainability*.

Outlook

As at September 30, 2025, OPG's capital expenditures for the year 2025 were forecasted at approximately \$6 billion, approximately \$1 billion higher than previously disclosed in the 2024 annual MD&A. The increase is mainly due to the timing associated with pre-execution phase activities for the planned refurbishment of Units 5 to 8 of the Pickering GS and work advanced across the Atura Power development projects.

OPG's expected net income for 2025 continues to be higher than net income for 2024, taking into consideration the factors discussed in OPG's 2024 annual MD&A in the section, *Core Business and Outlook* under the heading, *Outlook*.

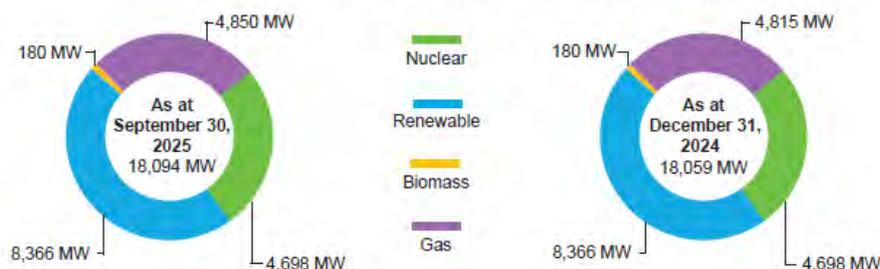
The Company's operating results in 2025 may be impacted by macro-economic factors and geopolitical events, including tariffs and the trade environment, as discussed further in the section, *Risk Management*.

ENVIRONMENTAL, SOCIAL, GOVERNANCE AND SUSTAINABILITY

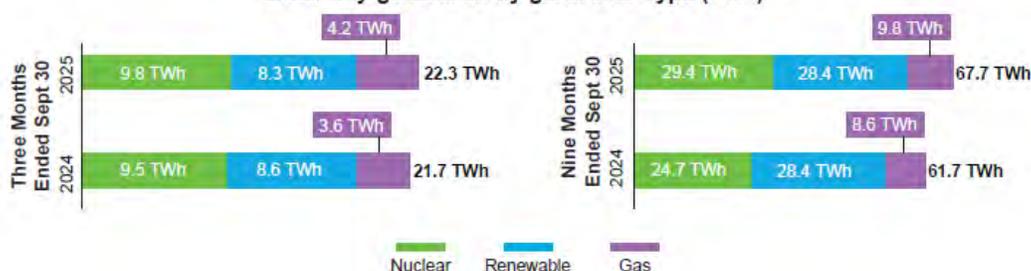
The following sections provide an update to disclosures in the 2024 annual MD&A, related to OPG's social licence activities, sustainability, and environmental, social, governance (ESG) metrics.

Climate-Related Performance and Key Metrics

In-service generating capacity by generation type (MW)¹



Electricity generation by generation type (TWh)^{1,2}



**EBIT from generating stations by facility category (millions of dollars);
 Climate-related transition risk¹**



¹ Includes OPG's proportionate share of in-service generating capacity and electricity generation from co-owned and minority-held facilities. Nuclear generating units undergoing refurbishment are excluded. Gas category includes the dual-fueled Lennox GS and the Company's combined cycle plants operated through Atura Power.

² Electricity generated from the Biomass category for the three and nine month periods ended September 30, 2025 represents 0.03 TWh and 0.09 TWh, respectively (three and nine month periods ended September 30, 2024 – 0.03 TWh and 0.06 TWh, respectively).

Climate Change Metrics

<i>In-service generating capacity by generation type</i> ¹	In-service generating capacity from gas generation sources increased as at September 30, 2025, compared to December 31, 2024, due to the completion of the contractual generating capacity upgrades at the Halton Hills GS in the first quarter of 2025. Low-carbon sources continue to account for the majority of OPG's total in-service generating capacity.
<i>Electricity generation by generation type</i> ¹	Low-carbon sources, which comprise nuclear, renewable and biomass generation, accounted for approximately 81 percent and 85 percent of OPG's total electricity generation during the three and nine month periods ended September 30, 2025, respectively, compared to 83 percent and 86 percent during the same periods in 2024. The decreases in the percentage of generation from low-carbon sources in both periods were primarily due to the increase in electricity generation from the Atura Power business segment. For further details, refer to the section, <i>Highlights</i> under the heading, <i>Electricity Generation</i> .
<i>EBIT from generating stations by facility category; Climate-related transition risk</i>	The portion of EBIT from low-carbon electricity generation increased during the three and nine month periods ended September 30, 2025, compared to the same periods in 2024, primarily due to higher electricity generation and lower OM&A expenses from the Regulated – Nuclear Generation business segment. For further details, refer to the section, <i>Discussion of Operating Results by Business Segment</i> under the heading, <i>Regulated – Nuclear Generation Segment</i> .

¹ Identifies capacity available from OPG's different electricity generation sources and tracks low-carbon energy capacity relative to other sources. Nuclear, Renewable (which includes hydroelectric and solar) and Biomass (which uses wood pellets from sustainably managed forests) generation are considered to be low-carbon emitting generation sources.

DISCUSSION OF OPERATING RESULTS BY BUSINESS SEGMENT

Regulated – Nuclear Generation Segment

<i>(millions of dollars – except where noted)</i>	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2025	2024	2025	2024
<i>Electricity Generation (TWh)</i>	9.8	9.5	29.4	24.7
Revenue	1,141	1,077	3,415	2,857
Fuel expense	92	72	253	216
Gross margin	1,049	1,005	3,162	2,641
Operations, maintenance and administration expenses	450	580	1,398	1,877
Property taxes	6	6	19	19
Other losses	4	2	11	6
Earnings before interest, income taxes, depreciation and amortization	589	417	1,734	739
Depreciation and amortization expenses	197	176	587	494
Earnings before interest and income taxes	392	241	1,147	245

Earnings before interest and income taxes from the segment increased by \$151 million and \$902 million for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024.

The increases in segment earnings in both periods were largely driven by lower OM&A expenses of \$130 million and \$479 million, respectively and, for the nine months ended September 30, 2025, by higher revenue of \$457 million as a result of higher electricity generation of 4.7 TWh. The decrease in OM&A expenses for the three months ended September 30, 2025 was mainly due to higher amounts of expenses recorded as recoverable from customers through regulatory accounts in the third quarter of 2025, lower expenditures related to the cyclical maintenance activities as a result of fewer planned outage days at the Darlington GS and Pickering GS, and the cessation of commercial operation of Unit 1 and Unit 4 of the Pickering GS in the fourth quarter of 2024. The decrease in OM&A expenses for the nine months ended September 30, 2025 was largely due to lower expenditures related to the cyclical maintenance activities as a result of fewer planned outage days at the Darlington GS and Pickering GS, and the cessation of commercial operation of Unit 1 and Unit 4 of the Pickering GS in the fourth quarter of 2024.

The lower depreciation and amortization expenses of \$14 million and \$51 million for the three and nine month periods ended September 30, 2025, compared to the same periods in 2024, excluding amortization expense related to the recovery and repayment of OEB-authorized regulatory account balances, were primarily due to the cessation of commercial operation of Unit 1 and Unit 4 of the Pickering GS in the fourth quarter of 2024. The decreases were partially offset by higher depreciation expense recognized from placing capital in service, including the return to service of Unit 1 of the Darlington GS following refurbishment in November 2024.

The increase in segment earnings for the nine months ended September 30, 2025, compared to the same period in 2024, was partially offset by a higher amount of \$48 million recorded in the second quarter of 2024 as recoverable from customers in the Pickering B Variance Account in connection with forgone electricity generation due to activities associated with the extension of commercial operation of Units 5 to 8 of the Pickering GS to September 2026.

An increase in revenue for the three and nine month periods ended September 30, 2025 reflecting the impact of the new rate riders for disposition of regulatory accounts under the OEB's June 2024 decision and order on OPG's application for such disposition, effective July 1, 2024, was largely offset by a corresponding increase in the amortization expense of regulatory assets and regulatory liabilities recorded for regulatory account balances.

The planned and unplanned outage days at the Darlington and Pickering nuclear generating stations were as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Planned Outage Days				
Darlington GS ¹	-	4.3	2.8	105.2
Pickering GS	13.5	32.2	21.1	226.7
Unplanned Outage Days				
Darlington GS ¹	8.3	12.0	14.3	40.8
Pickering GS	9.9	25.5	45.8	74.3

¹ The planned and unplanned outage days exclude unit(s) during the period in which they are undergoing refurbishment. Accordingly, Unit 1 of the Darlington GS was excluded from the reported planned and unplanned outage days during its refurbishment period of February 15, 2022 to November 27, 2024 and Unit 4 of the Darlington GS has been excluded from the measure since commencing refurbishment on July 19, 2023.

The lower planned outage days at the Darlington GS for the nine months ended September 30, 2025, compared to the same period in 2024, were driven by the impact of the station's cyclical maintenance outage on the station's Unit 2 during the first half of 2024. Planned outage days at the Darlington GS for the three months ended September 30, 2025 were comparable to the same period in 2024.

The lower planned outage days at the Pickering GS for the three and nine month periods ended September 30, 2025, compared to the same periods in 2024, were driven by the impact of the station's cyclical maintenance schedule and other planned maintenance, inspection and repair work executed at the station during 2024.

The lower unplanned outage days at the Darlington GS for the nine months ended September 30, 2025, compared to the same period in 2024, were primarily driven by steam generator repair activities on the station's Unit 3 in the first half of 2024.

The lower unplanned outage days at the Pickering GS for the three months ended September 30, 2025, compared to the same period in 2024, were primarily due to repair work on the generator system on the station's Unit 5 during the third quarter of 2024. The lower unplanned outage days at the Pickering GS for the nine months ended September 30, 2025, compared to same period in 2024, were primarily due to fuelling machine recovery activities executed at the station in the first half of 2024.

The Unit Capability Factors for the Darlington and Pickering nuclear generating stations were as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Unit Capability Factor (%) ^{1,2}				
Darlington GS	99.5	94.8	98.9	74.8
Pickering GS	94.9	91.5	94.5	82.9

¹ Nuclear Unit Capability Factor excludes unit(s) during the period in which they are undergoing refurbishment.

² Nuclear Unit Capability Factor is defined in the section, *Key Operating Performance Indicators and Non-GAAP Financial Measures*.

Regulated – Nuclear Sustainability Services Segment

<i>(millions of dollars – except where noted)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Revenue	46	54	117	134
Operations, maintenance and administration expenses	46	54	117	134
Accretion on nuclear fixed asset removal and nuclear waste management liabilities	307	301	925	906
Earnings on nuclear fixed asset removal and nuclear waste management funds	(284)	(277)	(848)	(822)
Loss before interest and income taxes	(23)	(24)	(77)	(84)

The segment loss before interest and income taxes decreased by \$1 million and \$7 million for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024. The decrease for the nine months ended September 30, 2025, was primarily due to higher earnings on the Nuclear Segregated Funds, largely offset by higher accretion expense on the nuclear fixed asset removal and nuclear waste management liabilities (Nuclear Liabilities). The higher accretion expense on the Nuclear Liabilities was due to the increase in the present value of the underlying obligation to reflect the passage of time.

The higher earnings from the Nuclear Segregated Funds were primarily due to the growth in the present value of the underlying funding liabilities per the approved Ontario Nuclear Funds Agreement (ONFA) reference plan in effect. As both the Decommissioning Segregated Fund and the Used Fuel Segregated Fund were in an overfunded position during the three and nine month periods ended September 30, 2025, and during the same periods in 2024, they were not impacted by market returns or the rate of return guarantee provided by the Province for a portion of the Used Fuel Segregated Fund. When both funds are in an overfunded position, OPG limits the amount of Nuclear Segregated Funds assets reported on the consolidated balance sheet to the present value of the underlying funding liabilities per the approved ONFA reference plan in effect. Further details on the accounting for the Nuclear Segregated Funds can be found in OPG's 2024 annual MD&A in the section, *Critical Accounting Policies and Estimates* under the heading, *Nuclear Fixed Asset Removal and Nuclear Waste Management Funds*.

Regulated – Hydroelectric Generation Segment

<i>(millions of dollars – except where noted)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Electricity generation (TWh)	7.2	7.8	24.1	24.6
Revenue ¹	377	373	1,216	1,160
Fuel expense	86	83	249	241
Gross margin	291	290	967	919
Operations, maintenance and administration expenses	109	102	319	306
Property taxes	1	-	1	1
Other losses	1	1	9	6
Earnings before interest, income taxes, depreciation and amortization	180	187	638	606
Depreciation and amortization expenses	67	67	199	160
Earnings before interest and income taxes	113	120	439	446

¹ During the three and nine month periods ended September 30, 2025, the Regulated – Hydroelectric Generation business segment revenue included incentive payments of \$26 million and \$38 million, respectively, related to the OEB-approved hydroelectric incentive mechanism (three and nine month periods ended September 30, 2024 – incentive payments of \$11 million and \$20 million, respectively). The mechanism provides a pricing incentive to OPG to shift hydroelectric production from lower market price periods to higher market price periods, reducing the overall costs to customers. The incentive payments are reduced to remove incentive revenues arising in connection with SBG conditions.

Earnings before interest and income taxes from the segment decreased by \$7 million for both the three and nine month periods ended September 30, 2025, compared to the same periods in 2024. The decreases for both periods were mainly due to higher OM&A expenses, driven mainly by increased maintenance activities, and lower revenue as a result of lower electricity generation, partially offset by higher revenue resulting from higher hydroelectric incentive mechanism payments. For the nine months ended September 30, 2025, the lower earnings also reflected higher depreciation and amortization expenses, excluding amortization expenses related to the recovery and repayment of OEB-authorized regulatory account balances, mainly from capital placed in service.

An increase in revenue for the nine months ended September 30, 2025 reflecting the impact of the new rate riders for disposition of regulatory accounts under the OEB's June 2024 decision and order on OPG's application for such disposition, effective July 1, 2024, was largely offset by a corresponding increase in the amortization expense of regulatory assets and regulatory liabilities recorded for regulatory account balances.

The Hydroelectric Availability for the generating stations reported in the Regulated – Hydroelectric Generation business segment was as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Hydroelectric Availability (%) ¹	85.7	81.5	86.5	86.3

¹ Hydroelectric Availability is defined in the section, *Key Operating Performance Indicators and Non-GAAP Financial Measures*.

Hydroelectric Availability increased for the three months ended September 30, 2025, compared to the same period in 2024, primarily due to fewer planned outages across the regulated hydroelectric fleet. Hydroelectric Availability for the nine months ended September 30, 2025 was comparable to the same period in 2024.

Contracted Hydroelectric and Other Generation Segment

<i>(millions of dollars – except where noted)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
<i>Electricity generation (TWh)</i>	1.2	0.8	4.5	3.8
Revenue	225	187	700	609
Fuel expense	33	14	88	40
Gross margin	192	173	612	569
Operations, maintenance and administration expenses	69	72	222	223
Accretion on fixed asset removal liabilities	2	2	7	6
Property taxes	4	5	14	14
Other gains	(3)	(1)	(22)	(5)
Earnings before interest, income taxes, depreciation and amortization	120	95	391	331
Depreciation and amortization expenses	41	41	124	134
Earnings before interest and income taxes	79	54	267	197

Earnings before interest and income taxes from the segment increased by \$25 million and \$70 million for the three and nine month periods ended September 30, 2025, respectively, compared to the same periods in 2024.

The increase for the three months ended September 30, 2025 was primarily due to higher earnings from thermal facilities, reflecting higher revenue from the Lennox and Atikokan generating stations, and higher earnings from Ontario-based hydroelectric facilities, driven by higher revenue from the Lower Mattagami generating stations.

The increase for the nine months ended September 30, 2025 was primarily due to higher earnings from the US operations, reflecting higher wholesale electricity market prices and a one-time gain of \$18 million recognized in the second quarter of 2025 related to a service contract termination settlement. The increase for the period was also due to higher earnings from thermal facilities, reflecting higher revenue from the Lennox GS and lower depreciation and amortization expense from the Atikokan GS due to the extension of the station's asset life following the amended and restated 5-year term ESA entered into with the IESO in September 2024.

The Hydroelectric Availability and the Thermal Equivalent Forced Outage Rate (EFOR) within the Contracted Hydroelectric and Other Generation segment were as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Hydroelectric Availability (%) ^{1,2}	89.0	79.0	85.2	82.4
Thermal EFOR (%) ²	5.2	6.6	12.6	2.8

¹ Hydroelectric Availability reflects the Company's hydroelectric generating stations in Ontario and the United States.

² Hydroelectric Availability and Thermal EFOR are defined in the section, *Key Operating Performance Indicators and Non-GAAP Financial Measures*.

The Hydroelectric Availability increase for the three and nine month periods ended September 30, 2025, compared to the same periods in 2024, primarily due to fewer planned outages at the Lower Mattagami hydroelectric generating stations.

Thermal EFOR decreased for the three months ended September 30, 2025, compared to the same period in 2024, due to fewer unplanned outage days at the Atikokan GS. Thermal EFOR increased for the nine months ended September 30, 2025, compared to the same period in 2024, due to higher unplanned outage days at the Lennox GS.

Atura Power Segment

<i>(millions of dollars – except where noted)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
<i>Electricity generation (TWh)</i>	4.1	3.6	9.7	8.6
Revenue	298	235	836	642
Fuel expense	158	98	435	263
Gross margin	140	137	401	379
Operations, maintenance and administration expenses	27	23	80	73
Accretion on fixed asset removal liabilities	1	-	2	1
Property taxes	-	-	1	1
Other losses	1	-	2	-
Earnings before interest, income taxes, depreciation and amortization	111	114	316	304
Depreciation and amortization expenses	35	30	100	90
Earnings before interest and income taxes	76	84	216	214

Earnings before interest and income taxes from the segment decreased by \$8 million for the three months ended September 30, 2025, compared to the same period in 2024. The decrease in earnings was primarily due to higher depreciation and amortization expenses, mainly from capital placed in service, and higher OM&A expenses, mainly driven by increased maintenance activities. Earnings before interest and income taxes from the segment for the nine months ended September 30, 2025 were comparable to the same period in 2024.

The Thermal Availability for the assets within the Atura Power business segment was as follows:

	As At September 30	
	2025	2024
Thermal Availability (%) ¹	88.2	87.7

¹ Thermal Availability is defined in the section, *Key Operating Performance Indicators and Non-GAAP Financial Measures*. The measure reflects the availability of the combined cycle plants as at the period end date, calculated on a three-year rolling average basis.

The Thermal Availability for the combined cycle plants increased as at September 30, 2025, compared to September 30, 2024, primarily due to fewer planned and unplanned outages at the Halton Hills GS and Napanee GS.

LIQUIDITY AND CAPITAL RESOURCES

OPG maintains a range of funding sources to ensure sufficient liquidity and meet financing requirements. These sources are used for multiple purposes including: to invest in plants and technologies, undertake major projects and business acquisitions, fund long-term obligations such as contributions to the pension fund, make payments under the OPEB plans, fund expenditures on Nuclear Liabilities not eligible for reimbursement from the Nuclear Segregated Funds, service and repay long-term debt, and provide general working capital. Highlights of OPG's interim consolidated cash flow position are noted below.

Changes in cash and cash equivalents for the three and nine month periods ended September 30, 2025 and 2024 were as follows:

<i>(millions of dollars)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Cash, cash equivalents and restricted cash, beginning of period	1,823	1,879	1,363	1,481
Cash flow provided by operating activities	1,461	746	3,090	1,782
Cash flow used in investing activities	(1,324)	(883)	(3,929)	(2,676)
Cash flow provided by financing activities	89	203	1,532	1,352
Effect of exchange rate changes on cash, cash equivalents and restricted cash	3	(1)	(4)	5
Net increase in cash, cash equivalents and restricted cash	229	65	689	463
Cash, and cash equivalents and restricted cash, end of period	2,052	1,944	2,052	1,944

For a discussion of cash flow provided by operating activities, refer to the details in the section, *Highlights* under the heading, *Overview of Results*.

Investing Activities

Cash flow used in investing activities for the three and nine month periods ended September 30, 2025 increased by \$441 million and \$1,253 million, respectively, compared to the same periods in 2024. The increase for the three months ended September 30, 2025 was primarily due to the higher capital expenditures within the Regulated – Nuclear Generation and Regulated – Hydroelectric Generation business segments. The increase for the nine months ended September 30, 2025 was primarily due to the higher capital expenditures within the Regulated – Nuclear Generation, Regulated – Hydroelectric Generation and Atura Power business segments.

Financing Activities

Cash flow provided by financing activities for the three months ended September 30, 2025 decreased by \$114 million, compared to the same period in 2024. The decrease was primarily due to the issuance of \$300 million green bonds through the Company's Medium Term Note Program during the third quarter of 2024 and higher repayment of long-term debt in the third quarter of 2025, partially offset by higher net issuances of corporate commercial paper during the third quarter of 2025.

Cash flow provided by financing activities for the nine months ended September 30, 2025 increased by \$180 million, compared to the same period in 2024. The increase was primarily due to higher net issuances of corporate commercial paper, partially offset by lower net issuances of long-term debt during 2025.

Committed credit facilities as at September 30, 2025 were as follows:

<i>(millions of dollars)</i>		Amount
Bank facilities:		
Corporate ^{1,2}		1,000
Corporate ¹	US Dollars	750
Lower Mattagami Energy Limited Partnership ³		460
OPG Eagle Creek Holdings LLC and subsidiaries	US Dollars	20
Ontario Financing Authority facility ²		1,250
Ontario Electricity Financial Corporation facility ²		750

¹ Certain corporate credit facilities contain a sustainability-linked feature that allows reduced pricing if the Company meets certain sustainability targets.

² Represents amounts available under the facility net of debt issuances.

³ Letter of credit of \$65 million was outstanding under this facility as at September 30, 2025.

Short-term debt, letters of credit and guarantees were as follows:

<i>(millions of dollars)</i>	As At	
	September 30 2025	December 31 2024
Lower Mattagami Energy Limited Partnership	170	215
Corporate commercial paper	1,036	-
Total short-term debt	1,206	215
Letters of credit	740	504
Guarantees	-	30

As at September 30, 2025, letters of credit issued included \$314 million for the supplementary pension plans, \$267 million for general corporate purposes, \$65 million for Lower Mattagami Energy Limited Partnership, \$44 million for Atura Power, \$20 million for Eagle Creek and its subsidiaries, \$14 million for UMH Energy Partnership, \$10 million for Laurentis Energy Partners and its subsidiaries, \$5 million for PowerON Energy Solutions LP and \$1 million for PSS Generating Station Limited Partnership.

Long-term debt balances were as follows:

<i>(millions of dollars)</i>	As At	
	September 30 2025	December 31 2024
Medium Term Notes payable	6,550	5,950
Senior notes payable under corporate credit facilities	2,811	2,859
Project financing	2,898	2,916
Other	25	25
Total long-term debt ¹	12,284	11,750

¹ Excludes the impact of fair value premium or discount and unamortized bond issuance fees.

BALANCE SHEET HIGHLIGHTS

Highlights of OPG's interim consolidated financial position are noted below:

<i>(millions of dollars)</i>	As At	
	September 30 2025	December 31 2024
Property, plant and equipment – net The increase was primarily due to capital expenditures, partially offset by depreciation expense. Further details on capital expenditures can be found in the section, <i>Highlights</i> under the heading, <i>Capital Expenditures</i> .	39,409	36,131
Nuclear fixed asset removal and nuclear waste management funds <i>(current and non-current portions)</i> The increase was primarily due to earnings recognized on the Nuclear Segregated Funds, partially offset by reimbursement of eligible expenditures on nuclear fixed asset removal and nuclear waste management activities from the Nuclear Segregated Funds.	22,694	22,412
Short-term debt The increase was primarily due to net issuances of corporate commercial paper.	1,206	215
Long-term debt <i>(current and non-current portions)</i> The increase was due to net issuances under the Company's Medium Term Note Program and corporate credit facilities.	12,236	11,707
Fixed asset removal and nuclear waste management liabilities The increase was primarily a result of accretion expense, partially offset by expenditures on fixed asset removal and nuclear waste management activities.	26,524	26,042

Off-Balance Sheet Arrangements

In the normal course of operations, OPG engages in a variety of transactions that, under US GAAP, are either not recorded in the Company's consolidated financial statements or are recorded in the Company's consolidated financial statements using amounts that differ from the full contract amounts. Principal off-balance sheet activities for OPG include guarantees and long-term contracts.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

OPG's significant accounting policies are outlined in Note 3 to OPG's audited consolidated financial statements as at and for the year ended December 31, 2024. OPG's critical accounting policies are consistent with those noted in OPG's 2024 annual MD&A.

RISK MANAGEMENT

The discussion in this section is qualified in its entirety by the cautionary statements included in the section, *Forward-Looking Statements* at the beginning of the MD&A. The following section provides an update to the discussion of the Company's risks and risk management activities included in OPG's 2024 annual MD&A in the section, *Risk Management*.

Risks to Achieving Operational Excellence

Tariffs and Trade Environment

Given the highly interconnected nature of the Canadian and US economies, trade and other impacts of tariffs between the two countries could disproportionately impact the Canadian economy. These impacts are expected to increase procurement costs of certain materials for OPG's projects and operations, and may result in supply chain disruptions if there are further restrictions placed on international trade. The economic impacts of the trade disputes could also impact demand for electricity in Ontario. A significant slowing down of the Ontario economy could result in a downward revision to the long-term electricity demand projections. A decrease in the forecasted growth rate of long-term electricity demand may have implications for the future electricity supply mix needed to meet system adequacy requirements, which could impact the potential development of new generation.

The Company continues to actively identify procurements and supplier relationships that are now subject to tariffs, and, where possible, is pursuing alternate suppliers to reduce exposure to tariffs. OPG will continue to monitor changing trade and geopolitical landscapes and adapt mitigation strategies as needed.

Risks to Maintaining Financial Strength

Credit

The Company's credit risk exposure is a function of its electricity sales, trading and hedging activities, and treasury activities including investing and commercial transactions with various suppliers of goods and services. OPG's credit risk exposure relating to energy market transactions as at September 30, 2025 was \$619 million, including \$532 million with the IESO. OPG continues to consider overall credit risk exposure relating to electricity sales to be low, as the majority of sales are through the IESO-administered market in Ontario.

Commodity Markets

Changes in the market prices of fuels used to produce electricity can adversely impact OPG's earnings and cash flow provided by operating activities. To manage the risk of unpredictable increases in the price of fuels, the Company has fuel hedging programs, which include using fixed price and indexed contracts. The percentages hedged of OPG's fuel requirements are shown in the following table. These amounts are based on yearly forecasts of electricity generation and supply mix and, as such, are subject to change as these forecasts are updated.

	2025 ¹	2026	2027
Estimated fuel requirements hedged (%) ²	100	79	86

¹ Based on actual fuel requirements hedged for the nine months ended September 30, 2025 and forecast for the remainder of the year.

² Represents the approximate portion of megawatt-hour (MWh) of expected electricity generation (and year-end inventory targets) from each type of OPG-operated facility (nuclear, hydroelectric, thermal and combined cycle) for which the price of fuel is fixed, or for which the Company has entered into contractual arrangements to secure the price of fuel or secure the recovery of fuel costs. In the case of regulated and contracted hydroelectric electricity generation in Ontario, this represents the gross revenue charge and water rental charges. Excess fuel inventories (nuclear, thermal and combined cycle) in a given year are attributed to the next year for the purpose of measuring hedge ratios.

Electricity Markets

OPG's revenue can be impacted by external factors related to electricity markets. In October 2024, the IESO approved market rules and design required to operationalize the Market Renewal Program (MRP), an IESO initiative to redesign the Ontario's electricity markets. The renewed electricity markets were launched on May 1, 2025. OPG has redesigned and updated its internal systems and processes to effectively participate in the new market. The MRP is not expected to have a material impact on OPG's net income. OPG will continue to assess the post-implementation impacts of the renewed market.

RELATED PARTY TRANSACTIONS

Given that the Province owns all of the shares of OPG, related parties include the Province and other entities controlled by the Province.

The related party transactions summarized below include transactions with the Province and the principal successors to the former Ontario Hydro's integrated electricity business, including Hydro One Limited (Hydro One), the IESO and the OEFC. Transactions between OPG and related parties are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. As one of several wholly owned government business enterprises of the Province, OPG also has transactions in the normal course of business with various government ministries and organizations in Ontario that fall under the purview of the Province.

The related party transactions were as follows:

<i>(millions of dollars)</i>	Three Months Ended September 30			
	2025		2024	
	Income	Expense	Income	Expense
Hydro One				
Electricity sales	3	-	4	-
Services	-	2	-	3
Dividends	1	-	1	-
Province of Ontario				
Change in Decommissioning Segregated Fund amount due to Province ¹	-	567	-	457
Change in Used Fuel Segregated Fund amount due to Province ¹	-	737	-	573
Hydroelectric gross revenue charge	-	28	-	28
OEFC				
Hydroelectric gross revenue charge	-	61	-	61
Interest expense on long-term notes	-	22	-	21
Income taxes	-	80	-	112
Property taxes	-	3	-	4
IESO				
Electricity-related revenue	1,959	-	1,785	-
Fair Hydro Trust				
Interest income	9	-	9	-
	1,972	1,500	1,799	1,259

¹ The Nuclear Segregated Funds are reported on the consolidated balance sheets net of amounts recognized as due to the Province in respect of any excess funding and, for the Used Fuel Segregated Fund, the Province's rate of return guarantee. As at September 30, 2025 and December 31, 2024, the Nuclear Segregated Funds were reported net of amounts due to the Province of \$11,991 million and \$10,236 million, respectively.

<i>(millions of dollars)</i>	Nine Months Ended September 30			
	2025		2024	
	Income	Expense	Income	Expense
Hydro One				
Electricity sales	18	-	14	-
Services	-	10	-	7
Dividends	3	-	3	-
Province of Ontario				
Change in Decommissioning Segregated Fund amount due to Province ¹	-	760	-	905
Change in Used Fuel Segregated Fund amount due to Province ¹	-	995	-	1,170
Hydroelectric gross revenue charge	-	91	-	89
OEFC				
Hydroelectric gross revenue charge	-	156	-	160
Interest expense on long-term notes	-	65	-	66
Income taxes	-	421	-	275
Property taxes	-	10	-	10
IESO				
Electricity-related revenue	5,895	-	4,816	-
Fair Hydro Trust				
Interest income	25	-	25	-
	5,941	2,508	4,858	2,682

¹ The Nuclear Segregated Funds are reported on the consolidated balance sheets net of amounts recognized as due to the Province in respect of any excess funding and, for the Used Fuel Segregated Fund, the Province's rate of return guarantee. As at September 30, 2025 and December 31, 2024, the Nuclear Segregated Funds were reported net of amounts due to the Province of \$11,991 million and \$10,236 million, respectively.

Balances between OPG and its related parties are summarized below:

<i>(millions of dollars)</i>	September 30 2025	December 31 2024
Receivables from related parties		
Hydro One	-	3
IESO – Electricity related receivables	532	608
Fair Hydro Trust	12	4
OEFC	6	-
Province of Ontario	4	1
Loan receivable		
Fair Hydro Trust	900	902
Equity securities		
Hydro One shares	154	159
Accounts payable, accrued charges and other payables		
Hydro One	1	3
OEFC	64	85
Province of Ontario	4	10
Long-term debt (including current portion)		
Notes payable to OEFC	2,100	2,100

OPG may hold Province of Ontario bonds and treasury bills in the Nuclear Segregated Funds and the OPG registered pension plan. As at September 30, 2025, the Nuclear Segregated Funds held \$1,762 million of Province of Ontario bonds (December 31, 2024 – \$1,740 million) and \$10 million of Province of Ontario treasury bills (December 31, 2024 – \$8 million). As of September 30, 2025, the OPG registered pension plan held \$315 million of Province of Ontario bonds (December 31, 2024 – \$327 million) and \$10 million of Province of Ontario treasury bills (December 31, 2024 – \$9 million). These Province of Ontario bonds and treasury bills are publicly traded securities and are measured at fair value. OPG jointly oversees the investment management of the Nuclear Segregated Funds with the Province.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS

The Company maintains a comprehensive system of policies, procedures, and processes that represents its framework for Internal Control over Financial Reporting (ICFR) and for its Disclosure Controls and Procedures (DC&P). There were no changes in the Company's internal control system during the current interim period that has or is reasonably likely to have a material impact on the financial statements.

QUARTERLY FINANCIAL HIGHLIGHTS

The following tables set out selected financial information for each of the eight most recently completed quarters. This information is derived from OPG's unaudited interim consolidated financial statements and the audited annual consolidated financial statements, and has been prepared in accordance with US GAAP.

<i>(millions of dollars – except where noted)</i> <i>(unaudited)</i>	September 30 2025	June 30 2025	March 31 2025	December 31 2024
Electricity generation (TWh)	22.3	21.9	23.5	20.4
Revenue	2,066	2,032	2,157	1,838
Net income	486	547	509	232
Less: Net income attributable to non-controlling interest	4	6	4	4
Net income attributable to the Shareholder	482	541	505	228
Earnings per share, attributable to the Shareholder (dollars)	\$1.76	\$1.97	\$1.84	\$0.83

<i>(millions of dollars – except where noted)</i> <i>(unaudited)</i>	September 30 2024	June 30 2024	March 31 2024	December 31 2023
Electricity generation (TWh)	21.7	18.9	21.1	20.8
Revenue	1,891	1,691	1,767	1,894
Net income	383	166	225	454
Less: Net income attribute to the non-controlling interest	4	6	4	4
Net income attributable to the Shareholder	379	160	221	450
Earnings per share, attributable to the Shareholder (dollars)	\$1.38	\$0.58	\$0.80	\$1.64

¹ Earnings per share was calculated using the weighted average number of shares outstanding of 274.6 million for all periods presented. There were no dilutive securities during any of the periods presented.

KEY OPERATING PERFORMANCE INDICATORS AND NON-GAAP FINANCIAL MEASURES

Key Operating Performance Measures

OPG evaluates the performance of its generating stations using a number of key indicators. Key operating performance indicators aligned with corporate business imperatives include measures of production reliability, cost effectiveness, environmental performance and safety performance. Certain of the measures used vary depending on the generating technology.

Nuclear Unit Capability Factor

The Nuclear Unit Capability Factor is a key measure of nuclear station performance. It measures the amount of energy that the unit(s) generated over a period of time, adjusted for externally imposed constraints such as transmission or demand limitations, as a percentage of the amount of energy that would have been produced over the same period had the unit(s) produced maximum generation. Capability factors are primarily affected by planned and unplanned outages. An outage day represents a single unit being offline or derated for an amount of time equivalent to one day. By industry definition, capability factors exclude production losses beyond plant management's control, such as grid-related unavailability. The nuclear Unit Capability Factor also excludes unit(s) during the period in which they are undergoing refurbishment.

Hydroelectric Availability

Hydroelectric Availability represents the percentage of time the generating unit is capable of providing service, whether or not it is actually generating electricity, compared to the total time for the respective period, weighted by unit capacity.

Thermal Equivalent Forced Outage Rate

Equivalent forced outage rate is an index of the reliability of a generating unit at OPG's wholly-owned thermal stations. It is measured by the ratio of time a generating unit is forced out of service by unplanned events, including any forced deratings, compared to the amount of time the generating unit was available to operate.

Thermal Availability

Thermal Availability represents the percentage of time a generating unit at Atura Power's combined cycle plants is capable of providing service, whether or not it is actually generating electricity, compared to the total time for the respective period, averaged by the number of facilities owned and operated through Atura Power. The measure is calculated on a three-year rolling average basis.

Other Key Indicators

In addition to production reliability, cost effectiveness and financial performance indicators, OPG has also identified certain environmental and safety performance measures, which, as applicable, are discussed in the section, *Environmental, Social, Governance and Sustainability*.

Non-GAAP Financial Performance Measures

In addition to net income and other financial information in accordance with US GAAP, certain non-GAAP financial measures are also presented in this MD&A. These non-GAAP measures do not have any standardized meaning prescribed by US GAAP and, therefore, may not be comparable to similar measures presented by other issuers. OPG utilizes these measures to make operating decisions and assess performance. Readers of the MD&A would utilize these measures in assessing the Company's financial performance from ongoing operations. The Company believes that these indicators are important since they provide, as applicable, additional information about OPG's performance, facilitate comparison of results over different periods and present measures consistent with the Company's strategies to provide value to the Shareholder, improve cost performance and ensure availability of cost-effective funding. These non-GAAP financial measures are not presented as an alternative to net income or any other measure in accordance with US GAAP, but as indicators of operating performance.

The definitions of the non-GAAP financial measures are as follows:

(1) Earnings before interest, income taxes, depreciation and amortization is defined as net income before net interest expense, income tax expense and depreciation and amortization expenses.

(2) Gross margin is defined as revenue less fuel expense.

For further information, please contact:

Investor & Media Relations

416-592-4008

1-877-592-4008

media@opg.com

www.opg.com

www.sedarplus.com

ONTARIO POWER GENERATION INC.
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)
SEPTEMBER 30, 2025



INTERIM CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

<i>(millions of dollars – except where noted)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Revenue	2,066	1,891	6,255	5,349
Fuel expense	369	267	1,025	760
Gross margin	1,697	1,624	5,230	4,589
Operations, maintenance and administration expenses	661	775	2,032	2,485
Depreciation and amortization expenses	360	331	1,070	935
Accretion on fixed asset removal and nuclear waste management liabilities	310	303	934	914
Earnings on nuclear fixed asset removal and nuclear waste management funds	(284)	(277)	(848)	(822)
Property taxes	12	12	37	36
	1,059	1,144	3,225	3,548
Income before other gains, interest and income taxes	638	480	2,005	1,041
Other gains	(2)	(23)	(27)	(5)
Income before interest and income taxes	640	503	2,032	1,046
Net interest expense <i>(Note 4)</i>	40	48	148	144
Income before income taxes	600	455	1,884	902
Income tax expense	114	72	342	128
Net income	486	383	1,542	774
Net income attributable to the Shareholder	482	379	1,528	760
Net income attributable to non-controlling interest	4	4	14	14
Basic and diluted earnings per share (dollars) ¹	1.76	1.38	5.56	2.77

¹ The weighted average number of shares outstanding as at September 30, 2025 and 2024 was 274.6 million. There were no dilutive securities during the three and nine month periods ended September 30, 2025 and 2024.

See accompanying notes to the interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

<i>(millions of dollars)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Net income	486	383	1,542	774
Other comprehensive income (loss), net of income taxes (Note 7)				
Reclassification to income of amounts related to pension and other post-employment benefits ¹	-	(1)	(1)	(2)
Reclassification to income of amounts related to derivatives designated as cash flow hedges ²	(1)	(2)	(1)	(4)
Net gain (loss) on derivatives designated as cash flow hedges ³	1	7	(3)	8
Currency translation adjustment	43	(28)	(69)	41
Other comprehensive income (loss) for the period	43	(24)	(74)	43
Comprehensive income	529	359	1,468	817
Comprehensive income attributable to the Shareholder	525	355	1,454	803
Comprehensive income attributable to non-controlling interest	4	4	14	14

¹ Net of income tax recovery of nil for each of the three and nine month periods ended September 30, 2025. Net of income tax expense of nil for each of the three and nine month periods ended September 30, 2024.

² Net of income tax recovery of nil for each of the three and nine month periods ended September 30, 2025. Net of income tax recovery of nil and \$1 million for the three and nine month periods ended September 30, 2024, respectively.

³ Net of income tax recovery of nil and \$1 million for the three and nine month periods ended September 30, 2025, respectively. Net of income tax expense of \$2 million for each of the three and nine month periods ended September 30, 2024.

See accompanying notes to the interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

<i>(millions of dollars)</i>	Nine Months Ended September 30	
	2025	2024
Operating activities		
Net income	1,542	774
Adjust for non-cash items:		
Depreciation and amortization expenses	1,070	935
Accretion on fixed asset removal and nuclear waste management liabilities	934	914
Earnings on nuclear fixed asset removal and nuclear waste management funds	(848)	(822)
Pension and other post-employment benefit costs <i>(Note 8)</i>	233	273
Deferred income tax (recovery) expense	(35)	6
Regulatory assets and regulatory liabilities	31	4
Other gains	(20)	(1)
Other	-	(17)
Expenditures on fixed asset removal and nuclear waste management	(689)	(352)
Reimbursement of eligible expenditures on nuclear fixed asset removal and nuclear waste management	550	182
Contributions to pension funds and expenditures on other post-employment benefits and supplementary pension plans	(222)	(222)
Net changes to other long-term assets and long-term liabilities	75	103
Net changes in non-cash working capital balances <i>(Note 13)</i>	469	5
Cash flow provided by operating activities	3,090	1,782
Investing activities		
Investment in property, plant and equipment and intangible assets <i>(Note 12)</i>	(3,940)	(2,545)
Acquisition of Lightstar Renewables and Lightstar Operations One	-	(131)
Proceeds from sale of interest in joint venture	11	-
Cash flow used in investing activities	(3,929)	(2,676)
Financing activities		
Issuance of long-term debt <i>(Note 4)</i>	1,168	1,800
Repayment of long-term debt <i>(Note 4)</i>	(621)	(601)
Issuance of short-term debt <i>(Note 5)</i>	3,301	2,360
Repayment of short-term debt <i>(Note 5)</i>	(2,310)	(2,195)
Equity investment from non-controlling interest	7	3
Distribution to non-controlling interest	(13)	(15)
Cash flow provided by financing activities	1,532	1,352
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(4)	5
Net increase in cash, cash equivalents and restricted cash	689	463
Cash, cash equivalents and restricted cash, beginning of period	1,363	1,481
Cash, cash equivalents and restricted cash, end of period	2,052	1,944

See accompanying notes to the interim consolidated financial statements.

INTERIM CONSOLIDATED BALANCE SHEETS (UNAUDITED)

As at <i>(millions of dollars)</i>	September 30 2025	December 31 2024
Assets		
Current assets		
Cash, cash equivalents and restricted cash	2,052	1,363
Equity securities	154	159
Receivables from related parties	554	616
Nuclear fixed asset removal and nuclear waste management funds	175	283
Fuel inventory	332	297
Materials and supplies	200	145
Regulatory assets <i>(Note 3)</i>	540	540
Prepaid expenses	252	292
Other current assets	241	388
	4,500	4,083
Property, plant and equipment	55,337	51,290
Less: accumulated depreciation	15,928	15,159
	39,409	36,131
Intangible assets	1,091	1,029
Less: accumulated amortization	507	439
	584	590
Goodwill	222	230
Other assets		
Nuclear fixed asset removal and nuclear waste management funds	22,519	22,129
Loan receivable from related party	900	902
Long-term materials and supplies	319	355
Regulatory assets <i>(Note 3)</i>	4,278	4,367
Investments subject to significant influence	43	52
Pension assets	68	-
Other long-term assets	170	137
	28,297	27,942
	73,012	68,976

See accompanying notes to the interim consolidated financial statements.

INTERIM CONSOLIDATED BALANCE SHEETS (UNAUDITED)

As at <i>(millions of dollars)</i>	September 30 2025	December 31 2024
Liabilities		
Current liabilities		
Accounts payable, accrued charges and other payables	2,440	2,068
Short-term debt <i>(Note 5)</i>	1,206	215
Long-term debt due within one year <i>(Note 4)</i>	598	604
Regulatory liabilities <i>(Note 3)</i>	246	246
	4,490	3,133
Long-term debt <i>(Note 4)</i>	11,638	11,103
Other liabilities		
Fixed asset removal and nuclear waste management liabilities <i>(Note 6)</i>	26,524	26,042
Pension liabilities	-	46
Other post-employment benefit liabilities	2,794	2,716
Long-term accounts payable and accrued charges	369	382
Deferred revenue	348	355
Deferred income taxes	2,527	2,461
Regulatory liabilities <i>(Note 3)</i>	1,035	939
	33,597	32,941
Equity		
Common shares ¹	5,126	5,126
Class A shares ²	787	787
Contributed surplus	26	28
Retained earnings	16,997	15,469
Accumulated other comprehensive income <i>(Note 7)</i>	119	193
Equity attributable to the Shareholder	23,055	21,603
Equity attributable to non-controlling interest	232	196
Total equity	23,287	21,799
	73,012	68,976

¹ 256,300,010 Common shares outstanding at a stated value of \$5,126 million as at September 30, 2025 and December 31, 2024.

² 18,343,815 Class A shares outstanding at a stated value of \$787 million as at September 30, 2025 and December 31, 2024.

Commitments and Contingencies *(Notes 4, 5, 8 and 11)*

See accompanying notes to the interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY (UNAUDITED)

<i>(millions of dollars)</i>	Nine Months Ended September 30	
	2025	2024
Common shares	5,126	5,126
Class A shares	787	787
Contributed surplus		
Balance at beginning of period	28	30
Reclassification to income of amounts related to gain on deconsolidation of Fair Hydro Trust	(2)	(1)
Balance at end of period	26	29
Retained earnings		
Balance at beginning of period	15,469	14,481
Net income attributable to the Shareholder	1,528	760
Balance at end of period	16,997	15,241
Accumulated other comprehensive income, net of income taxes (Note 7)		
Balance at beginning of period	193	(15)
Other comprehensive (loss) income	(74)	43
Balance at end of period	119	28
Equity attributable to the Shareholder	23,055	21,211
Equity attributable to non-controlling interest		
Balance at beginning of period	196	182
Income attributable to non-controlling interest	14	14
Equity investment from non-controlling interest	35	14
Distribution to non-controlling interest	(13)	(15)
Balance at end of period	232	195
Total equity	23,287	21,406

See accompanying notes to the interim consolidated financial statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. BASIS OF PRESENTATION

These interim consolidated financial statements for the three and nine month periods ended September 30, 2025 and 2024 include the accounts of Ontario Power Generation Inc. and its subsidiaries (OPG or the Company). The Company consolidates its interest in entities over which it is able to exercise control and attributes the results to its sole shareholder, the Province of Ontario (the Province or the Shareholder). These interim consolidated financial statements have been prepared and presented in accordance with United States generally accepted accounting principles (US GAAP). These interim consolidated financial statements do not contain all of the disclosures required by US GAAP for annual financial statements. Accordingly, they should be read in conjunction with the annual consolidated financial statements of the Company as at and for the year ended December 31, 2024.

All dollar amounts are presented in Canadian dollars, unless otherwise noted. Certain 2024 comparative amounts have been reclassified from consolidated financial statements previously presented to conform to the 2025 interim consolidated financial statement presentation.

Seasonal Variations

OPG's quarterly electricity generation from the Regulated – Hydroelectric Generation, Contracted Hydroelectric and Other Generation, and Atura Power business segments is affected by changes in grid-supplied electricity demand. Changes in grid-supplied electricity demand are primarily caused by variations in seasonal weather conditions, changes in economic conditions, the impact of small-scale generation embedded in distribution networks, and the impact of conservation efforts. Historically, there has been greater electricity demand in Ontario during the winter and summer months due to heating and air conditioning demands. The financial impact of forgone hydroelectric electricity generation from the Regulated – Hydroelectric Generation business segment due to surplus baseload generation conditions is mitigated by a regulatory deferral and variance account (regulatory account) authorized by the Ontario Energy Board (OEB).

OPG's quarterly electricity generation from hydroelectric facilities is impacted by weather conditions that affect water flows. Historically, there have been higher water flows in the second quarter as a result of snow and ice melt entering the river systems. The financial impact of variability in water flows on the Regulated – Hydroelectric Generation business segment is mitigated by a regulatory account authorized by the OEB.

The financial impact of variability in electricity generation from the Contracted Hydroelectric and Other Generation business segment and the Atura Power business segment is mitigated by the terms of the applicable Energy Supply Agreements with the Independent Electricity System Operator (IESO) for the contracted generating facilities in Ontario.

2. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies followed in the presentation of these interim consolidated financial statements are consistent with those of the previous fiscal year.

Recent Accounting Pronouncements Not Yet Adopted

Improvements to Income Tax Disclosures

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-09, *Improvements to Income Tax Disclosures* (ASU 2023-09), an update to Topic 740, *Income Taxes*. The purpose of ASU 2023-09 is to enhance the transparency and decision usefulness of income tax disclosures through increasing disclosure requirements related to the rate reconciliation and income taxes paid information. The update requires specific categories to be disclosed in the rate reconciliation and additional information for reconciling items that meet a quantitative threshold. The update also requires that entities disclose income taxes paid disaggregated by federal, provincial and foreign taxes and by individual jurisdiction in which income tax paid exceeds five percent of total income taxes paid. The update is effective for annual periods beginning after December 15, 2024. The adoption of the standard update is not expected to have a material impact on the disclosures contained in the Company's annual consolidated financial statements.

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*, an update to Subtopic 220-40, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures*. The purpose of the standard update is to improve the disclosures about a public business entity's expenses by requiring more detailed information about the types of expenses (including purchases of inventory and employee compensation) included within consolidated income statement expense captions. The update is effective for fiscal years beginning after December 15, 2026 and interim periods beginning after December 15, 2027, with early adoption permitted. The standard update is to be applied prospectively with the option for retrospective application. The Company is currently evaluating the impact of adoption of the standard update on the disclosures contained within the Company's annual and interim consolidated financial statements.

Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity

In May 2025, the FASB issued ASU 2025-03, *Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity*, an update to Topic 805, *Business Combinations* and Topic 810, *Consolidation*. The update amends the guidance for determining the accounting acquirer for a transaction effected primarily by exchanging equity interests in which the legal acquiree is a variable interest entity that meets the definition of a business. The update is effective for fiscal years beginning after December 15, 2026, including interim periods within those fiscal years, with early adoption permitted. The standard update is to be applied prospectively. OPG is currently evaluating the impact of adoption of the standard update to its annual and interim consolidated financial statements.

Targeted Improvements to the Accounting for Internal-Use Software

In September 2025, the FASB issued ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software*, an update to Subtopic 350-40, *Intangibles – Goodwill and Other – Internal-Use Software*. The update amends the guidance by removing all references to software development project stages such that the guidance is neutral to different software development methods. The amendments also apply to website development costs in accordance with Subtopic 350-50, *Intangibles – Goodwill and Other – Website Development Costs*. The update is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. OPG is currently evaluating the impact of adoption of the standard update to its annual and interim consolidated financial statements.

3. REGULATORY ASSETS AND REGULATORY LIABILITIES

The regulatory assets and regulatory liabilities consist of the following:

As at <i>(millions of dollars)</i>	September 30 2025	December 31 2024
Regulatory assets		
<i>Deferral and variance accounts authorized by OEB or Ontario Regulation 53/05</i>		
Rate Smoothing Deferral Account	696	677
Nuclear Liability Deferral Account	465	520
Capacity Refurbishment Variance Account	434	460
Hydroelectric Surplus Baseload Generation Variance Account	244	307
Pickering B Variance Account	235	131
Pension & OPEB Cash Versus Accrual Differential Deferral Account	215	376
Nuclear Development Variance Account	59	85
Other deferral and variance accounts ¹	170	174
	2,518	2,730
Deferred Income Taxes	2,300	2,151
Other	-	26
Total regulatory assets	4,818	4,907
Less: current portion	540	540
Non-current regulatory assets	4,278	4,367
Regulatory liabilities		
<i>Deferral and variance accounts authorized by OEB or Ontario Regulation 53/05</i>		
Pension and OPEB Cost Variance Account	424	411
Pension & OPEB Cash Payment Variance Account	244	321
Hydroelectric Water Conditions Variance Account	176	173
Bruce Lease Net Revenues Variance Account	144	60
Nuclear Deferral and Variance Over/Under Recovery Variance Account	90	61
Pension & OPEB Forecast Accrual versus Actual Cash Payment	65	51
Differential Carrying Charges Variance Account		
Other deferral and variance accounts ²	136	92
	1,279	1,169
Pension and OPEB Regulatory Liability (Note 8)	2	16
Total regulatory liabilities	1,281	1,185
Less: current portion	246	246
Non-current regulatory liabilities	1,035	939

¹ Represents amounts for the Hydroelectric Deferral and Variance Over/Under Recovery Variance Account, Clarington Corporate Campus Deferral Account, Fitness for Duty Deferral Account, Pickering Closure Costs Deferral Account, Niagara Tunnel Project Pre-December 2008 Disallowance Variance Account, Impact Resulting from Optimization of Pickering Station End-of-Life Dates Deferral Account and Impact Resulting from Changes to Pickering Station End-of-Life Dates Deferral Account (December 31, 2017).

² Represents amounts for the Income and Other Taxes Variance Account, SR&ED ITC Variance Account, Ancillary Services Net Revenue Variance Account and Sale of Unprescribed Kipling Site Deferral Account.

Effective July 1, 2025, the Province amended *Ontario Regulation 53/05* to clarify the scope of the Pickering B Variance Account (formerly the Pickering B Extension Variance Account) such that OPG can record costs incurred on or after January 1, 2024 to preserve the ability to operate Units 5 to 8 of the Pickering nuclear generating station upon refurbishment for future recovery, subject to review by the OEB. These costs can be recorded in the account until the effective date of the OEB's first order setting nuclear base regulated prices that comes into effect on or after January 1, 2027.

4. LONG-TERM DEBT AND NET INTEREST EXPENSE

Long-term debt consists of the following:

As at <i>(millions of dollars)</i>	September 30 2025	December 31 2024
Medium Term Note Program senior notes	6,550	5,950
Senior notes payable under corporate credit facilities	2,811	2,859
Lower Mattagami Energy Limited Partnership senior notes	1,995	1,995
PSS Generating Station Limited Partnership senior notes	245	245
UMH Energy Partnership senior notes	159	160
OPG Eagle Creek Holdings LLC and subsidiaries senior notes	499	516
Other	25	25
	12,284	11,750
Less: net fair value premium	(1)	-
Less: unamortized bond issuance fees	(47)	(43)
Less: amounts due within one year	(598)	(604)
Long-term debt	11,638	11,103

On March 13, 2025, OPG issued \$1 billion of green bonds under its Sustainable Finance Framework, through its Medium Term Note Program. The issuance consisted of \$500 million of senior notes maturing in March 2035, with a coupon interest rate of 4.32 percent and \$500 million of senior notes maturing in March 2055, with a coupon interest rate of 4.87 percent. The net proceeds from the issuance were used to finance or re-finance Eligible Green Projects as defined under the Sustainable Finance Framework.

OPG repaid long-term debt of \$400 million under the Company's Medium Term Note Program during the nine months ended September 30, 2025.

On October 30, 2025, OPG repaid US Dollars (USD) \$140 million of senior notes payable by OPG Eagle Creek Holdings LLC and its subsidiaries.

For the nine months ended September 30, 2025, net repayment of long-term debt under the Company's corporate credit facilities totalled \$48 million (nine months ended September 30, 2024 – \$93 million), which comprised repayments of \$220 million (nine months ended September 30, 2024 – \$400 million) and issuances of \$172 million (nine months ended September 30, 2024 – \$307 million).

Net Interest Expense

The following table summarizes the net interest expense:

<i>(millions of dollars)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Interest on long-term debt	119	108	346	294
Interest on short-term debt	(6)	5	8	17
Interest income	(21)	(27)	(63)	(66)
Interest capitalized to property, plant and equipment and intangible assets	(47)	(37)	(123)	(98)
Interest related to regulatory assets and regulatory liabilities ¹	(5)	(1)	(20)	(3)
Net interest expense	40	48	148	144

¹ Includes interest to recognize the cost of financing regulatory account balances as authorized by the OEB, and interest costs deferred in certain regulatory accounts.

5. SHORT-TERM DEBT

Committed credit facilities and maturity dates as at September 30, 2025 were as follows:

<i>(millions of dollars)</i>	Amount	Maturity
Bank facilities:		
Corporate	1,000	May 2030 ¹
Corporate	750	May 2026 ²
Lower Mattagami Energy Limited Partnership	460	June 2030 ³
OPG Eagle Creek Holdings LLC and subsidiaries	20	October 2028
Ontario Financing Authority facility	1,250	December 2029 ¹
Ontario Electricity Financial Corporation facility	750	December 2026 ¹

¹ Represents amounts available under the facility net of debt issuances.

² The facility has a one-year extension option beyond the maturity date of May 2026.

³ A letter of credit of \$65 million was outstanding under this facility as at September 30, 2025.

Short-term debt consists of the following:

As at <i>(millions of dollars)</i>	September 30 2025	December 31 2024
Lower Mattagami Energy Limited Partnership	170	215
Corporate commercial paper	1,036	-
Total short-term debt	1,206	215

As at September 30, 2025, a total of \$740 million of letters of credit had been issued (December 31, 2024 – \$504 million). As at September 30, 2025, this included \$314 million for the supplementary pension plans, \$267 million for general corporate purposes, \$65 million for Lower Mattagami Energy Limited Partnership, \$44 million for Atura Power, \$20 million for OPG Eagle Creek Holdings LLC and its subsidiaries, \$14 million for UMH Energy Partnership, \$10 million for Laurentis Energy Partners and its subsidiaries, \$5 million for PowerON Energy Solutions LP and \$1 million for PSS Generating Station Limited Partnership.

The weighted average interest rate on the short-term debt as at September 30, 2025 is 2.79 percent (December 31, 2024 – 3.71 percent).

6. FIXED ASSET REMOVAL AND NUCLEAR WASTE MANAGEMENT LIABILITIES

Liabilities for fixed asset removal and nuclear waste management on a present value basis consist of the following:

As at <i>(millions of dollars)</i>	September 30 2025	December 31 2024
Liability for used nuclear fuel management	16,408	15,991
Liability for nuclear decommissioning and nuclear low and intermediate level waste management	9,848	9,782
Liability for non-nuclear fixed asset removal	268	269
Fixed asset removal and nuclear waste management liabilities	26,524	26,042

7. ACCUMULATED OTHER COMPREHENSIVE INCOME

The changes in the balance of each component of accumulated other comprehensive income (loss) (AOCI), net of income taxes, were as follows:

<i>(millions of dollars)</i>	Nine Months Ended September 30, 2025			
	Unrealized Gains and Losses on Cash Flow Hedges	Pension and OPEB	Currency Translation Adjustment	Total
Balance, beginning of period	5	6	182	193
Net loss on cash flow hedges	(3)	-	-	(3)
Amounts reclassified from AOCI	(1)	(1)	-	(2)
Translation of foreign operations	-	-	(69)	(69)
Other comprehensive loss for the period	(4)	(1)	(69)	(74)
Balance, end of period	1	5	113	119

<i>(millions of dollars)</i>	Nine Months Ended September 30, 2024			
	Unrealized Gains and Losses on Cash Flow Hedges	Pension and OPEB	Currency Translation Adjustment	Total
Balance, beginning of period	9	(33)	9	(15)
Net gain on cash flow hedges	8	-	-	8
Amounts reclassified from AOCI	(4)	(2)	-	(6)
Translation of foreign operations	-	-	41	41
Other comprehensive income (loss) for the period	4	(2)	41	43
Balance, end of period	13	(35)	50	28

The significant amounts reclassified out of each component of AOCI, net of income taxes, were as follows:

<i>(millions of dollars)</i>	Amount Reclassified from AOCI		Statement of Income Line Item
	Three Months Ended September 30, 2025	Nine Months Ended	
Amortization of amounts related to cash flow hedges			
Gains	(1)	(1)	Revenue and Net interest expense
Income tax recovery	-	-	Income tax expense
	(1)	(1)	
Amortization of amounts related to pension and OPEB			
Net actuarial gains, net of past service costs	-	(1)	See (1) below
Income tax recovery	-	-	Income tax expense
	-	(1)	
Total reclassifications for the period	(1)	(2)	

<i>(millions of dollars)</i>	Amount Reclassified from AOCI		Statement of Income Line Item
	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2024	
Amortization of amounts related to cash flow hedges			
Gains	(2)	(5)	Revenue and Net interest expense
Income tax recovery	-	1	Income tax expense
	(2)	(4)	
Amortization of amounts related to pension and OPEB			
Net actuarial gains, net of past service costs	(1)	(2)	See (1) below
Income tax recovery	-	-	Income tax expense
	(1)	(2)	
Total reclassifications for the period	(3)	(6)	

¹ These AOCI components are included in the computation of pension and OPEB costs (see Note 8 for additional details).

Existing pre-tax net losses for derivatives of nil deferred in AOCI as at September 30, 2025 are expected to be reclassified to net income within the next 12 months.

8. PENSION AND OTHER POST-EMPLOYMENT BENEFITS

OPG's pension and other post-employment benefit (OPEB) costs for the three months ended September 30, 2025 and 2024 were as follows:

<i>(millions of dollars)</i>	Registered Pension Plans		Supplementary Pension Plans		Other Post-Employment Benefits	
	2025	2024	2025	2024	2025	2024
<i>Components of cost recognized for the period</i>						
Current service costs	75	76	2	2	26	24
Interest on projected benefit obligation	192	197	4	5	32	33
Expected return on plan assets, net of expenses	(269)	(257)	-	-	-	-
Amortization of past service (credits) costs ¹	-	(1)	-	-	1	1
Amortization of net actuarial loss (gain) ¹	-	-	1	1	(7)	(7)
Costs recognized ²	(2)	15	7	8	52	51

¹ The net impact of amortization of past service (credits) costs and net actuarial (gain) loss is recognized as a (decrease) increase to other comprehensive income. This decrease for the three months ended September 30, 2025 was partially offset by a decrease in the Pension and OPEB Regulatory Liability of \$5 million (three months ended September 30, 2024 – an increase in the Pension and OPEB Regulatory Asset of \$6 million).

² These pension and OPEB costs for the three months ended September 30, 2025 exclude the net addition of costs of \$21 million resulting from the recognition of changes in the regulatory assets or liabilities for the Pension & OPEB Cost Variance Account, the Pension & OPEB Cash Versus Accrual Differential Deferral Account and the Pension & OPEB Cash Payment Variance Account (nine months ended September 30, 2024 – net addition of costs of \$17 million).

OPG's pension and OPEB costs for the nine months ended September 30, 2025 and 2024 were as follows:

<i>(millions of dollars)</i>	Registered Pension Plans		Supplementary Pension Plans		Other Post-Employment Benefits	
	2025	2024	2025	2024	2025	2024
<i>Components of cost recognized for the period</i>						
Current service costs	223	229	7	6	78	74
Interest on projected benefit obligation	575	593	13	13	96	98
Expected return on plan assets, net of expenses	(806)	(773)	-	-	-	-
Amortization of past service (credits) costs ¹	-	(1)	-	-	3	2
Amortization of net actuarial loss (gain) ¹	-	-	3	3	(21)	(22)
Costs recognized ²	(8)	48	23	22	156	152

¹ The net impact of amortization of past service (credits) costs and net actuarial (gain) loss is recognized as a (decrease) increase to other comprehensive income. This decrease for the nine months ended September 30, 2025 was partially offset by a decrease in the Pension and OPEB Regulatory Liability of \$14 million (nine months ended September 30, 2024 – an increase in the Pension and OPEB Regulatory Asset of \$17 million).

² These pension and OPEB costs for the nine months ended September 30, 2025 exclude the net addition of costs of \$62 million resulting from the recognition of changes in the regulatory assets or liabilities for the Pension & OPEB Cost Variance Account, the Pension & OPEB Cash Versus Accrual Differential Deferral Account and the Pension & OPEB Cash Payment Variance Account (nine months ended September 30, 2024 – net addition of costs of \$51 million).

9. RISK MANAGEMENT AND DERIVATIVES

OPG is exposed to risks related to changes in market interest rates on debt, movements in foreign currency that affect the Company's assets, liabilities and forecasted transactions, and fluctuations in commodity prices. Select derivative instruments are used to manage such risks. Derivatives are used as hedging instruments, as well as for trading purposes.

Interest Rates

Interest rate risk is the risk that the value of assets and liabilities can change due to movements in interest rates. Interest rate risk for OPG arises with the need to refinance existing debt or undertake new financing. The management of these risks includes using derivatives to hedge the exposure in accordance with corporate risk management policies. OPG periodically uses interest rate swap agreements to mitigate elements of interest rate risk exposure associated with anticipated financing.

Foreign Exchange

OPG's financial results are exposed to volatility in the Canadian/United States (US) foreign exchange rate as certain materials, services and fuels purchased for generating stations and major development projects, as well as debt issuances, may be denominated in, or tied to, USD. To manage this risk, the Company employs various financial instruments such as forwards and other derivative contracts, in accordance with approved corporate risk management policies. Additionally, volatility in the Canadian/US foreign exchange rate also impacts OPG's financial results from certain of its subsidiaries, whose operations are based exclusively in the US.

Commodity Prices

OPG is exposed to fluctuations in commodity prices. Changes in the market prices of nuclear fuels, oil, gas and biomass used to produce electricity can adversely impact OPG's earnings and cash flow provided by operating activities. To manage the risk of unpredictable increases in the price of fuels, the Company has fuel hedging programs, which include using fixed price and indexed contracts.

A number of OPG's hydroelectric facilities in the US sell into the wholesale electricity market, and therefore are subject to volatility of wholesale electricity market pricing. Revenue from these facilities represents a small portion of OPG's overall revenue. The Company may enter into derivative instruments from time to time to further mitigate this risk.

Credit

The Company's credit risk exposure is primarily a function of its electricity and other sales. The majority of OPG's revenue is derived from electricity sales through the IESO administered market. Market participants in the IESO market provide collateral in accordance with the IESO prudential support requirements to cover funds that they might owe to the market. Although the credit exposure to the IESO represents a significant portion of OPG's accounts receivable, the risk is considered acceptable due to the IESO's primary role in the Ontario electricity market. The remaining receivables exposure is to a diverse group of generally high quality counterparties. OPG's allowance for doubtful accounts was \$1 million as at September 30, 2025 (December 31, 2024 – less than \$1 million).

The fair value of the derivative instruments totalled a net liability of \$10 million as at September 30, 2025 (December 31, 2024 – net liability of \$17 million).

10. FAIR VALUE MEASUREMENTS

OPG is required to classify fair value measurements using a fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels, based on the inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: Valuation of inputs is based on unadjusted quoted market prices observed in active markets for identical assets or liabilities.
- Level 2: Valuation is based on inputs other than quoted prices under Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Valuation is based on inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices as at the interim consolidated balance sheet dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's-length basis. The quoted market price used for financial assets held by OPG is the current bid price. These instruments are included in Level 1 and consist primarily of equity investments and fund investments.

For financial instruments for which quoted market prices are not directly available, fair values are estimated using forward price curves developed from observable market prices or rates. The estimation of fair value may include the use of valuation techniques or models, based wherever possible on assumptions supported by observable market prices or rates prevailing as at the interim consolidated balance sheet dates. This is the case for over-the-counter derivatives and securities, which include energy commodity derivatives, foreign exchange derivatives, interest rate swap derivatives and fund investments. Various other fund investments are valued at the unit values supplied by the fund administrators. The unit values represent the underlying net assets at fair values, determined using closing market prices. Valuation models use general assumptions and market data and, therefore, do not reflect the specific risks and other factors that would affect a particular instrument's fair value. The methodologies used for calculating the fair value adjustments are reviewed on an ongoing basis to ensure that they remain appropriate. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Specific valuation techniques are used to value these instruments. Significant Level 3 inputs include recent comparable transactions, comparable benchmark information, bid/ask spread of similar transactions and other relevant factors.

A summary of OPG's financial instruments and their fair value as at September 30, 2025 and December 31, 2024 was as follows:

<i>(millions of dollars)</i>	Fair Value		Carrying Value ¹		Balance Sheet Line Item
	2025	2024	2025	2024	
Nuclear Segregated Funds (includes current portion) ²	22,694	22,412	22,694	22,412	Nuclear fixed asset removal and nuclear waste management funds
Loan receivable – from Fair Hydro Trust	837	828	900	902	Loan receivable from related party
Investment in Hydro One Limited Shares	154	159	154	159	Equity securities
Long-term debt (includes current portion)	(11,698)	(11,204)	(12,236)	(11,707)	Long-term debt
Other financial instruments	159	129	159	129	Various

¹ The carrying values of other financial instruments included in cash and cash equivalents, receivables from related parties, other current assets, short-term debt, and accounts payable, accrued charges and other payables approximate their fair values due to the immediate or short-term maturity of these financial instruments.

² The Nuclear Segregated Funds are comprised of the Decommissioning Segregated Fund and the Used Fuel Segregated Fund. OPG's fair value of the Nuclear Segregated Funds is set not to exceed an amount equal to the funding liability pursuant to the Ontario Nuclear Funds Agreement when the Nuclear Segregated Funds are in a surplus position.

The fair value of OPG's long-term debt issued under the Medium Term Note Program is based on indicative pricing from the market. The fair value of these debt instruments is based on Level 2 inputs. The fair value of all other long-term debt instruments is determined based on a conventional pricing model, which is a function of future cash flows, the current market yield curve and term to maturity. These inputs are considered Level 2 inputs.

The following tables present financial assets and financial liabilities measured at fair value in accordance with the fair value hierarchy:

As at (millions of dollars)	September 30, 2025			Total
	Level 1	Level 2	Level 3	
Assets				
<i>Used Fuel Segregated Fund</i>				
Investments measured at fair value, excluding investments measured at NAV	6,915	7,419	-	14,334
Investments measured at NAV ¹				5,267
				19,601
Due to Province				(6,686)
Used Fuel Segregated Fund, net				12,915
<i>Decommissioning Segregated Fund</i>				
Investments measured at fair value, excluding investments measured at NAV	5,293	5,673	-	10,966
Investments measured at NAV ¹				4,118
				15,084
Due to Province				(5,305)
Decommissioning Segregated Fund, net				9,779
Equity securities	154	-	-	154
Other financial assets	84	1	101	186
Liabilities				
Other financial liabilities	(27)	-	-	(27)

As at (millions of dollars)	December 31, 2024			Total
	Level 1	Level 2	Level 3	
Assets				
<i>Used Fuel Segregated Fund</i>				
Investments measured at fair value, excluding investments measured at NAV	7,030	6,676	-	13,706
Investments measured at NAV ¹				4,722
				18,428
Due to Province				(5,691)
Used Fuel Segregated Fund, net				12,737
<i>Decommissioning Segregated Fund</i>				
Investments measured at fair value, excluding investments measured at NAV	5,362	5,156	-	10,518
Investments measured at NAV ¹				3,702
				14,220
Due to Province				(4,545)
Decommissioning Segregated Fund, net				9,675
Equity securities	159	-	-	159
Other financial assets	73	-	97	170
Liabilities				
Other financial liabilities	(41)	-	-	(41)

¹ Represents investments measured at fair value using NAV as a practical expedient, which have not been classified in the fair value hierarchy. The fair value amounts for these investments presented in this table are intended to permit the reconciliation of the fair value hierarchy to amounts presented on the interim consolidated balance sheets.

During the nine months ended September 30, 2025, there were no transfers between Level 1 and Level 2 and into or out of Level 3.

The changes in the net assets measured at fair value that are classified as Level 3 financial instruments for the nine months ended September 30, 2025 were as follows:

<i>(millions of dollars)</i>	Other financial instruments
Opening balance, January 1, 2025	97
Realized losses included in revenue	(2)
Unrealized losses included in revenue	(4)
Purchases	10
Closing balance, September 30, 2025	101

Investments Measured at Net Asset Value

Nuclear Segregated Funds

Nuclear Segregated Funds' investments classified as Level 3 consist of real estate, infrastructure, other real assets and private debt investments. The fair value of these investments is determined using financial information as provided by the general partners of the limited partnership funds in which the Nuclear Segregated Funds are invested. Direct investments are valued using appropriate valuation techniques, such as recent arm's-length market transactions, references to current fair values of other instruments that are substantially the same, discounted cash flow analyses, third-party independent appraisals, valuation multiples, or other valuation methods. Any control, size, liquidity or other discount premiums on the investments are considered in the determination of fair value.

The process of valuing investments for which no published market price exists is based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for these investments. The values may also differ from the prices at which the investments may be sold.

The classes of investments within the Nuclear Segregated Funds that are reported on the basis of Net Asset Value (NAV) as at September 30, 2025 were as follows:

<i>(millions of dollars except where noted)</i>	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice
Real Assets				
Infrastructure	4,970	1,536	n/a	n/a
Real Estate	3,494	1,260	n/a	n/a
Private Debt	478	666	n/a	n/a
Other	443	16	n/a	n/a
Pooled Funds				
Fixed Income	2,433	n/a	Daily	1-5 days
Equity	1,144	n/a	Daily	1-5 days
Total	12,962	3,478		

The fair value of the pooled funds is classified as Level 2. Infrastructure, real estate, other real assets, private debt and other investments are measured using NAV as a practical expedient for determining their fair value.

11. COMMITMENTS AND CONTINGENCIES

Litigation

Various legal proceedings are pending against OPG or its subsidiaries covering a wide range of matters that arise in the ordinary course of business activities. Each of these matters are subject to various uncertainties. Some of these matters may be resolved unfavourably. While it is not possible to determine the ultimate outcome of the various pending actions, it is the Company's belief that their resolution is not likely to have a material adverse impact on its interim consolidated financial position.

Guarantees

As at September 30, 2025, the total amount of guarantees provided by OPG was nil (December 31, 2024 – \$30 million).

Contractual Obligations

OPG's contractual obligations as at September 30, 2025 were as follows:

<i>(millions of dollars)</i>	2025 ¹	2026	2027	2028	2029	Thereafter	Total
Fuel supply agreements	31	227	219	158	147	332	1,114
Contributions to the OPG registered pension plan ²	32	134	136	-	-	-	302
Long-term debt repayment	198	674	530	262	505	10,115	12,284
Interest on long-term debt	118	466	455	436	424	5,882	7,781
Short-term debt repayment	1,210	-	-	-	-	-	1,210
Commitments related to Darlington Refurbishment project ³	96	-	-	-	-	-	96
Commitments related to Atura Power development projects ³	408	126	10	9	-	-	553
Commitments related to Pickering Refurbishment project ³	433	-	-	-	-	-	433
Commitments related to Darlington New Nuclear Project ³	294	-	-	-	-	-	294
Operating licences	15	61	63	61	62	179	441
Operating lease obligations	12	14	12	4	3	35	80
Accounts payable, accrued charges and other payables	1,882	9	10	9	10	284	2,204
Other	42	88	50	34	20	89	323
Total	4,771	1,799	1,485	973	1,171	16,916	27,115

¹ Represents amounts for the remainder of the year.

² Represents the estimated pension contributions consistent with the period covered by the actuarial valuation of the OPG registered pension plan as at January 1, 2025. The next actuarial valuation of the OPG registered pension plan must have an effective date no later than January 1, 2028. Funding requirements after January 1, 2028 are excluded due to significant variability in the assumptions required to project the timing of future cash flows.

³ Represents estimated currently committed costs to close the projects, including accruals for completed work, demobilization of project staff and cancellation of existing contracts and material orders.

Contractual and commercial commitments as noted exclude certain purchase orders, as they represent purchase authorizations rather than legally binding contracts, and are subject to change without significant penalties.

Collective Bargaining Agreements

The current two-year collective agreement between the Society of United Professionals (Society) and OPG expires on December 31, 2025. Negotiations for the renewal of the collective agreement began in September 2025 and are ongoing. The Society bargaining unit represents over 30 percent of OPG's workforce.

12. BUSINESS SEGMENTS

For a detailed description of each reportable business segment, measure of profit and loss and the Company's Chief Operating Decision Maker, refer to OPG's annual consolidated financial statements as at and for the year ended December 31, 2024.

Segment Income (Loss) For the Three Months Ended September 30, 2025 <i>(millions of dollars)</i>	Regulated			Unregulated			Elimination	Total
	Nuclear Generation	Nuclear Sustainability Services	Hydroelectric Generation	Contracted Hydroelectric Other Generation	Atura Power	Other		
Revenue	1,134	-	377	226	298	2	-	2,037
Leasing revenue	7	-	-	-	-	1	-	8
Other revenue	-	46	-	(1)	-	47	(71)	21
Total revenue	1,141	46	377	225	298	50	(71)	2,066
Fuel expense	92	-	86	33	158	-	-	369
Gross margin	1,049	46	291	192	140	50	(71)	1,697
Operations, maintenance and administration expenses	450	46	109	69	27	31	(71)	661
Depreciation and amortization expenses	197	-	67	41	35	20	-	360
Accretion on fixed asset removal and nuclear waste management liabilities	-	307	-	2	1	-	-	310
Earnings on nuclear fixed asset removal and nuclear waste management funds	-	(284)	-	-	-	-	-	(284)
Property taxes	6	-	1	4	-	1	-	12
Other losses (gains)	4	-	1	(3)	1	(5)	-	(2)
Income (loss) before interest and income taxes	392	(23)	113	79	76	3	-	640
Net interest expense								40
Income before income taxes								600
Income tax expense								114
Net income								486

Segment Income (Loss) For the Three Months Ended September 30, 2024 <i>(millions of dollars)</i>	Regulated			Unregulated			Elimination	Total
	Nuclear Generation	Nuclear Sustainability Services	Hydroelectric Generation	Contracted Hydroelectric and Other Generation	Atura Power	Other		
Revenue	1,070	-	373	186	235	3	-	1,867
Leasing revenue	7	-	-	-	-	1	-	8
Other revenue	-	54	-	1	-	38	(77)	16
Total revenue	1,077	54	373	187	235	42	(77)	1,891
Fuel expense	72	-	83	14	98	-	-	267
Gross margin	1,005	54	290	173	137	42	(77)	1,624
Operations, maintenance and administration expenses	580	54	102	72	23	21	(77)	775
Depreciation and amortization expenses	176	-	67	41	30	17	-	331
Accretion on fixed asset removal and nuclear waste management liabilities	-	301	-	2	-	-	-	303
Earnings on nuclear fixed asset removal and nuclear waste management funds	-	(277)	-	-	-	-	-	(277)
Property taxes	6	-	-	5	-	1	-	12
Other losses (gains)	2	-	1	(1)	-	(25)	-	(23)
Income (loss) before interest and income taxes	241	(24)	120	54	84	28	-	503
Net interest expense								48
Income before income taxes								455
Income tax expense								72
Net income								383

Segment Income (Loss) For the Nine Months Ended September 30, 2025 <i>(millions of dollars)</i>	Regulated			Unregulated			Elimination	Total
	Nuclear Generation	Nuclear Sustainability Services	Hydroelectric Generation	Contracted Hydroelectric and Other Generation	Atura Power	Other		
Revenue	3,395	-	1,216	700	836	15	-	6,162
Leasing revenue	21	-	-	-	-	4	-	25
Other revenue	(1)	117	-	-	-	145	(193)	68
Total revenue	3,415	117	1,216	700	836	164	(193)	6,255
Fuel expense	253	-	249	88	435	-	-	1,025
Gross margin	3,162	117	967	612	401	164	(193)	5,230
Operations, maintenance and administration expenses	1,398	117	319	222	80	89	(193)	2,032
Depreciation and amortization expenses	587	-	199	124	100	60	-	1,070
Accretion on fixed asset removal and nuclear waste management liabilities	-	925	-	7	2	-	-	934
Earnings on nuclear fixed asset removal and nuclear waste management funds	-	(848)	-	-	-	-	-	(848)
Property taxes	19	-	1	14	1	2	-	37
Other losses (gains)	11	-	9	(22)	2	(27)	-	(27)
Income (loss) before interest and income taxes	1,147	(77)	439	267	216	40	-	2,032
Net interest expense								148
Income before income taxes								1,884
Income tax expense								342
Net income								1,542

Segment Income (Loss) For the Nine Months Ended September 30, 2024 <i>(millions of dollars)</i>	Regulated			Unregulated			Elimination	Total
	Nuclear Generation	Nuclear Sustainability Services	Hydroelectric Generation	Contracted Hydroelectric and Other Generation	Atura Power	Other		
Revenue	2,836	-	1,160	601	642	12	-	5,251
Leasing revenue	21	-	-	-	-	4	-	25
Other revenue	-	134	-	8	-	134	(203)	73
Total revenue	2,857	134	1,160	609	642	150	(203)	5,349
Fuel expense	216	-	241	40	263	-	-	760
Gross margin	2,641	134	919	569	379	150	(203)	4,589
Operations, maintenance and administration expenses	1,877	134	306	223	73	75	(203)	2,485
Depreciation and amortization expenses	494	-	160	134	90	57	-	935
Accretion on fixed asset removal and nuclear waste management liabilities	-	906	-	6	1	1	-	914
Earnings on nuclear fixed asset removal and nuclear waste management funds	-	(822)	-	-	-	-	-	(822)
Property taxes	19	-	1	14	1	1	-	36
Other losses (gains)	6	-	6	(5)	-	(12)	-	(5)
Income (loss) before interest and income taxes	245	(84)	446	197	214	28	-	1,046
Net interest expense								144
Income before income taxes								902
Income tax expense								128
Net income								774

Selected Interim Consolidated Balance Sheets information as at September 30, 2025 <i>(millions of dollars)</i>	Regulated			Unregulated			Total
	Nuclear Generation	Nuclear Sustainability Services	Hydroelectric Generation	Contracted Hydroelectric and Other Generation	Atura Power	Other	
Segment property, plant and equipment in-service, net	13,976	-	8,214	6,202	2,940	425	31,757
Segment construction in progress	5,474	-	735	159	1,069	215	7,652
Segment property, plant and equipment, net	19,450	-	8,949	6,361	4,009	640	39,409
Segment intangible assets in-service, net	47	-	2	239	90	138	516
Segment development in progress	28	-	-	1	-	39	68
Segment intangible assets, net	75	-	2	240	90	177	584
Segment goodwill	-	-	-	222	-	-	222
Segment fuel inventory	276	-	-	25	31	-	332
Segment materials and supplies inventory							
Current	197	-	-	3	-	-	200
Long-term	316	-	1	2	-	-	319
Nuclear fixed asset removal and nuclear waste management funds (current and non-current portions)	-	22,694	-	-	-	-	22,694
Loan receivable	-	-	-	-	-	900	900
Fixed asset removal and nuclear waste management liabilities	-	(26,256)	-	(160)	(56)	(52)	(26,524)

Selected Consolidated Balance Sheets information as at December 31, 2024 <i>(millions of dollars)</i>	Regulated			Unregulated			Total
	Nuclear Generation	Nuclear Sustainability Services	Hydroelectric Generation	Contracted Hydroelectric and Other Generation	Atura Power	Other	
Segment property, plant and equipment in-service, net	14,046	-	8,189	6,322	3,033	224	31,814
Segment construction in progress	3,139	-	398	140	426	214	4,317
Segment property, plant and equipment, net	17,185	-	8,587	6,462	3,459	438	36,131
Segment intangible assets in-service, net	48	-	2	244	95	145	534
Segment development in progress	18	-	-	1	-	37	56
Segment intangible assets, net	66	-	2	245	95	182	590
Segment goodwill	-	-	-	230	-	-	230
Segment fuel inventory	231	-	-	39	27	-	297
Segment materials and supplies inventory							
Current	142	-	-	3	-	-	145
Long-term	352	-	-	3	-	-	355
Nuclear fixed asset removal and nuclear waste management funds (current and non-current portions)	-	22,412	-	-	-	-	22,412
Loan receivable	-	-	-	-	-	902	902
Fixed asset removal and nuclear waste management liabilities	-	(25,773)	-	(161)	(54)	(54)	(26,042)

Segment Capital Expenditure <i>(millions of dollars)</i>	Regulated			Unregulated			Total
	Nuclear Generation	Nuclear Sustainability Services	Hydroelectric Generation	Contracted Hydroelectric and Other Generation	Atura Power	Other	
Three months ended September 30, 2025							
Investment in property, plant and equipment and intangible assets	952	-	212	40	85	73	1,362
Net change in accruals and other non-cash items							(38)
Investment in property, plant and equipment and intangible assets – cash flow							1,324
Three months ended September 30, 2024							
Investment in property, plant and equipment and intangible assets	632	-	123	64	53	36	908
Net change in accruals and other non-cash items							(25)
Investment in property, plant and equipment and intangible assets – cash flow							883

Segment Capital Expenditure <i>(millions of dollars)</i>	Regulated			Unregulated			Total
	Nuclear Generation	Nuclear Sustainability Services	Hydroelectric Generation	Contracted Hydroelectric and Other Generation	Atura Power	Other	
Nine months ended September 30, 2025							
Investment in property, plant and equipment and intangible assets	2,710	-	503	109	642	240	4,204
Net change in accruals and other non-cash items							(264)
Investment in property, plant and equipment and intangible assets – cash flow							3,940
Nine months ended September 30, 2024							
Investment in property, plant and equipment and intangible assets	1,836	-	282	162	253	94	2,627
Net change in accruals and other non-cash items							(82)
Investment in property, plant and equipment and intangible assets – cash flow							2,545

13. NET CHANGES IN NON-CASH WORKING CAPITAL BALANCES

<i>(millions of dollars)</i>	Nine Months Ended September 30	
	2025	2024
Receivables from related parties	62	39
Fuel inventory	(31)	(2)
Materials and supplies	(51)	(1)
Prepaid expenses	(4)	(25)
Other current assets	(4)	(5)
Accounts payable, accrued charges and other payables	497	(1)
Net changes in non-cash working capital balances	469	5

14. AGREEMENT TO SELL US ELECTRICITY GENERATION OPERATIONS

In October 2025, OPG entered into an agreement to sell OPG Eagle Creek Holdings LLC's (Eagle Creek) electricity generation and development business in the US for a consideration of USD \$1.48 billion, inclusive of debt to be assumed by the purchaser and subject to working capital and other adjustments that are to be finalized upon the closing of the transaction. The closing of the transaction is expected to occur in the first quarter of 2026, and is subject to customary closing conditions including regulatory approvals. Eagle Creek's operating results are reported under the Contracted Hydroelectric and Other Generation business segment.