



Innergex announces that the Umbata Falls hydroelectric plant is in commercial operation

Longueuil (Québec), January 8, 2009 – Innergex Renewable Energy Inc. (TSX: INE) (“Innergex”) announces that the performance tests made at the Umbata Falls hydroelectric power plant satisfy the *Ontario Power Authority* (“OPA”) requirements. The official commercial operation start date is thus retroactively set at November 12, 2008. Built in partnership with the Ojibways of the Pic River First Nation, the plant will benefit from a power purchase agreement with the OPA, with respect to all the power to be produced by the facility during the next 20 years.

Built within budget and respecting environmental protection practices, the plant has a total installed capacity of 23 MW, provides an estimated annual power output of about 109 GWh and an EBITDA estimated at more than eight million dollars. With its 16.1% participation in the Innergex Power Income Fund (TSX : IEF.UN), Innergex now holds 95 MW of net operating installed capacity.

As stated by Michel Letellier, President and Chief Executive Officer of Innergex: “With Umbata Falls now in commercial operation, we are meeting our business plan objectives for 2008. This also brings us an important step closer towards attaining the target of 300 MW in net operating installed capacity by 2012.”

The project is certified by EcoLogo and benefits from the ecoENERGY Initiative of the Canadian federal government to support renewable energy in Canada. The program provides a \$10 per MWh incentive payment for the first ten years of operation. According to Mr. Letellier: “The ecoENERGY program supports the efforts of companies such as ours to protect the environment and is evidence of the importance of such efforts to the federal government. As such, it is an important program and we are very proud to be eligible, environmental protection being an underlying value of Innergex.”

The construction of the Umbata Falls project began in the spring of 2006. The plant is a run-of-river hydroelectric power generating facility located on the White River, a tributary to Lake Superior, approximately 30 km southeast of Marathon, Ontario.

Innergex Renewable Energy Inc. is a leading developer, owner and operator of run-of-river hydroelectric facilities and wind energy projects in North America. The Corporation’s management team has been involved in the renewable power industry since 1990. The Corporation owns a portfolio of projects which consists of: i) interests in three operating facilities with an aggregate net installed capacity of 61 MW (gross 141 MW); ii) interests in eight projects with an aggregate net installed capacity of 245 MW (gross 440 MW) for which power purchase agreements with public utilities have been secured or which are eligible under the British Columbia Hydro and Power Authority Standing Offer Program; and iii) prospective projects (gross expected capacity of more than 1,700 MW). Innergex Renewable Energy Inc. also owns 16.1% of the Innergex Power Income Fund, a publicly traded income fund listed on the Toronto Stock Exchange under the symbol “IEF.UN”, and acts as its manager under long-term management agreements. Innergex Power Income Fund owns interests in 12 projects in operation, with a total net installed capacity of 210 MW (gross 340 MW).

Forward-looking statements

Investors should note that some statements in this press release are forward-looking and may not give full weight to all potential risks and uncertainties. Forward-looking statements are, by their nature, subject to risks and uncertainties, and actual results, actions or events could materially differ from those set forth in the forward-looking statements. All forward-looking statements are only valid as of the date they were made. The Corporation does not undertake to update forward-looking statements except in accordance with applicable laws.

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