

PRESS RELEASE*For immediate release***Concrete solutions to ensure the energy security of Îles-de-la-Madeleine**

Cap-aux-Meules, June 4, 2025 – Hydro-Québec is announcing different solutions in order to ensure energy security of Îles-de-la-Madeleine. These initiatives will ultimately, depending on the availability of renewable fuels, reduce the islands' greenhouse gas (GHG) emissions by about 90% compared to current levels.

Wind generation

Alongside Dunes-du-Nord wind farm with its total installed capacity of 8 MW, the new 16.8 MW Grosse-Île wind farm will be constructed. Once operational, it could lead to additional fuels savings of approximately 11 million litres per year. The two wind farms combined will yield a total fuel reduction of around 40% compared to 2019.

Financial assistance for the purchase of solar panels

In line with Hydro-Québec's approach to develop Québec's solar power sector, financial assistance for the purchase of solar panels will initially be offered exclusively to Îles-de-la-Madeleine residents starting in the winter of 2026 to help reduce the pressure on the generating station.

The amount of the financial assistance will be higher than that offered to customers elsewhere in Québec owing to the archipelago's unique circumstances. The incentive aims to cover up to 50% of the installation cost of solar panels on homes and businesses.

Construction of a new generating station in Cap-aux-Meules

Slated to be built by 2035 on the same site as the current facility, the new generating station is a sustainable solution that will generate more electricity for the islands' homes and businesses. It will rely on low-carbon fuel, and its output will be supported by additional measures to consume less fuel. Until commissioning, the necessary investments will be made to ensure the reliability of the current generating station's output over the coming years.

A unique and ambitious new energy efficiency program for the islands

Hydro-Québec is announcing investments of \$70 million over three years for an energy efficiency program to curb electricity use and GHG emissions. Financial assistance for the purchase of heat pumps will soon be available to customers who currently heat with electricity. The amount will cover \$200 per 1,000 BTU for units that perform best in cold weather. Up to three times more efficient than electric baseboard heaters, these heat pumps will help customers save an average of \$450 on their annual electricity bill.

The financial assistance available to customers who heat with oil or propane will increase significantly. The fuel compensation will double to encourage households to keep their

systems, which are less polluting for heating than electricity from the current generating station. The revamped program will help avoid the consumption of an additional 13.7 million litres of oil at the substation, leading to a reduction of 20,000 tonnes of GHG emissions annually.

Hydro-Québec has also renamed the Efficient Energy Use Program (EEUP), which is now Energy in Off-Grid Systems.

Information and discussion process with local residents

Over the next few months, Hydro-Québec will meet with Îles-de-la-Madeleine residents to present and explain the projects and measures that will shape the archipelago's energy future, answer their questions and gather their concerns and suggestions.

Quotes

“We are convinced that building a new generating station that relies on low-carbon fuel, combined with the proposed measures for customers on Îles-de-la-Madeleine, is the best solution to secure the energy future of the islands, Hydro-Québec and Québec. The strategy will enable Hydro-Québec to reduce GHG emissions in the archipelago while retaining jobs at the generating station and minimizing the impact on electricity rates.”

François Brassard, Vice President – Integrated Power System Design and Technological Projects at Hydro-Québec

“We want the Îles-de-la-Madeleine to be our technology showcase. Customers will be at the forefront of the development of self-generated solar power in Quebec. Our energy efficiency program is also very ambitious and will significantly reduce the bill and environmental impact of electricity production in the Magdalen Islands.”

Josyane Fortin, Senior Director – Customer Energy Offerings and Rates at Hydro-Québec