

The genesis...

When numbers meet engineering

Although Michel Letellier holds a bachelor's degree in finance and a master's degree in business administration, he felt a strong interest in engineering very early in his career.

His knowledge of the economy combined with his boundless curiosity have shaped his avant-garde vision, which he propagates through a multitude of infrastructure projects.

After completing his studies, Michel works for two years in the field of corporate finance. He thus follows in the footsteps of his father, a shareholder in a securities brokerage company. After only two years, he realizes that this environment does not suit him.

“ At that time, I discovered the world of renewable energy and saw a huge potential. ”

Authenticity



Values

Greatly captivated by the industry, Michel finally joins a company in the sector. He works there for five years, accumulating knowledge and expertise that will be important for the rest of his career. The company's values, however, do not resonate with him as much.

At the same time, as part of his duties, he participates in committees on which Gilles Lefrançois, President of Innergex, also sits. This company, founded in 1990 in response to a call for tenders from Hydro-Québec, develops, restores and builds small hydroelectric power plants.



“ I identified with the way Gilles perceived our industry and collaborated with his partners. He kept his commitments and remained true to his **beliefs**. He was both confident and very honest. ”

In March 1997, Gilles is looking for a Vice President of finance. Michel jumps at the opportunity and joins Innergex. Having developed excellent relationships with several suppliers and collaborators in the past, he brings all his valuable contacts to the company. At 33, he quickly becomes the President's right-hand man.

“Gilles was then 60 years old. Honestly, I thought he would retire about five years later.”

Ultimately, Michel would work alongside Gilles for a decade before becoming president himself. Together, they share common values that allow them to create amazing partnerships and lead important renewable energy projects.

Building trust with Indigenous Communities

In 2002, Innergex establishes a first partnership with Indigenous communities.

The company signs with the Biigtigong Nishnaabeg in Ontario to develop the Umbata Falls hydroelectric project. However, winning their trust is an extremely difficult task.

“ These communities have been forced into accepting lopsided deals for several decades. So we were wondering how to make them feel comfortable moving forward with us. ”



Consultation, royalties, and respect are a promising recipe for building valuable alliances. In fact, when First Nations community leaders ask the Innergex team a question, the financial statements are shared with them in their entirety.

“ We have always said to the Indigenous peoples: we work with an open book. ”

Never having experienced such transparent transactions, communities are increasingly opening their horizons to Innergex.

The sacred mountain

In 2008, Innergex is working on a hydroelectric project in a British Columbia valley. With the required environmental permits in place, all they need to move forward is the support of the Indigenous communities present in the area.

“The leader of one community explained to us that the mountain on which we wanted to build was sacred and that we should not proceed.”

Relations & openness

The company then has the option of going to court to impose its rights, but the values-driven Innergex team decides instead to remain consistent with its principles and entirely abandons the project.

“We lost three million dollars.”

Three years later, Innergex wins major projects in the same valley, a little further north of the notorious sacred mountain. The Chief of the First Nation is very grateful. “You have listened to us, we are now ready to work with you”, he said.

“ Even if it is sometimes expensive, we made the right decision to stay in line with our values. ”

Since then, Innergex has signed partnerships with 31 Indigenous communities, always putting openness, empathy and honesty at the forefront.

A major challenge

In 2007, Gilles retires, but remains Chairman of the Board of Innergex. Michel then becomes president of the company.

Two years later, an economic crisis looms on the horizon.

“ Many infrastructure companies went bankrupt during those years.

All the banks withdrew their loans. We had to negotiate very hard, it was tough. ”

Michel is 43 years old and focuses on the future, he does not back down and decides with the team to use the financial strategy of reverse takeover. The decision, endorsed by the Board of Directors, not only saves the company, but also makes it much more valuable.

After this major tribulation, Gilles, at the age of 71, leaves his position on the Board for good. He passed away in 2021.

In memory of his dedication, the Chutes-de-la-Chaudière hydroelectric facility, on which he worked so hard in the past, now bears his name.

“ I have learned
and grown so much
with Gilles. ”

Resilience



Dedication

Strategy



“ It was a very difficult time for us. On the other hand, that's what motivated us to expand our presence outside of Canada. ”



Setting course for new markets

In 2010, Hydro-Québec, BC Hydro and Ontario are in an electricity surplus situation. The opportunities for growth in the Canadian domestic market are therefore not very bright for Innergex.

The team meets and establishes a five-year plan that includes a well-developed international strategy. With little experience in this field, the various contributors roll up their sleeves to create a small Innergex in France in 2016 by acquiring wind farms in the country.

“We have grown enormously by setting up these overseas projects. We have been able to bring our own knowledge and know-how. It's very rewarding for both sides.”

Innergex's expertise in hydroelectricity is also well received in South America. While demonstrating a profound respect for the environment and communities, the Canadian team shares its tips and tricks for improving the profitability of Chilean facilities.

“ Today, nearly a hundred
people work for Innergex
in Chile. ”



Critical thinking

Growing and learning

Over the years, Innergex collects numerous successes and continues to grow by developing its own projects and acquiring companies or renewable energy projects in Canada, France, the United States and Chile.

In 2018, Innergex makes its largest acquisition to date, Alterra Power Corp., a Vancouver-based company with assets in British Columbia, Iceland and Texas.

Unfortunately, when a massive storm hits the State of Texas in February 2021, Innergex's facilities are completely frozen and no longer producing. Meanwhile, market prices for electricity rise to record levels.

“Because of contractual agreements, we have to buy electricity at a whopping price of \$9,000 per megawatt hour and sell it for a few dollars to our business partners.” The company loses close to 25 million dollars in one week.

With openness and transparency, Michel assumes the decision while learning from his mistakes and confidently confirms that he will never again sign such contracts, which do not fit well with the intermittent production of renewable energy.

“ Clearly, Innergex will never make the same mistakes again. ”

The company then looks to the future with enthusiasm and positivity. Since then, it has been growing steadily and continues to get stronger through its learning process.



Innergex is now a global company that remains true to its values by investing solely in the production of renewable energy, whether in hydroelectricity, wind power, solar energy or battery energy storage.

Vision and values...

Going off the beaten track

Although he does not have an engineering background, Michel never shies away from questioning the preconceived notions of his engineer colleagues.

As Innergex was initially developing small hydroelectric plants, they were used to transposing the designs of the larger plants, but on a smaller scale.

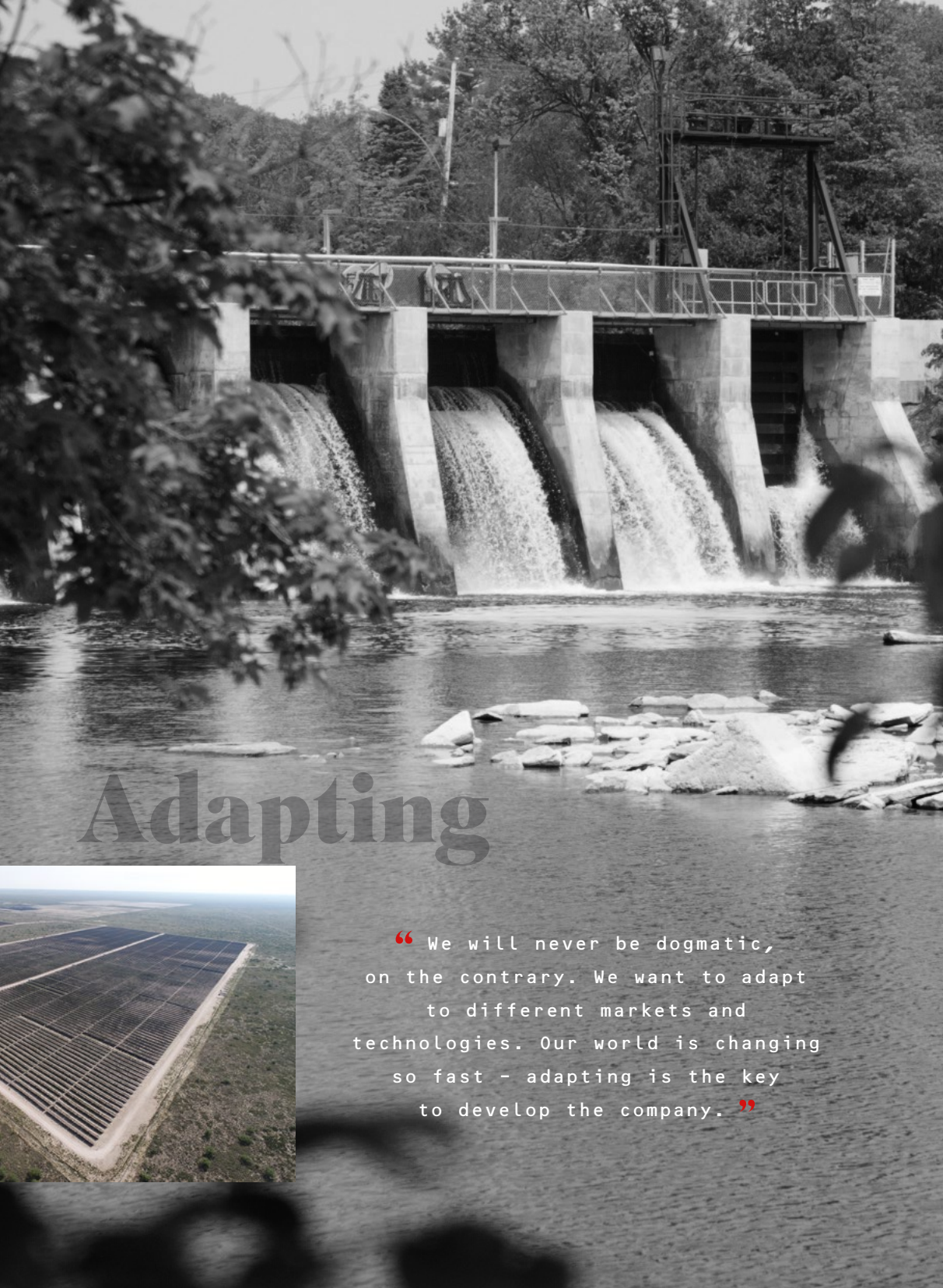
“They were not thinking about the efficiency and relative cost of the project. So, I pushed them to think differently. Sometimes I was wrong, but I was also often right!”

Of course, Michel knows that it is necessary to keep a somewhat conservative side in order to build projects and be prepared for any eventuality, especially the weather. Nevertheless, he always tries to find innovative solutions.

“ It's that eternal optimism that helps me take my team further. ”

This desire to evolve is present in all spheres at Innergex. Even if the company's DNA remains hydroelectricity, the team has always been very open to other forms of energy, such as wind and solar. Moreover, these technologies have become less expensive in many places.





Adapting



“ We will never be dogmatic,
on the contrary. We want to adapt
to different markets and
technologies. Our world is changing
so fast - adapting is the key
to develop the company. ”



**The human being
behind each
profession**

As a young man, Michel would accompany his father and his fellow bankers to hunting camps. This gave him the opportunity to take part in interesting discussions about the business world, but also about the personal lives of these wealthy men.

“ I understood early on in my life that behind every position, there is a human being. ”

These experiences in the wilderness have shaped Michel's personality and attitude. For him, every work is noble, every person is important and even the highest-ranking people have their weaknesses and vulnerabilities. These learnings have served him well when it comes to building strong partnerships with Indigenous or international communities.

“Hierarchy is very strong in Europe. When we set up in France, we introduced our culture of sharing and access to senior management. It was very refreshing for them.”

The “3 Ps”

Anyone who meets Michel will hear about the “3 Ps”, the balance sought at Innergex between **people**, our **planet** and **prosperity**. Of course, the planet refers to renewable energy as a solution to climate change, a mission that drives the team.

“ People are also at the heart of our business model: we are committed to building lasting relationships with local communities. ”

As for prosperity, it refers in particular to the revenue, which is necessary for any company in need of capital. However, this revenue should be reasonable and not excessive. It must also create value for employees, shareholders, partners and host communities.

“ We will never try to trick a supplier. We much prefer harmony to conflict. ”



Being human

An outline of the future...

Reinventing yourself day after day

Committed to the fight against climate change, the Innergex team remains on the lookout for any avant-garde solution that would allow 100% renewable energy to penetrate new markets.

Faced with the increasing demand for renewable energy production and the urgent need to act for our beautiful planet, Innergex will have its work cut out for it in the coming years.

In this regard, battery energy storage projects are being deployed. The company also sees opportunities to help heavy industry by developing new clean technologies such as green hydrogen.

“The technological leaps are fantastic. Innergex will always be at the forefront of innovation.”

Innergex Renewable Energy and EVLO during the official inauguration of the Tonnerre battery energy storage facility in France.





Tips from the **pros**

Surrounding yourself well

Throughout his career, Michel has seen two types of entrepreneurs: those who know how to grow their business by surrounding themselves with the right players, and those who have good ideas but get trapped in the system.

“There are some creative entrepreneurs, but unfortunately they don’t take the time to lay the foundations of their project and think about their overall strategy.”

In order to see your ideas evolve, and to avoid having them stolen, it is essential to surround yourself with the right people. Even if it is normal to trust your partners, an entrepreneur must keep an eye on the big picture and never let their guard down in the face of risk.

“ Personally, I do much better in an organized group. Having the right people by my side maximizes my chances of success as an entrepreneur and keeps me on top of blind spots. ”

Working together

There is no magic recipe!

Most of the time, success is a matter of hard work and patience. Michel knows this because it takes about six years in the renewable energy industry to start reaping the benefits of a project.

“ First comes the idea. But then you have to secure the site, do environmental studies, ensure social acceptability, and finally build. It's a long-term process. ”

In this respect, Michel thinks it is unfortunate that instant-success stories colour young people's perception of entrepreneurship. Even if some geniuses have indeed generated millions of dollars by inventing applications with their computers, this ease is far from representing the reality of all businesses.

“ **Going into business is not about working for two or three years and then relaxing on a beach. It requires effort, but it's also a wonderful adventure.** ”

INNERGEX

1225 Saint-Charles Street West, 10th Floor,
Longueuil (Quebec) J4K 0B9

450 928-2550

info@innergex.com

www.innergex.com

Publishing Director: Audrey Dallaire

Author: Anne-Sophie Brunelle

Translator: Frédérick Poulin

Graphic designer: Liliane Racine

Proofreader: Céline Chabot