FINANCIAL SUMMARY

1.0 PURPOSE

This evidence presents OPG's 2016 to 2019 audited consolidated financial statements and the financial statements for OPG's prescribed facilities.

2.0 OPG'S CONSOLIDATED FINANCIAL STATEMENTS

As required by Ontario Regulation 395/11 under *Financial Administration Act* (Ontario), OPG's consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States ("US GAAP"). OPG is also a reporting issuer under the *Securities Act* (Ontario) (the "Act") and is subject to continuous disclosure obligations under this Act. This includes the requirement to file annual and interim financial statements and certifications on internal control over financial reporting with the Ontario Securities Commission ("OSC").

OPG publishes quarterly and annual financial reports on its public website. In particular, OPG's Annual Reports for the years 2016, 2017, 2018, and 2019, which include audited annual consolidated financial statements and Management's Discussion and Analysis ("MD&A"), are available at: https://www.opg.com/reporting/financial-reports/. OPG has included its most recent quarterly financial report, the 2020 third quarter interim consolidated financial statements (unaudited) and MD&A, as Attachment 1.

The financial statements include the accounts of OPG and the entities which OPG consolidates. In accordance with US GAAP, OPG's consolidated financial statements recognize regulatory assets and regulatory liabilities, including those for deferral and variance accounts authorized by the OEB.

OPG most recently revised the composition of its reportable business segments during 2020 to reflect changes in its unregulated business portfolio.

The current reportable segments as reflected in the 2020 third quarter interim consolidated financial statements are as follows:

- Regulated – Nuclear Generation
- Regulated – Nuclear Waste Management
- Regulated – Hydroelectric Generation
- Contracted Hydroelectric and Other Generation
- Gas Generation
- Other category

The Regulated – Nuclear Generation, Regulated – Nuclear Waste Management, and Regulated – Hydroelectric business segments are unchanged from prior years. In addition to those of the prescribed nuclear facilities, these segments include assets, liabilities, revenues and costs related to the facilities leased to Bruce Power LP. The items related to the facilities leased to Bruce Power are included in this segment for external financial reporting purposes by virtue of their inclusion in the setting of payment amounts by the OEB.

The Contracted Hydroelectric and Other Generation business segment, the Contracted Gas Generation business segment and Other category report the financial results of OPG's unregulated operations in Canada and the United States.

3.0 FINANCIAL STATEMENTS FOR THE PRESCRIBED FACILITIES

OPG has prepared stand-alone audited annual financial statements for the prescribed facilities in accordance with US GAAP for the year ended December 31, 2019, with comparative information for the year ended December 31, 2018. OPG has also prepared a set of such financial statements for the year ended December 31, 2017, with comparative information for the year ended December 31, 2016. The two sets of the financial statements are presented as Attachments 2 and 3 respectively. The accounting policies, allocation methodologies and assumptions applied in preparing these financial statements are consistent with those used in preparing such financial statements in the past. The statements continue to exclude applicable assets, liabilities, revenues and costs related to the assets leased to Bruce Power LP, consistent with the OEB's previous decisions.

The accounting policies used to prepare the prescribed facilities' financial statements continue to be consistent with those used to prepare OPG's consolidated financial statements, with the exception of those related to the determination of debt and interest expense. The debt balances and interest expense for the purposes of the prescribed facilities' financial statements continue to be computed in a manner consistent with the deemed debt and interest methodologies previously approved by the OEB.

ATTACHMENTS

Attachment 1:	OPG's 2020 Third Quarter Interim Consolidated Financial Statements (unaudited) and Management's Discussion and Analysis
Attachment 2:	2019 and 2018 Audited Annual Financial Statements for the Prescribed Facilities
Attachment 3:	2017 and 2016 Audited Annual Financial Statements for the Prescribed Facilities