



1Q21 CPFL Results



- ✓ Increase of **2.6% in load in the concession area**
- ✓ **EBITDA** of **R\$ 1,966 million**, growth of **15.9%**
- ✓ **Net Income** of **R\$ 961 million**, growth of **6.3%**
- ✓ Net Debt of **R\$ 15.1 billion** and leverage of **2.03x Net Debt/EBITDA**
- ✓ Investments of **R\$ 695 million**, growth of **36.3%**
- ✓ **CPFL Paulista** tariff adjustment of **+8.95% for the consumer** in Apr-21
- ✓ Release of the **Sustainability Annual Report**
- ✓ **Start of operations of Alesta**, CPFL Energia's fintech
- ✓ CPFL Energia reached **10 million clients** at its distributors in Mar-21

Video Conference with Simultaneous Translation into English (Bilingual Q&A)

Friday, May 14, 2021 – 11:00 a.m. (BRT), 10:00 a.m. (ET)

Zoom platform – click here to register:

https://zoom.us/webinar/register/WN_cOkY1b3gQty3SjyBfjZ1_w

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MESSAGE FROM THE CEO

The pandemic is not yet over, but in the same way that we overcame the challenges of 2020, we began this first quarter with the same direction and strategy: we spared no efforts in guaranteeing the health and safety of our employees and stakeholders, we ensured the continuity of our services, which are essential to the public, while maintaining high quality, and we preserved the Company's liquidity and financial health, while delivering solid and sustainable results.

As for the first-quarter results, on the operational front in the Distribution segment, energy sales in the concession area of our distributors came to 17,882 GWh, representing an increase of 2.5%. This increase was led by the residential and industrial segments, which posted growth of 4.6% and 7.7%, respectively, basically due to the shift in users' habits in the residential segment and to the continued recovery of the industrial segment in all key sectors in our markets. In the commercial segment, sales declined by 4.0%, but with better numbers than in 2020. A highlight in the Distribution segment was reaching the mark of 10 million clients, which is cause not only for celebration, but for further reinforcing our focus on the customer, which is one of our key priorities.

In the Generation segment, the highlight was the good results due mainly to the performance of our wind farms in the quarter compared to the same quarter of 2020. We continued to improve our availability, by 0.9%, which was also helped by good wind performance, with our wind power generation increasing by 68.4%.

In the Group's other segments, the highlight was the startup of Alesta, our credit Fintech. Alesta is a financial institution authorized by the Central Bank for operations exclusively via electronic platform that will focus on extending loans, as well as other activities related to credit analysis, collections and payments. Its main differential will be offering installment payments for electricity bills, which is an alternative that will facilitate payment by customers, including by payment slip and credit cards. In April, we launched a pilot operation for extending credit for the payment of past-due bills to customers in the concession area of CPFL Piratininga.

In terms of financial performance, once again we delivered strong results. In the quarter, EBITDA reached R\$ 1,966 million and Net Income was R\$ 961 million, representing growth of 15.9% and 6.3%, respectively, on the prior-year period. The highlight was the Distribution segment, which EBITDA reached R\$ 1,262 million in the quarter, up 11.0% year over year, which mainly reflects the tariff increases at CPFL Paulista (in April 2020), RGE (in June 2020) and CPFL Piratininga (in October 2020). Net debt was 2.03 times EBITDA at end-March, based on the measurement criteria in our financial covenants, keeping the group's consolidated leverage at adequate levels. Another highlight was our comfortable cash position at end-quarter of around R\$ 4.6 billion, with a debt coverage ratio of 0.76 times amortizations in the short term. During the quarter, Fitch also reaffirmed the credit rating of

CPFL Energia at AAA(bra), with a Stable outlook.

Our teams continue to execute our investment plan through value-accretive initiatives with the same financial discipline, engagement and commitment as always. In 1Q21, we invested R\$ 695 million, representing an increase of 36.3%.

In late March, we published another edition of our Annual Sustainability Report, which provides information on our best practices in Environment, Social & Governance (ESG) aspects, which are incorporated into the 15 commitments undertaken in our Sustainability Plan. I invite you who have not yet read this important document to visit our hotsite ([click here](#)), where you'll find information on our main actions and key indicators related to the topic of sustainability, as well as to read our complete Annual Report. So good reading to everyone!

Lastly, I want to emphasize that CPFL Energia has reviewed and updated its strategic plan to reinforce the pillars previously defined, with a focus on sustainable growth, financial discipline, operating efficiency, corporate governance and creating value for all stakeholders. We also are dedicating efforts to regulatory discussions, modernizing the industry, implementing new technologies, and reaffirming our commitment to operating in the power industry with reliability, transparency, public safety and respect for the environment.

Gustavo Estrella

Chief Executive Officer, CPFL Energia

Indicators (R\$ Million)	1Q21	1Q20	Var.
Load in the Concession Area - GWh	18,479	18,016	2.6%
Sales within the Concession Area - GWh	17,882	17,442	2.5%
Captive Market	11,628	11,901	-2.3%
Free Client	6,254	5,541	12.9%
Gross Operating Revenue	12,484	10,879	14.8%
Net Operating Revenue	8,288	7,282	13.8%
EBITDA ⁽¹⁾	1,966	1,696	15.9%
Distribution	1,262	1,137	11.0%
Generation	650	546	19.0%
Commercialization, Services & Others	55	14	301.9%
Net Income	961	904	6.3%
Net Debt ⁽²⁾	15,100	15,114	-0.1%
Net Debt / EBITDA ⁽²⁾	2.03x	2.21x	18.7%
Investments ⁽³⁾	695	510	36.3%

Notes:

(1) EBITDA is calculated from the sum of net income, taxes, financial result, depreciation/amortization, as CVM Instruction no. 527/12. See the calculation in item 3.1 of this report;

(2) In covenants criteria, which considers CPFL Energia stake in each project;

(3) Does not include special obligations.

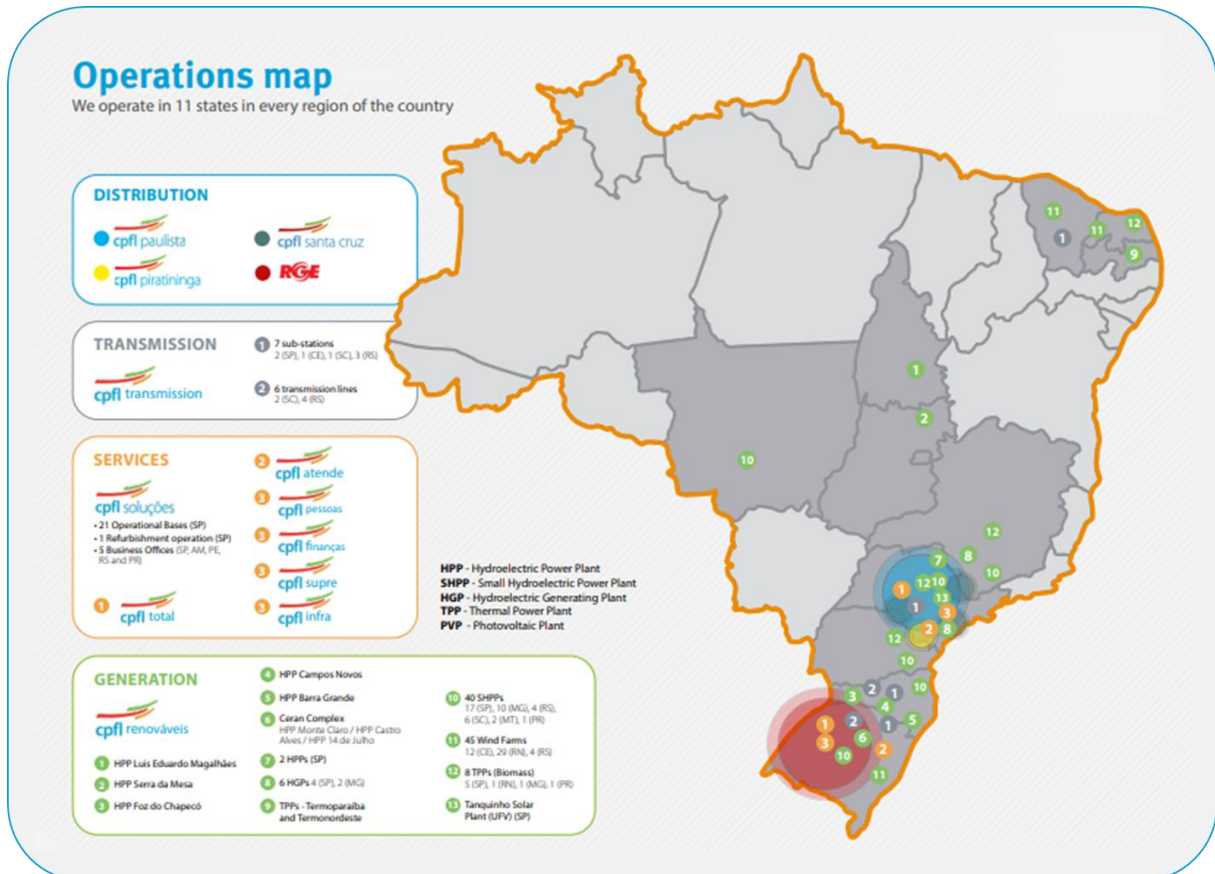
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1) COMPANY PROFILE AND CORPORATE STRUCTURE

Company Operation

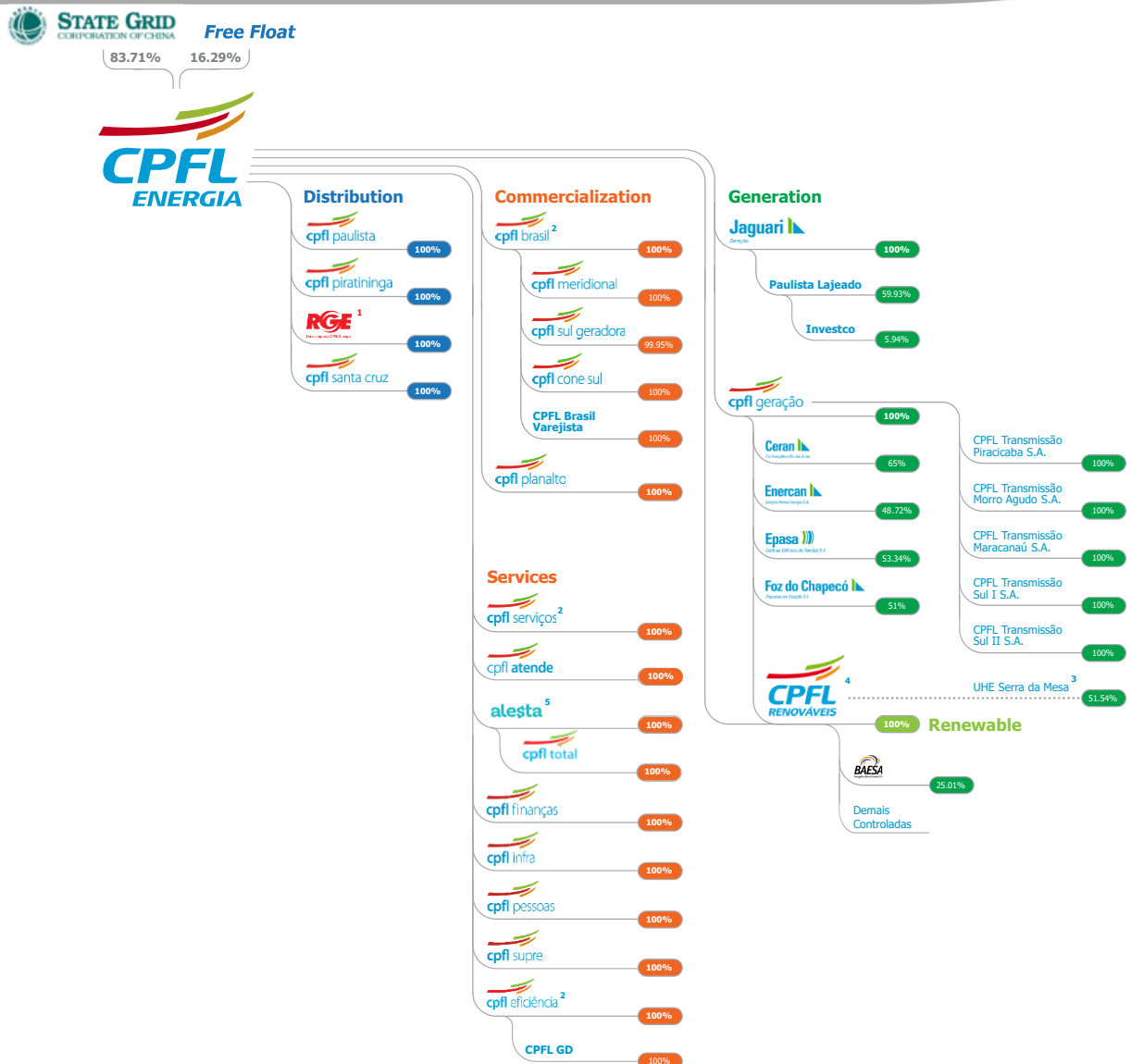
CPFL Energia operates in the Generation, Transmission, Distribution, Commercialization and Services segments, with presence in 11 states in all regions of the country.



CPFL is the second largest distributor in volume of energy sales, with 14% of the national market, serving approximately 10.0 million customers in 687 municipalities. With 4,303 MW of installed capacity, it is the third largest private generator in the country, being the leader in renewable generation, operating in hydroelectric, solar, wind and biomass sources. It also has investments in Transmission and a national operation through CPFL Soluções, providing integrated solutions in energy management and commercialization, energy efficiency, distributed generation, energy infrastructure and consulting services.

Shareholders Structure

CPFL Energia is a holding company that owns stake in other companies. State Grid Corporation of China (SGCC) controls CPFL Energia through its subsidiaries State Grid International Development Co., Ltd, State Grid International Development Limited (SGID), International Grid Holdings Limited, State Grid Brazil Power Participações S.A. (SGBP) and ESC Energia S.A.



Reference date: 03/31/2021

Notes:

- (1) RGE is held by CPFL Energia (89.0107%) and CPFL Brasil (10.9893%);
- (2) CPFL Soluções = CPFL Brasil + CPFL Serviços + CPFL Eficiência;
- (3) 51.54% stake of the availability of power and energy of Serra da Mesa HPP, regarding the Power Purchase Agreement between CPFL Renováveis and Furnas;
- (4) CPFL Renováveis is controlled by CPFL Energia (49.1502%) and CPFL Geração (50.8498%);
- (5) Alesta is in the "Others" segment. In order to facilitate the visualization and due to the incorporation of CPFL Total shares, it is presented in the "Services" segment.

Corporate Governance

The corporate governance model adopted by CPFL Energia is based on the 4 basic principles of the Brazilian Corporative Government System: transparency, equity, accountability and corporate responsibility.

CPFL's Management is composed by the Board of Directors and the Board of Executive Officers.

The Board of Directors is responsible for the strategic direction of the CPFL Group, consists of 7 members (2 independent members), whose term of office is 2 years, with the possibility of reelection. It has 5 Advisory Committees (Strategy and Management of Process, Human Resources, Related Parties, Risk and Budget Management and Corporate Finance), which assist in the decisions and monitoring the relevant and strategic issues.

The Board of Executives consists of 1 Chief Executive Officer and 8 Vice-Chief Executive Officers, all with term of office of 2 years, with possibility of reelection, whose responsibility is the execution of the strategies of CPFL Energia and its subsidiaries, which are defined by the Board of Directors going along with the corporate governance guidelines.

CPFL Energia has a permanent Fiscal Council, composed of 3 effective members and equal number of alternates, all with 1 year of term of office, with the possibility of reelection.

The guidelines and documents on corporate governance are available at the Investor Relations website <http://www.cpfl.com.br/ir>.

Dividend Policy

On May 21, 2019, CPFL Energia announced to its shareholders and to the market that its Board of Directors approved, at the meeting held on that date, the adoption of a dividend distribution policy, which determines that the Company should distribute annually, as dividends, at least 50% of the adjusted net income. Furthermore, the Dividend Policy sets out the factors that will influence the amount of the distributions, as well as other issues considered relevant by the Board of Directors and the shareholders. The Dividend Policy also highlights that certain obligations contained in the Company's financial contracts may limit the amount of dividends and/or interest on own capital that may be distributed.

The approved Dividend Policy is merely indicative, with the purpose of signaling to the market the treatment that the Company intends to give to the distribution of dividends to its shareholders, having, therefore, a programmatic character, not binding upon the Company or its governing bodies.

The Dividend Policy is available at the Investor Relations website <http://www.cpfl.com.br/ir>.

2) OPERATIONAL PERFORMANCE

2.1) Distribution

2.1.1) Load net of losses in the concession area

Load in the Concession Area - GWh			
	1Q21	1Q20	Var.
Captive Market	11,712	12,071	-3.0%
Free Client	6,767	5,945	13.8%
Total	18,479	18,016	2.6%

Note: If disregarding the migration of large consumers, the load within the concession area would have a variation of +2.9% in the quarter.

In 1Q21, the load net of losses in the concession area totaled 18,479 GWh, an increase of 2.6%.

2.1.2) Sales within the Distributors' Concession Area

Sales within the Concession Area - GWh			
	1Q21	1Q20	Var.
Captive Market	11,628	11,901	-2.3%
Free Client	6,254	5,541	12.9%
Total	17,882	17,442	2.5%

In 1Q21, sales in the concession area totaled 17,882 GWh, an increase of 2.5%. If we disregard the migration of large consumers to the Basic Network and the significant reduction in the amount of energy contracted by two permissionaires, the sales in the concession area in 1Q21 would have changed by 3.3%.

Sales to the captive market totaled 11,628 GWh in 1Q21, a decrease of 2.3%. The amount of energy, in GWh, corresponding to the consumption of free customers in the concession area of the group's distributors, billed through the Tariff for the Use of the Distribution System (TUSD), reached 6,254 GWh in 1Q21, an increase of 12.9%.

Sales within the Concession Area - GWh				
	1Q21	1Q20	Var.	Part.
Residential	5,697	5,444	4.6%	31.9%
Industrial	6,314	5,862	7.7%	35.3%
Commercial	2,909	3,031	-4.0%	16.3%
Others	2,963	3,104	-4.6%	16.6%
Total	17,882	17,442	2.5%	100%

Note: The tables with sales within the concession area by distributor are attached to this report in item 7.9.

Highlights in the concession area in 1Q21:

- **Residential Segment (31.9% of total sales):** increase of 4.6%, favored by changes in habits due to the social isolation imposed by the pandemic of COVID-19. On the other hand, the temperature had a negative impact on this segment, as well as the increase in distributed generation and the billing calendar.
- **Commercial Segment (16.3% of total sales):** reduction of 4.0%, mainly due to issues related to the COVID-19 pandemic, such as the increase in movement restrictions due to the 2nd wave of cases, in addition to the effect of the increase in distributed generation. It is worth noting, however, that the result for this quarter is the best one since the beginning of the pandemic in 2Q20.
- **Industrial Segment (35.3% of total sales):** increase of 7.7%. Disregarding the migration of large customers to the Basic Network, the industrial segment would have increased by 8.1%, reflecting an improvement in industrial performance compared to last year. This segment returned to a positive variation after 3 consecutive quarters of decline.

Sales to the Captive Market - GWh			
	1Q21	1Q20	Var.
Residential	5,697	5,444	4.6%
Industrial	1,125	1,224	-8.2%
Commercial	2,046	2,264	-9.6%
Others	2,761	2,968	-7.0%
Total	11,628	11,901	-2.3%

Note: The tables with sales within the captive market by distributor are attached to this report in item 7.10.

Free Client - GWh			
	1Q21	1Q20	Var.
Industrial	5,189	4,638	11.9%
Commercial	864	767	12.6%
Others	201	136	48.0%
Total	6,254	5,541	12.9%

Free Client by Distributor - GWh			
	1Q21	1Q20	Var.
CPFL Paulista	2,901	2,590	12.0%
CPFL Piratininga	1,734	1,577	10.0%
RGE	1,370	1,182	15.9%
CPFL Santa Cruz	248	192	29.4%
Total	6,254	5,541	12.9%

2.1.3) Losses

The consolidated losses index of CPFL Energia was of 9.11% in the 12 months ended in Mar-21, compared to 9.14% in Mar-20, a decrease of 0.03 p.p. However, disregarding the effect of the billing calendar in both years, there was an increase of 0.19 p.p. (from 8.98% in Mar-20 to 9.17% in Mar-21), indicating a worsening of this indicator caused by the adverse macroeconomic conditions imposed by the COVID-19 pandemic and the resumption of cuts due to delinquency.

12M Accumulated Losses ¹						
	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	ANEEL
CPFL Energia	9.14%	9.09%	9.06%	9.05%	9.11%	8.24%
CPFL Paulista	9.30%	9.39%	9.24%	9.42%	9.64%	8.38%
CPFL Piratininga	7.58%	7.60%	7.65%	7.69%	8.06%	6.56%
RGE Sul	10.08%	9.79%	9.87%	9.62%	9.18%	9.18%
CPFL Santa Cruz	8.45%	8.01%	8.34%	7.77%	7.87%	8.36%

Note: According to the criteria defined by the Regulatory Agency (ANEEL). In CPFL Piratininga and RGE, high-voltage customers (A1) were disregarded.

The CPFL group has intensified the actions against non-technical losses and the main achievements in 1Q21 were:

- (i) Energy recovery of 166.7 GWh, of which 121.5 GWh related to the increase in revenue and 42.5 GWh of retroactive energy;

- (ii) 141.6 thousand fraud inspections were carried out at consumer units, increase of 3.4% compared to 1Q20;
- (iii) Visit in 29.5 thousand consumer units inactivated for cutting in cases of self-reconnection;
- (iv) Replacement of more than 0.9 thousand obsolete/defective meters with new electronics;
- (v) Regularization of 0.7 thousand consumers without contract (clandestine);
- (vi) Market discipline through 75 news in media related to CPFL fraud and theft operations, as well as 54 people arrested due to frauds.

2.1.4) SAIDI and SAIFI

The SAIDI (System Average Interruption Duration Index) measures the average duration, in hours, of interruption per consumer per year and the SAIFI (System Average Interruption Frequency Index) measures the average number of interruptions per consumer per year. Such indicators measure the quality and reliability of the electricity supply.

SAIDI Indicators								
Distributor	SAIDI (hours)							
	2017	2018	2019	2020	1Q20	1Q21	Var. %	ANEEL ¹
CPFL Energia	9.40	8.62	8.83	7.66	8.14	7.91	-2.8%	n.d
CPFL Paulista	7.14	6.17	6.72	6.81	6.39	6.97	9.1%	6.82
CPFL Piratininga	6.97	5.94	6.49	5.83	5.92	6.11	3.2%	6.24
RGE ²	14.83	14.44	14.01	10.83	12.68	10.89	-14.1%	10.84
CPFL Santa Cruz ³	6.22	6.01	5.56	4.89	4.97	5.14	3.4%	8.19

SAIFI Indicators								
Distributor	SAIFI (interruptions)							
	2017	2018	2019	2020	4Q19	1Q21	Var. %	ANEEL ¹
CPFL Energia	5.69	4.68	4.93	4.54	4.64	4.63	-0.2%	n.d
CPFL Paulista	4.94	4.03	4.38	4.27	4.15	4.40	6.0%	5.48
CPFL Piratininga	4.45	3.89	4.34	4.32	3.93	4.51	14.8%	5.52
RGE ²	7.68	6.10	6.25	5.27	5.93	5.16	-13.0%	6.96
CPFL Santa Cruz ³	5.13	5.09	4.25	3.68	3.85	3.99	3.6%	7.87

Notes:

1) ANEEL limit;

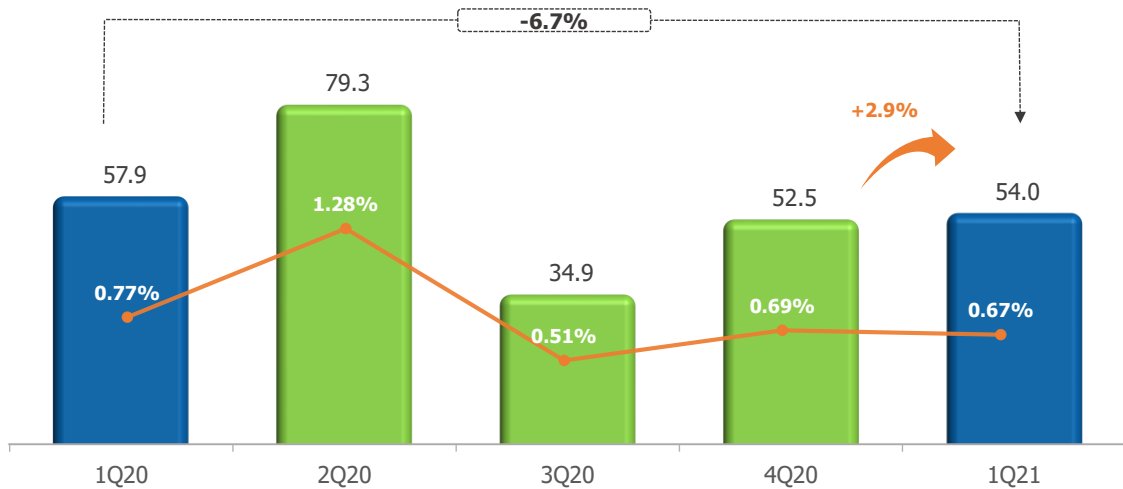
2) Since 2019, the RGE and RGE Sul concessions have been unified, becoming a single distributor for the purpose of calculating technical indicators;

3) Since 2018, the concessions of CPFL Santa Cruz, Sul Paulista, Mococa, Jaguari and Leste Paulista have been unified, becoming a single distributor for purposes of calculating technical indicators.

In the consolidated of the distributors, the annualized value of SAIDI in 1Q21 was lower than in 1Q20 (-2.8%). The annualized value of SAIFI in 1Q21 is in line with 1Q20 (+0.2%). These results reflect the improvement in RGE. On the other hand, the concession areas in the state of São Paulo had a higher number of occurrences and a worse weather than the year 2020, which led to an increase in the indicators.

2.1.5) Delinquency

ADA (R\$ million)



ADA registered a decrease of 6.7% (R\$ 3.9 million) in 1Q21, compared to 1Q20. Compared to 4Q20 there was an increase of 2.9% (R\$ 1.5 million).

In order to fight against the increase in delinquency accentuated by the country's economic situation, CPFL intensified and diversified its billing and collection actions, with the following highlights:

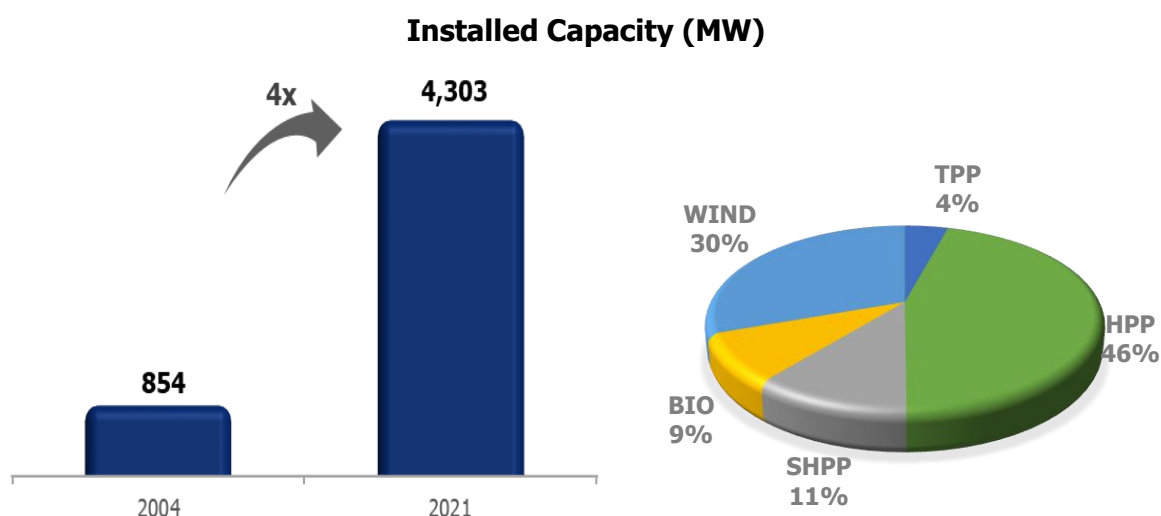
- (i) Implementation of the notice highlighted on the electricity invoice giving more visibility to the power cut notice, making a clearer and more assertive communication with the customer;
- (ii) Conduction of a digital negotiation campaign with customers, intensifying online communication and directing customers to digital channels, in line with CPFL's digitalization strategy;
- (iii) Continuing the plan of power cuts, CPFL started the year 2021 with a high volume of suspensions, 5.6% higher in the comparison between 1Q21 and 1Q20, but 13% lower than the historical record of 4Q20, when the stock of customers available for cuts was extremely high due to the three months without performing the suspension, according to Resolution No. 878/2020;
- (iv) Increase of 64% in negativity and protest actions in relation to 4Q20, jumping from 281,000 to 461,000 in 1Q21.

2.2) Generation

2.2.1) Installed Capacity

In 1Q21, the Generation installed capacity of CPFL Energia group, considering the proportional stake in each project, is of 4,303 MW.

Since the IPO in 2004, CPFL Energia has been expanding its portfolio and today has a capacity 4 times higher.



Note: Breakdown graphic by source does not consider 1 MW of Solar Generation of Tanquinho Plant.

2.2.2) Operational and under construction projects

In MW	Portfólio						Total
	TPP	HPP	SHPP	Bio	Wind	Solar	
In Operation	182	1,966	475	370	1,309	1	4,303
In Construction	-	-	28	-	82	-	110
In Development	-	-	116	-	2,094	1,140	3,350
Total	182	1,966	619	370	3,484	1,141	7,763

The project portfolio of Generation segment (considering CPFL Energia's participation in each project) totals 7,763 MW of installed capacity. The plants in operation totalize 4,303 MW, comprising 8 HPPs (1,966 MW), 45 wind farms (1,309 MW), 48 SHPPs and MHPPs (475 MW), 8 biomass thermoelectric plants (370 MW), 2 TPPs (182 MW) and 1 solar plant (1 MW).

Still under construction 1 SHPP (28 MW) and 4 wind farms (82 MW). Additionally, we have wind, solar and SHPP projects under development totaling 3,350 MW.

SHPP Lucia Cherobim

SHPP Lucia Cherobim, a project located in the state of Paraná, is scheduled to start operating in 2024. In March 2021, the physical progress of the project was 11.1%. Installed capacity is 28.0 MW and physical guarantee is 16.6 average MW. The energy was sold under a long-term contract at the 2018 new energy auction (A-6) (price: R\$ 213.17/MWh – Mar-21).

Gameleira Complex Wind Farms

The Gameleira Complex wind farms (Costa das Dunas, Figueira Branca, Farol de Touros and Gameleira), located in the state of Rio Grande do Norte, is scheduled to start operating in mid-2021, 2.5 years before the Aneel official deadline. The installed capacity is 81.7 MW and the physical guarantee is 41.0 average MW. Part of the energy (12.0 average MW) was sold under a long-term contract at the 2018 new energy auction (A-6) (price: R\$ 100.88/MWh – Mar-21) and the rest was sold on the free market.

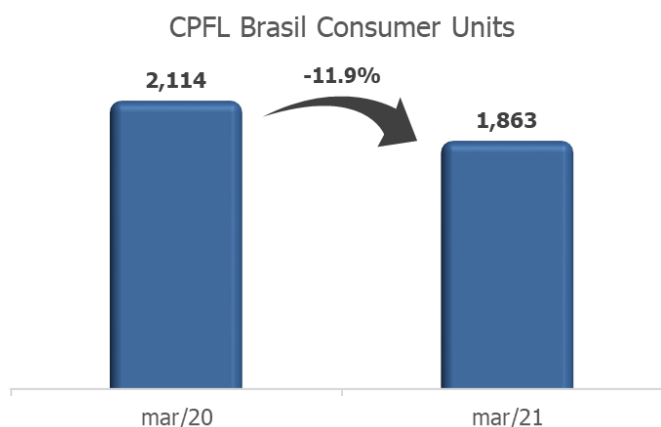
Corporate restructuring

On September 30, 2020, the second stage of the CPFL Renováveis integration plan was completed through the Corporate Restructuring of the CPFL Group's generation companies. The new structure strengthens the administrative structures and brings synergies to the Group, which now has a single Generation segment with all its projects.

2.3) Commercialization

Number of Commercialization Consumer Units

In Mar-21, CPFL Brasil consumer units reached 1,856, a decrease of 12.2%. This was due to a volume of contract termination above the historical average in Dec-20.



2.4) Transmission

Operational Portfolio						
Project	Location	RAP (R\$ MM)	Capex (R\$ MM)	Operation Start	Substation Nº	
Piracicaba	SP	8,9	100	Jul/15	1	
Morro Agudo	SP	10,8	100	Jul/17	1	

In Construction Portfolio						
Project	Location	RAP (R\$ MM)	Estimated Capex by Aneel (R\$ MM)	Operation Start	Substation Nº	Lines (Km)
Maracanaú	CE	7,9	102	Mar/22	1	2 32,5%
Sul I	SC	26,4	366	Mar/24	1	320 32,4%
Sul II	RS	33,9	349	Mar/23	3	85 56,3%

Note: Base Date - Piracicaba (12/19/12) – Morro Agudo (06/01/14) – Maracanaú (06/28/18) – Sul I and II (12/20/18).

3) CPFL ENERGIA ECONOMIC-FINANCIAL PERFORMANCE

3.1) Economic-Financial Performance

Consolidated Income Statement - CPFL ENERGIA (R\$ Million)			
	1Q21	1Q20	Var.
Gross Operating Revenue	12,484	10,879	14.8%
Net Operating Revenue	8,288	7,282	13.8%
Revenue from building the infrastructure	623	496	25.6%
Net Operating Revenue (ex-rev. from infrastructure)	7,666	6,786	13.0%
Cost of Electric Power	(4,977)	(4,341)	14.6%
Contribution Margin	2,688	2,445	9.9%
PMSO	(760)	(789)	-3.7%
Other Operating Costs & Expenses	(1,099)	(967)	13.6%
Equity Income	90	85	6.0%
EBITDA¹	1,966	1,696	15.9%
Financial Income (Expense)	(121)	121	-
Income Before Taxes	1,421	1,390	2.2%
Net Income	961	904	6.3%

Note: (1) EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization, according to CVM Instruction no. 527/12.

CPFL Energia - Key financial indicators by business segment (R\$ million)					
	Distribution	Generation	Others	Eliminations	Consolidated
1Q21					
Contribution margin	1.967	661	226	(165)	2.688
EBITDA ¹	1.262	650	55	-	1.966
Financial results	(88)	(51)	19	-	(121)
Net Income	597	349	15	-	961
1Q20					
Contribution margin	1.826	575	159	(116)	2.445
EBITDA ¹	1.137	546	14	-	1.696
Financial results	206	(100)	15	-	121
Net Income	728	178	(3)	-	904
Variation (%)					
Contribution margin	7,7%	14,9%	42,1%	42,8%	9,9%
EBITDA ¹	11,0%	19,0%	301,9%	-	15,9%
Financial results	-	-48,7%	24,9%	-	-
Net Income	-18,1%	95,7%	0,0%	-	6,3%

Notes:

(1) The analysis by business segment is presented in chapter 6;

(2) The breakdown of economic-financial performance by business segment is presented in annex 7.4.

Non-cash effects, extraordinary items and others

We highlight below the non-cash effects, extraordinary items and others of greater relevance observed in the periods analyzed, as a way to facilitate the understanding of the variations in Company's results.

EBITDA effects - R\$ million	1Q21	1Q20	Var.
Adjustments in the concession financial assets (VNR)	252	139	81,7%
Legal and judicial expenses	(23)	(38)	-37,4%
Assets write-off	(37)	(35)	5,1%
Other extraordinary items:			
CPFL Santa Cruz - Tariff review effects (RAB appraisal report)	7	-	-
CPFL Santa Cruz - PIS/Cofins over ICMS	(34)	-	-
Epasa depreciation rate	(6)	-	-
Financial results effects - R\$ million	1Q21	1Q20	Var.
Mark-to-market (MTM)	(24)	267	-

Operating Revenue

In 1Q21, gross operating revenue reached R\$ 12,484 million, representing an increase of 14.8% (R\$ 1,606 million). Deductions from operating revenue were R\$ 4,196 million in 1Q21, representing an increase of 16.7% (R\$ 600 million). Net operating revenue reached R\$ 8,288 million in 1Q21, registering an increase of 13.8% (R\$ 1,006 million).

Net Operating Revenue (R\$ Milhões)			
	1Q21	1Q20	Var.
Distribution	7,093	6,103	16.2%
Generation	802	684	17.1%
Commercialization	592	718	-17.5%
Services	199	152	30.6%
Elimination and Others	(398)	(375)	6.1%
Total	8,288	7,282	13.8%

For further details about the revenue variation by segment, see chapter 6 – Performance of Business Segments.

Cost of Electric Energy

Cost of Electric Energy (R\$ Million)			
	1Q21	1Q20	Var.
Cost of Electric Power Purchased for Resale			
Energy from Itaipu Binacional	(972)	(910)	6.8%
PROINFRA	(97)	(69)	39.8%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	(3,077)	(3,083)	-0.2%
PIS and COFINS Tax Credit	363	358	1.3%
Total	(3,783)	(3,704)	2.1%
Charges for the Use of the Transmission and Distribution System			
Basic Network Charges	(780)	(563)	38.7%
Itaipu Transmission Charges	(83)	(70)	18.5%
Connection Charges	(48)	(40)	18.3%
Charges for the Use of the Distribution System	(15)	(11)	44.1%
ESS / EER	(389)	(18)	2106.5%
PIS and COFINS Tax Credit	120	64	89.3%
Total	(1,194)	(637)	87.4%
Cost of Electric Energy	(4,977)	(4,341)	14.6%

Cost of Electric Power Purchased for Resale

In 1Q21, the cost of electric power purchased for resale reached R\$ 3,783 million, an increase of 2.1% (R\$ 79 million), mainly influenced by higher prices, despite the lower volume of energy purchased (see table below). The main variations were:

- (i) Increase of 6.8% in **energy from Itaipu** (R\$ 62 million), mainly due to the exchange variation;
- (ii) Increase of 39.8% in **PROINFA** (R\$ 27 million);

Partially offset by the:

- (iii) Reduction of 0.2% in **energy purchased in auctions, bilateral contracts and spot market** (R\$ 6 million);
- (iv) Increase of 1.3% in **PIS and COFINS tax credit** (R\$ 5 million).

Volume of purchased energy (GWh)	1Q21	1Q20	Var.
Energy from Itaipu Binacional	2,587	2,721	-4.9%
PROINFA	222	252	-11.7%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	14,964	16,446	-9.0%
Total	17,774	19,419	-8.5%

Average price (R\$/MWh)	1Q21	1Q20	Var.
Energy from Itaipu Binacional	(375.72)	(334.39)	12.4%
PROINFA	(434.22)	(274.14)	58.4%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	(205.62)	(187.44)	9.7%
Total	(212.84)	(190.73)	11.6%

Charges for the Use of the Transmission and Distribution System

In 1Q21, charges for the use of the transmission and distribution system reached R\$ 1,194 million, an increase of 87.4% (R\$ 557 million). This variation was mainly due to:

- Increase of R\$ 371 million in **sector charges (ESS/EER)**, with highlight to ESS – System Service Charges. The increase in this charge was due to the need to dispatch thermal plants and an increase in the volume of energy imports in 1Q21, due to limited hydrological conditions and the need to guarantee the country's energy security;
- Increase of 35.5% (R\$ 243 million) in **connection and transmission charges** (National Grid, Itaipu Transport, Connection and Use of the Distribution System), due to annual adjustments;

Partially offset by the:

- Increase in **PIS and Cofins tax credit** (R\$ 57 million).

Contribution margin

In 1Q21, **contribution margin** reached R\$ 2,688 million, an increase of 9.9% (R\$ 243 million), the main increases being in the Distribution segment with 7.7% (R\$ 140 million) and Generation with an increase of 14.9% (R\$ 86 million).

PMSO

PMSO (R\$ million)				
	1Q21	1Q20	Variation	
			R\$ MM	%
Personnel	(363)	(354)	(9)	2.5%
Material	(73)	(74)	1	-1.2%
Outsourced Services	(147)	(171)	24	-14.0%
Other Operating Costs/Expenses	(177)	(190)	14	-7.1%
<i>Allowance for doubtful accounts</i>	<i>(54)</i>	<i>(58)</i>	<i>4</i>	<i>-6.3%</i>
<i>Legal and judicial expenses</i>	<i>(23)</i>	<i>(38)</i>	<i>14</i>	<i>-37.4%</i>
<i>Assets Write-Off</i>	<i>(37)</i>	<i>(35)</i>	<i>(2)</i>	<i>5.1%</i>
<i>Others</i>	<i>(62)</i>	<i>(60)</i>	<i>(2)</i>	<i>4.0%</i>
Total PMSO	(760)	(789)	30	-3.7%

PMSO reached R\$ 760 million in 1Q21, a reduction of 3.7% (R\$ 30 million), due to the following factors:

- Reduction of 2.6% (R\$ 16 million) in expenses linked to inflation, compared to the IPCA of 6.1% in the last 12 months;
- Reduction of 37.4% (R\$ 14 million) in legal and judicial expenses, due to a reversal of the provision in the amount of R\$ 9 million, in addition to a lower volume of lawsuits in the quarter;
- Reduction of 6.3% (R\$ 4 million) in allowance for doubtful accounts, reflecting efforts to combat the delinquency and the resumption of power cuts at the end of 2020, which had a positive impact on the 1Q21 allowance for doubtful accounts;

Partially offset by the:

- Increase of 10.2% (R\$ 3 million) in expenses related to Capex efforts;
- Increase of 5.1% (R\$ 2 million) in assets write-off.

Other operating costs and expenses

Other operating costs and expenses			
	1Q21	1Q20	Var.
Costs of Building the Infrastructure	619	495	25.0%
Private Pension Fund	56	45	24.0%
Depreciation and Amortization	424	427	-0.7%
Total	1,099	967	13.6%

Equity Income

In 1Q21, the Equity Income results reached R\$ 90 million, an increase of 6.0% (R\$ 5 million). For more details, see item 6.3 – Business Performance – Generation Segment.

EBITDA

In 1Q21, **EBITDA** reached R\$ 1,966 million, registering an increase of 15.9% (R\$ 270 million), reflecting the good performance of the wind and the effect of inflation on contracts in Generation. Distribution, in turn, was favored by tariff adjustments and the concession's financial asset, in addition to the good performance of the market.

EBITDA is calculated according to CVM Instruction no. 527/12 and showed in the table below:

EBITDA and Net Income conciliation (R\$ million)			
	1Q21	1Q20	Var.
Net Income	961	904	6,3%
Depreciation and Amortization	424	427	-0,7%
Financial Result	121	(121)	-
Income Tax / Social Contribution	460	486	-5,4%
EBITDA	1.966	1.696	15,9%

Financial Result

Financial Result (R\$ Million)			
	1Q21	1Q20	Var.
Revenues	225	438	-48,6%
Expenses	(346)	(317)	9,1%
Financial Result	(121)	121	-

In 1Q21, **net financial expense** was of R\$ 121 million, a variation of R\$ 242 million. The items explaining this variation are as follows:

- Negative variation of R\$ 291 million in the **mark-to-market** (non-cash effect). This significant variation is mainly due to the high gain recorded in 1Q20 due to the large volume of funding that occurred in that period (R\$ 2.9 billion), in foreign currency, with swap for CDI, just before the deterioration of the credit market conditions as a result of the pandemic;
- Negative variation of R\$ 7 million in **monetary adjustments of the sectoral financial asset/liability**;

Partially offset by:

- Increase of 37.1% (R\$ 40 million) in **late payment interests and fines**, due to

the increase of IGP-M;

- Reduction of 6.1% (R\$ 15 million) in the **expenses with the net debt** (debt charges net of income from financial investments), mainly reflecting the reduction in the interest rate (CDI) and the lower debt cost, partially offset by the increase of IPCA;
- Positive variation of R\$ 1 million in other financial income/expenses.

Income Tax and Social Contribution

In 1Q21, Income Tax and Social Contribution registered a reduction of 5.4% (R\$ 26 million). This result is due to the tax credit constituted by CPFL Renováveis resulting from the reversal of a loss in 2020 to a profit in 2021. It is also worth mentioning the best results of companies that are under the presumed profit in 2021.

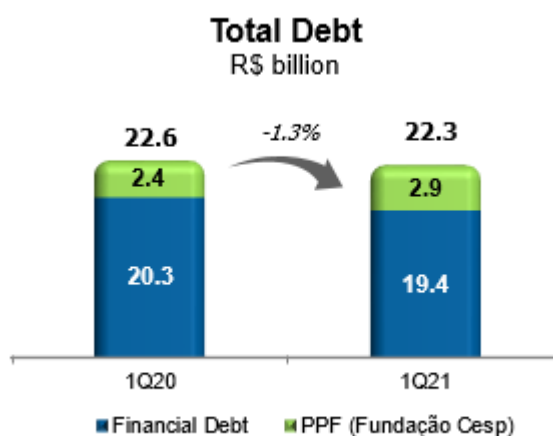
Net Income

Net income was of R\$ 961 million in 1Q21, registering an increase of 6.3% (R\$ 57 million). This result basically reflects the increase in EBITDA in the Distribution and Generation segments. The reduction in Income Tax and Social Contribution also contributed to the better result.

3.2) Indebtedness

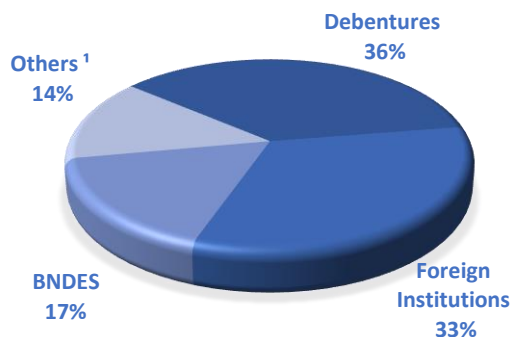
3.2.1) Debt (IFRS)

On March 31, 2021, CPFL Energia's total debt was R\$ 22.3 billion, with a reduction of 1.3% compared to the last year. The financial debt of the group, which considers loans, debentures and intercompany loans, was of R\$ 19.4 billion in the same date.



Note: (1) Including the mark-to-market (MTM) effect and borrowing costs; (2) Including the intercompany loan, in the amount of R\$ 2.4 billion, of CPFL Renováveis and CPFL Brasil with SGBP.

Debt Profile – IFRS



Average Cost (End of the period – IFRS)

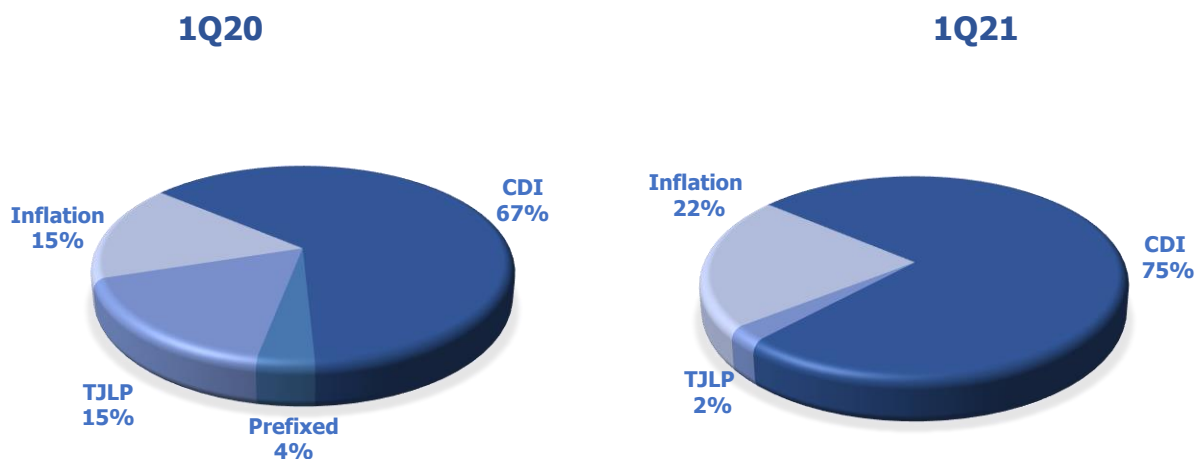
1Q21 – 4.64%
1Q20 – 5.43%

Note: (1) Others: credit lines and intercompany loans of CPFL Renováveis and CPFL Brasil with SGBP.

The CPFL Group constantly seeks to mitigate any possibility of market fluctuations risk and, for this reason, a share of its debts portfolio, around R\$ 6.5 billion, is protected by hedge operations. Considering, for instance, foreign loans, which represent almost 33% of the total debts (in IFRS), it was contracted swap operations, aiming protection for the foreign exchange and the rate linked to the contract.

Indexation After Hedge

1Q20 vs. 1Q21

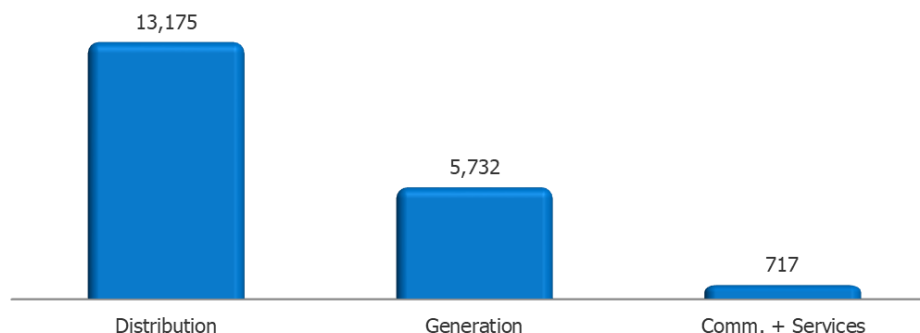


Note: (1) For debts contracted in foreign currency (32.92% of the total in 1Q21), swap operations were contracted, aiming protection for the foreign exchange and the rate linked to the contract.

Net Debt in IFRS criteria

IFRS R\$ Million	1Q21	1Q20	Var. %
Financial Debt (including hedge)	(19,418)	(20,252)	-4.1%
(+) Available Funds	4,619	5,570	-17.1%
(=) Net Debt	(14,799)	(14,682)	0.8%

Debt by Segment (R\$ Million – IFRS)



Notes:

- 1) Generation segment considers CPFL Renováveis, CPFL Geração, Cera and CPFL Transmissão Piracicaba and CPFL Transmissão Maracanaú; Services segment considers CPFL Serviços and CPFL Eficiência;
- 2) Considering the debt's notional, interests and derivatives. Includes the intercompany loans of CPFL Renováveis and CPFL Brasil with SGBP.

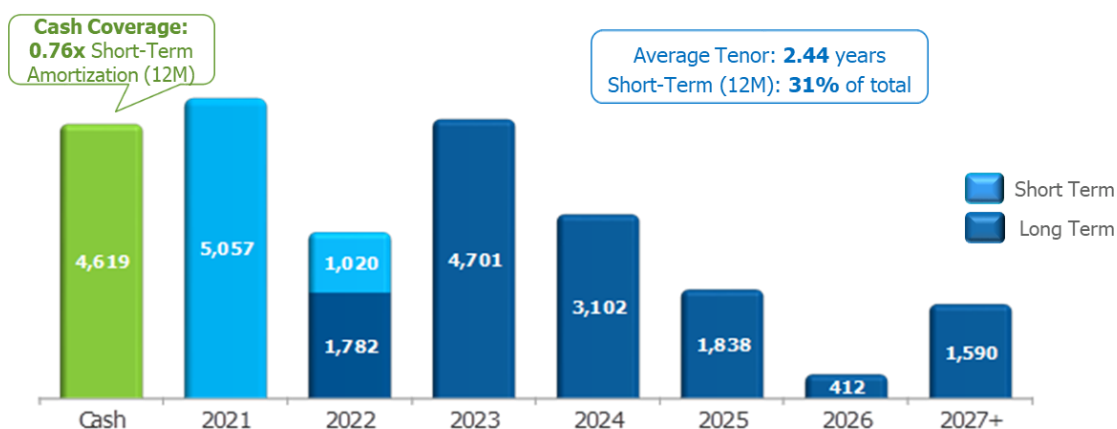
Debt Amortization Schedule in IFRS (March 2021)

The Group CPFL constantly evaluates market opportunities to close deals that enables financial results that meet the company's strategies and policies. Thus, due to CPFL's broad access to several kinds of fundraising in the market, both national and international, different modalities and instruments compose the group's debt portfolio.

The cash position at the end of 1Q21 had a coverage ratio of **0.76x** the amortizations of the next 12 months, which allows the CPFL Group to honor part the amortization commitments of 2021. The average amortization term based on this schedule is of **2.44 years**.

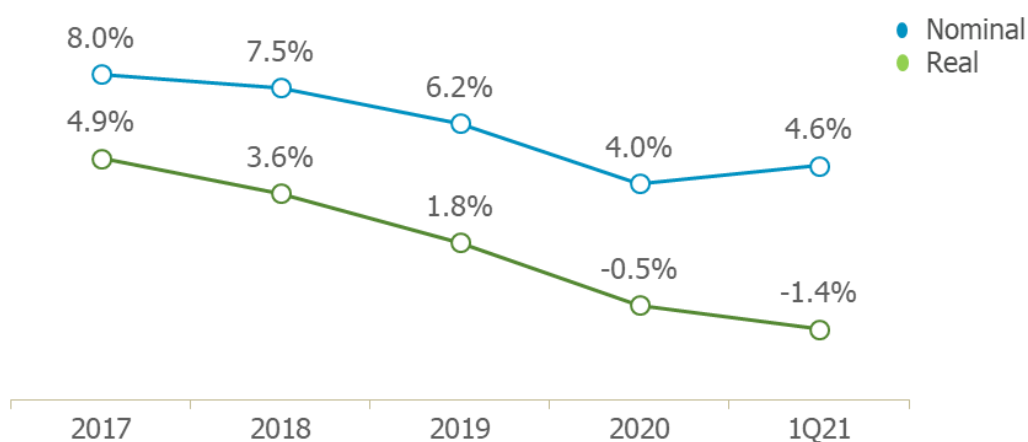
The debt amortization schedule of the financial debt below considers only the notional of the debts and derivatives.

Debt Amortization Schedule (IFRS)



Note: (1) Considering only the notional and hedge of the debt. In order to reach the financial result of R\$ 19,502 million, should be included charges and the mark-to-market (MTM) effect and cost with funding; (2) Including the intercompany loan of CPFL Renováveis and CPFL Brasil with SGBP.

Gross Debt Cost¹ in IFRS criteria



Note: (1) The calculation considers the average cost in the end of the period, since it better reflects the interest rate variations.

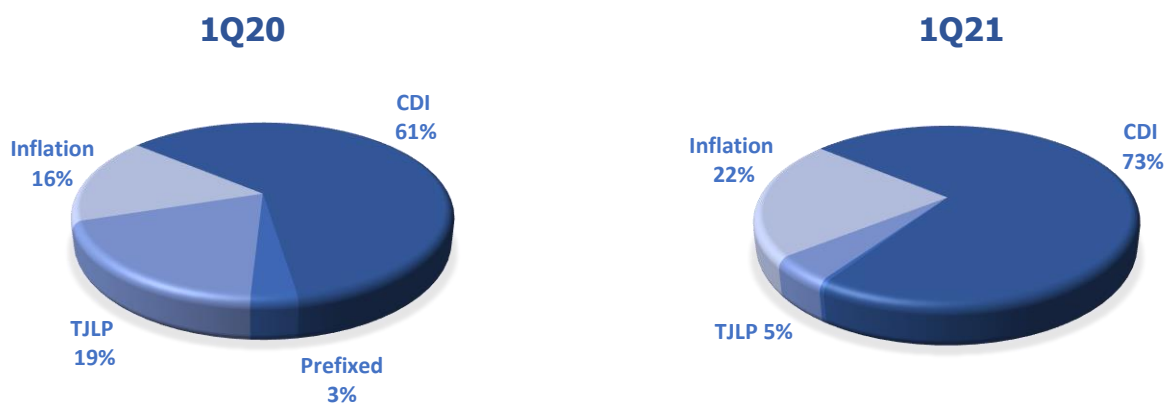
Ratings

The following table shows the corporate ratings of CPFL Energia.

Ratings of CPFL Energia - Corporate Credit			
Agency	Scale	Rating	Perspective
Standard & Poor's	Brazilian	brAAA	Stable
Fitch Ratings	Brazilian	AAA(bra)	Stable
Moody's	Brazilian Global	Aaa.br Ba1	Stable

3.2.2) Debt in Financial Covenants Criteria

Indexation and Debt Cost in Financial Covenants Criteria

Indexation¹ after Hedge² - 1Q20 vs. 1Q21

Note:

(1) The total amount considers the proportional consolidation of Ceran, Enercan, Foz do Chapecó and EPASA;

(2) For debts contracted in foreign currency (31.0% of the total), swap operations were contracted, aiming protection for the foreign exchange and the rate linked to the contract.

Net Debt in Financial Covenants Criteria and Leverage

In the end of the 1Q21, the *Proforma* Net Debt totaled **R\$ 15,100** million, a decrease of **0.1%** compared to net debt position at the end of 1Q20, in the amount of **R\$ 15,114** million.

Covenant Criteria - R\$ Million	1Q21	1Q20	Var.%
Financial Debt (including hedge) ¹	(19,948)	(20,919)	-4.6%
(+) Available Funds	4,847	5,804	-16.5%
(=) Net Debt	(15,100)	(15,114)	-0.1%
EBITDA Proforma ²	7,451	6,846	8.8%
Net Debt / EBITDA	2.03	2.21	-8.2%

Notes:

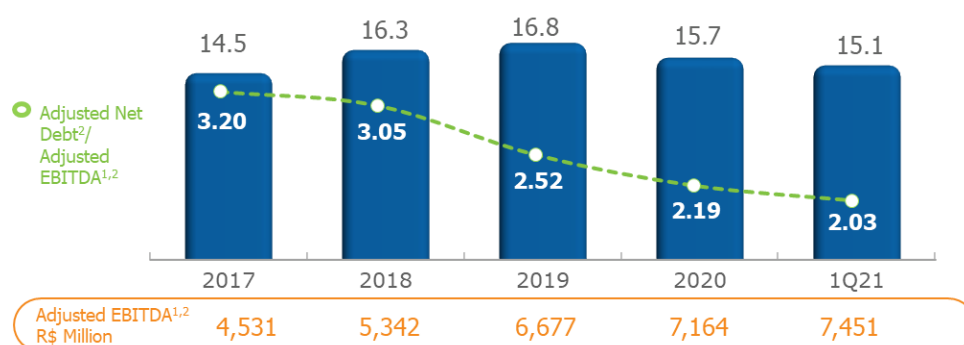
(1) Considers the proportional consolidation of Ceran, Enercan, Foz do Chapecó and EPASA;

(2) *Proforma* EBITDA in the financial covenants criteria: adjusted according CPFL Energia's stake in each of its subsidiaries.

In line with the criteria for calculation of financial covenants of loan agreements with financial institutions, net debt and the EBITDA are adjusted according to the equivalent stake of CPFL Energia in each of its subsidiaries.

Considering that the *Proforma* Net Debt totaled **R\$ 15,100 million** and *Proforma* EBITDA in the last 12 months reached **R\$ 7,451 million**, the ratio *Proforma* Net Debt/EBITDA at the end of 1Q21 reached **2.03x**.

Leverage in financial covenants criteria - R\$ billion



Notes: (1) LTM EBITDA; (2) Adjusted by the proportional consolidation.

3.3) Investments

3.3.1) Actual Investments

Investments (R\$ Million)			
Segment	1Q21	1Q20	Var.
Distribution	597	454	31.5%
Generation	44	31	43.5%
Commercialization	3	0	752.5%
Services and Others ¹	14	18	-22%
Transmission ²	38	8	388.7%
Total	695	510	36.3%

Notes:

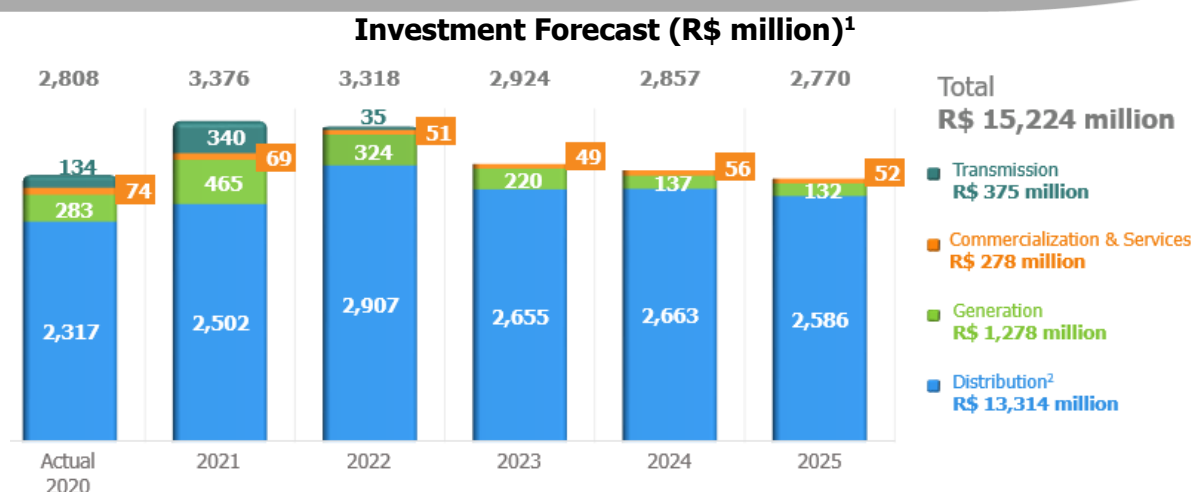
(1) Others - basically refers to assets and transactions that are not related to the listed segments;

(2) Transmission - Transmission assets do not have fixed assets, the figures in this table is the addition of concession financial assets.

In 1Q21, the investments were of R\$ 695 million, an increase of 36.3%, compared to R\$ 510 million registered in 1Q20. We highlight investments made by CPFL Energia in the Distribution segment, in the amount of R\$ 597 million, mainly intended for expansion, modernization and maintenance of electrical system.

3.3.2) Investment Forecast

On November 26th, 2020, the Board of Directors of CPFL Energia approved Board of Executive Officers' proposal for 2021 Annual Budget and 2021/2025 Multiannual Plan for the Company, which was previously discussed by the Budget and Corporate Finance Committee.



Notes:

1) Constant currency;

2) Disregard investments in Special Obligations (among other items financed by consumers).

4) STOCK MARKETS

4.1) Stock Performance

CPFL Energia is listed in the B3, in Novo Mercado, segment with the highest levels of corporate governance.

B3			
Date	CPFE3 (R\$)	IEE	IBOV
03/31/2021	R\$ 30.42	80,913	116,634
12/30/2020	R\$ 32.55	82,846	119,017
03/31/2020	R\$ 26.87	57,651	73,020
QoQ	-6.5%	-2.3%	-2.0%
YoY	13.2%	40.4%	59.7%

On March 31, 2021, CPFL Energia's shares closed at R\$ 30.42 per share in the B3, a depreciation of 6.5% in the quarter. Considering the variation in the last 12 months, the shares valued by 13.2%.

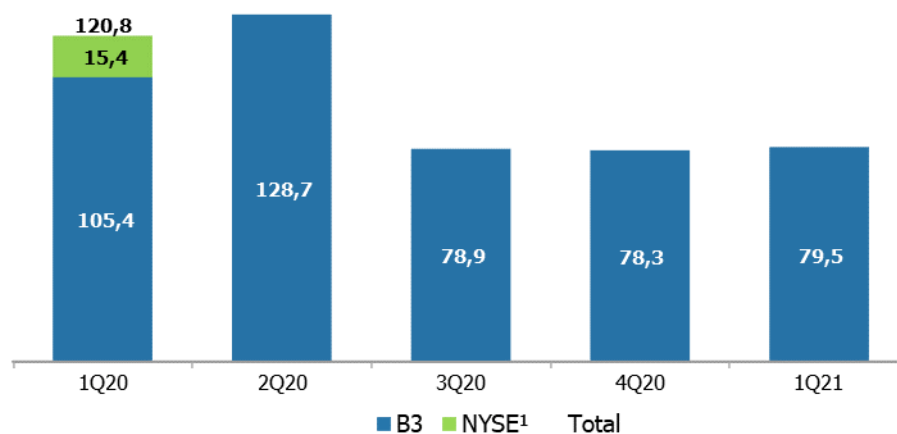
Since January-21, CPFL Energia has been part of the Corporate Sustainability Index - ISE and Carbon Efficient Index - ICO2, both from the B3.

4.2) Daily Average Volume

The daily average volume trading of CPFL Energia in 1Q21 was R\$ 79.5 million, representing a decrease of 34.2% if compared to 1Q20.

Daily Average Volume

R\$ Million



Note: For the NYSE daily average trading volume, it was considered the volume until 01/27/2020, the date on which the ADR negotiation was suspended in NYSE, as a result of the process of delisting in this stock exchange.

5) SUSTAINABILITY AND ESG INDICATORS

5.1) Sustainability Plan (2020-2024)

The Sustainability Plan (2020-2024), integrated into the CPFL Energia's Strategic Plan, defines the guidelines so that we can "provide sustainable, accessible and reliable energy at all times, making people's lives safer, healthier and more prosperous in the regions where we operate". Our corporate goal is to drive the transition to a more sustainable model of producing and consuming energy, leveraging the positive impacts of our business model on the community and the value chain.

To this end, we have identified three pillars that support the way we conduct our business and execute our strategy: Sustainable Energy, Smart Solutions and Society Shared Value. Within the pillars, we made 15 commitments guided by the United Nations' Sustainable Development Goals (SDGs). We also define the enablers: ethics, employee development & inclusion and transparency. The commitments are available on the CPFL Energia IR website: www.cpfl.com.br/ir

5.2) Key ESG Indicators aligned to the Plan

Below we list some indicators in line with the Sustainability Plan, which we will disclose quarterly for follow-up.

**SUSTAINABLE ENERGY - Seeking the smallest possible environmental footprint**

Theme	Indicator	Unit	1Q20	1Q21	Var.
Renewable energy	Total energy generated by renewable sources	GWh	1,659	2,663	60.6%
	↳ HPPs (hydro)	GWh	646	1,261	95.2%
	↳ SHPPs and CGHs	GWh	396	419	6.0%
	↳ Solar	GWh	0.4	0.4	-2.2%
	↳ Wind	GWh	535	902	68.4%
	↳ Biomass	GWh	81	80	-1.0%
Circular economy	Number of refurbished transformers	unit	2,423	2,600	7.3%
	Volume of aluminum, copper and iron sent to the reverse chain	tons	1,515	1,640	8.3%
Natural resources	Water consumption (administrative buildings)	1,000 m ³	55	28	-49.5%
	Energy consumption (administrative buildings)	MWh	17,792	14,678	-17.5%

**SMART SOLUTIONS - Offering solutions for the future of energy**

Theme	Indicator	Unit	1Q20	1Q21	Var.
Smart Grid	% of telemetered load	%	51.2%	54.4%	6.3%
	Number of installed automatic reclosers	unit	11,622	13,304	14.5%
Digitalization	% de digitalization of customer services	%	82%	89%	7.4%
	Number of digital bills	million	2.6	3.4	30.7%
	% of bills paid digitally	%	51.4%	60.5%	17.7%
Innovation	Investments in innovation (Aneel R&D) ¹	R\$ million	19.8	12.4	-37.4%
Low carbon solutions	Number of projects qualified for the commercialization of carbon credits and renewable energy seals	unit	16	18	12.5%

Note

¹ Considering only investments that are 100% under CPFL Energia's management**SOCIETY SHARED VALUE - Maximizing our positive impacts on the community and the value chain**

Theme	Indicator	Unit	1Q20	1Q21	Var.
Social transformation	Investment in Energy Efficiency actions (Aneel)	R\$ million	29.97	31.3	4.4%
	Investment through Instituto CPFL ¹	R\$ million	0.0	0.0	-
	Number of hospitals benefited by the "CPFL nos Hospitais" Program ²	number of hospitals	4	18	350.0%
	Number of people benefited by Instituto CPFL social programs	1,000 people	93.003	36.6	-60.6%
	Number of low income families benefited by the Energy Efficiency Programs (Aneel) ²	1,000 families	27.942	18.9	-32.4%
Health & Safety	Number of safety inspections carried out in our own headcount and in contracted ones	1,000 inspections	4.3	5.1	19.7%
	Number of audits carried out in the contracted companies	number of audits	174	200	14.9%
	Accident frequency rate (own employees)	Number of injured * 1MM / hours worked with risk exposure	1.41	1.23	-12.8%
	Accident frequency rate (outsourced)	Number of injured * 1MM / hours worked with risk exposure	4.56	2.37	-48.0%
	Number of fatal accidents with the population	number of accidents	7	3	-57.1%

Notes

¹ Instituto CPFL's investments start in the 2Q² The quantitative of 2020 were based on the investments made in the year of 2020, whether the projects are closed in the year or not

**ENABLERS**

Theme	Indicator	Unit	1Q20	1Q21	Var.
Ethics	% of employees trained in Ethics and Integrity	%	81%	83%	2.5%
Employee Development & Inclusion	Number of training hours ¹	1,000 hours	149	261	75.2%
	% of women in leadership positions	%	17.4%	17.9%	2.9%
Transparency	Number of Independent Member in the Board of Directors	number	2	2	0.0%
	Number of women in the Board of Directors	number	0	0	-

Note: ¹ Consider the professional requalification program

6) PERFORMANCE OF BUSINESS SEGMENTS

6.1) Distribution Segment

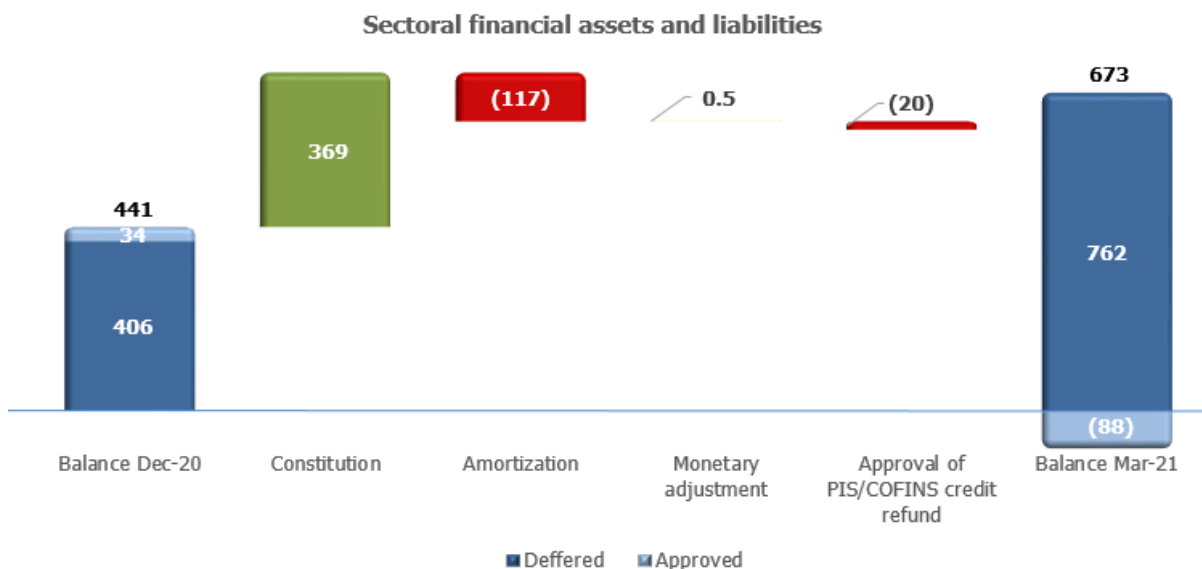
6.1.1) Economic-Financial Performance

Consolidated Income Statement - Distribution (R\$ Million)			
	1QT21	1Q20	Var.
Gross Operating Revenue	11,145	9,549	16.7%
Net Operating Revenue	7,093	6,103	16.2%
Cost of Electric Power	(4,542)	(3,788)	19.9%
Operating Costs & Expenses	(1,512)	(1,389)	8.9%
EBIT	1,039	926	12.3%
EBITDA ⁽¹⁾	1,262	1,137	11.0%
Financial Income (Expense)	(88)	206	-
Income Before Taxes	951	1,132	-16.0%
Net Income	597	728	-18.1%

Note: 1) EBITDA (IFRS) is calculated from the sum of net income, taxes, financial result and depreciation/amortization, as CVM Instruction no. 527/12.

Sectoral Financial Assets and Liabilities

On March 31, 2021, the balance of sectoral financial assets and liabilities was positive in R\$ 673 million. If compared to December 31, 2020, there was an increase of R\$ 233 million, as demonstrated in the chart below:



The variation in this balance was due to the constitution of an asset of R\$ 369 million, mainly due to: (i) higher energy costs from Itaipu (R\$ 439 million), (ii) increase in the costs of the Basic Network (R\$ 188 million) and (iii) higher sector charges (ESS/EER) (R\$ 161 million), partially offset by (iv) reduction in electricity costs (R\$ 418 million).

The amortization of R\$ 117 million mainly favored by the tariff adjustments in the period of

2020, which allowed the pass-through of costs to consumers, especially part of the result of the exchange rate variation on the costs of energy from Itaipu, which had already been observed since the beginning of the pandemic.

The monetary adjustment of assets and liabilities totaled R\$ 0.5 million. In addition, there was the approval of the refund of the PIS/Cofins credit of CPFL Santa Cruz, in the amount of R\$ 20 million, referring to the portion of the 10-year period, to be returned to the consumer, of the credits already obtained with the Tax Authority.

Operating Revenue

Operating Revenue			
	1Q21	1Q20	Var.
Gross Operating Revenue			
Revenue with Energy Sales (Captive + TUSD)	9,447	8,713	8.4%
Short-term Electric Energy	145	228	-36.3%
Revenue from Building the Infrastructure of the Concession	584	488	19.7%
Sectoral Financial Assets and Liabilities	252	(463)	-
CDE Resources - Low-income and Other Tariff Subsidies	383	376	1.9%
Adjustments to the Concession's Financial Asset	259	139	86.8%
Other Revenues and Income	113	102	10.8%
Compensatory Fines (DIC/FIC)	(38)	(32)	17.8%
Total	11,145	9,549	16.7%
Deductions from the Gross Operating Revenue			
ICMS Tax	(1,946)	(1,775)	9.6%
PIS and COFINS Taxes	(972)	(819)	18.7%
CDE Sector Charge	(1,012)	(941)	7.5%
R&D and Energy Efficiency Program	(63)	(55)	14.2%
PROINFA	(44)	(47)	-6.5%
Tariff Flags	(7)	198	-
Others	(8)	(7)	7.1%
Total	(4,052)	(3,447)	17.6%
Net Operating Revenue	7,093	6,103	16.2%

In 1Q21, gross operating revenue amounted to R\$ 11,145 million, an increase of 16.7% (R\$ 1,596 million), due to the following factors:

- Increase of 8.4% (R\$ 734 million) in **Revenue with Energy Sales** (captive + TUSD), due to: (i) the positive average tariff adjustment in the distribution companies in the period between 1Q20 and 1Q21 (average increases of 0.20% in CPFL Santa Cruz, in March 2020, of 6.05% in CPFL Paulista, in April 2020¹, of 6.09% in RGE, in June 2020¹, and of 9.82% in CPFL Piratininga, in October 2020); (ii) the increase of 2.6% in the

¹ ANEEL suspended the application of the new 2020 tariffs for CPFL Paulista and RGE until July 1, 2020, due to the COVID-19 pandemic. The difference in revenue from the Distributors' anniversary date until July 1 was passed on to the Distributor through the sectoral loan "Conta COVID" still in 2020. Additionally, to avoid cash flow mismatch, ANEEL granted a discount on the payment of the CDE to CCEE, in the same period, in the estimated amount of this difference in revenue, to be repaid in installments from July to December 2020.

load in the concession area;

- Variation of R\$ 716 million in the accounting of **Sectoral Financial Assets/Liabilities**, from a liability of R\$ 463 million to an asset of R\$ 252 million;
- Increase of 86.8% (R\$ 120 million) in the **adjustments to the Concession's Financial Asset**, mainly due to the increase of IPCA from 1.62% in 1Q20 to 2.48% in 1Q21 (R\$ 113 million). There was also the accounting of the RAB appraisal report of the tariff revision of CPFL Santa Cruz, which registered a gain of R\$ 7 million;
- Increase of 19.7% (R\$ 96 million) in **Revenue from Building the Infrastructure of the Concession**, which has its counterpart in operating costs;
- Increase of 2.8% (R\$ 12 million) in the **other items**;

Partially offset by:

- Reduction of 36.3% (R\$ 83 million) in **Short-term Electric Energy**, due to a lower spot price (PLD);

Deductions from the gross operating revenue were R\$ 4,052 million in 1Q21, representing an increase of 17.6% (R\$ 605 million), due to the following factors:

- Increase of 12.5% (R\$ 324 million) in **taxes** (ICMS and PIS/Cofins);
- Variation of R\$ 205 million in the accounting of **tariff flags**, approved by CCEE;
- Increase of 7.5% (R\$ 71 million) in **CDE** due to the increase of the CDE quota;
- Increase of 4.8% (R\$ 5 million) in the **other items**.

Net operating revenue reached R\$ 7,093 million in 1Q21, representing an increase of 16.2% (R\$ 991 million).

Cost of Electric Energy

Cost of Electric Energy (R\$ Million)			
	1Q21	1Q20	Var.
Cost of Electric Power Purchased for Resale			
Energy from Itaipu Binacional	972	910	6.8%
PROINFA	97	69	39.8%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	2,630	2,504	5.0%
PIS and COFINS Tax Credit	(324)	(307)	5.4%
Total	3,374	3,176	6.2%
Charges for the Use of the Transmission and Distribution System			
Basic Network Charges	756	542	39.6%
Itaipu Transmission Charges	83	70	18.5%
Connection Charges	46	39	19.2%
Charges for the Use of the Distribution System	10	6	63.4%
ESS / EER	392	18	2122.1%
PIS and COFINS Tax Credit	(119)	(62)	90.9%
Total	1,168	612	90.9%
Cost of Electric Energy	4,542	3,788	19.9%

Cost of Electric Power Purchased for Resale

In 1Q21, the cost of electric power purchased for resale amounted to R\$ 3,374 million, representing an increase of 6.2% (R\$ 198 million), due to:

- Increase of 5.0% (R\$ 125 million) in the cost with **energy purchased in the regulated environment, bilateral contracts and short term**, due to an increase in the average purchase price (7.4%), partially offset by a decrease in volume (-2.2%);
- Increase of 6.8% (R\$ 62 million) in the cost with **Energy from Itaipu**, due to the increase in the average purchase price (12.4%), as a result of the exchange rate variation, partially offset by the decrease in volume of purchased energy (-4.9%);
- Increase of 39.8% (R\$ 27 million) in **Proinfa**, mainly due to an increase in the average purchase price (58.4%);

Partially offset by:

- Increase of 5.4% (R\$ 17 million) in **PIS and COFINS tax credit**.

Volume of purchased energy (GWh)	1Q21	1Q20	Var.
Energy from Itaipu Binacional	2,587	2,721	-4.9%
PROINFA	222	252	-11.7%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	11,712	11,976	-2.2%
Total	14,521	14,950	-2.9%

Average price (R\$/MWh)	1Q21	1Q20	Var.
Energy from Itaipu Binacional	375.72	334.39	12.4%
PROINFA	434.22	274.14	58.4%
Energy Purchased through Auction in the Regulated Environment, Bilateral Contracts and Energy Purchased in the Spot Market	224.54	209.12	7.4%
Total	232.36	212.46	9.4%

Charges for the Use of the Transmission and Distribution System

In 1Q21, the **charges for the use of the transmission and distribution system** reached R\$ 1,168 million, representing an increase of 90.9% (R\$ 556 million), due to:

- Increase of R\$ 374 million in **sector charges (ESS/EER)**, mainly due to ESS – System Service Usage Charges. The increase in this charge was due to the need to dispatch thermal power plants and the increase in the volume of energy imports in 1Q21, due to limited hydrological conditions and the need to ensure the energy security in the country. In EER – Reserve Energy Charges, the increase observed in 1Q21 is due to the need for a contribution of resources in the reserve energy account and a lower PLD;
- Increase of 36.4% (R\$ 239 million) in **connection and transmission charges** (basic network, Itaipu transmission, connection and use of the distribution system), mainly due to the annual adjustments of the basic network, in addition to the impact of the entry into operation of new transmission projects;

Partially offset by:

- Increase of 90.9% (R\$ 57 million) in **PIS and COFINS tax credit**.

PMSO

PMSO (R\$ million)				
	1Q21	1Q20	Variation	
			R\$ MM	%
Personnel	(235)	(229)	(6)	2.7%
Material	(47)	(45)	(2)	4.9%
Outsourced Services	(213)	(200)	(13)	6.4%
Other Operating Costs/Expenses	(154)	(171)	17	-9.9%
<i>Allowance for doubtful accounts</i>	<i>(54)</i>	<i>(58)</i>	<i>4</i>	<i>-6.7%</i>
<i>Legal and judicial expenses</i>	<i>(20)</i>	<i>(33)</i>	<i>13</i>	<i>-39.6%</i>
<i>Assets write-off</i>	<i>(37)</i>	<i>(35)</i>	<i>(1)</i>	<i>4.1%</i>
<i>Others</i>	<i>(44)</i>	<i>(45)</i>	<i>1</i>	<i>-3.1%</i>
Total PMSO	(650)	(645)	(4)	0.7%

In 1Q21, **PMSO** reached R\$ 650 million, an increase of 0.7% (R\$ 4 million), due to the following factors:

- Inflation-linked items with a 5.5% increase (R\$ 17 million), highlighting expenses with auditing and consulting (R\$ 7 million), personnel (R\$ 6 million), call center (R\$ 5 million), tree pruning (R\$ 3 million), among others, compared to the IPCA of 6.1% in the last 12 months;
- Increase of 10.2% (R\$ 3 million) in expenses with grid and substation maintenance, related to Capex efforts;

Partially offset by:

- Reduction of 39.6% (R\$ 13 million) in legal and judicial expenses, due to a reversal of provision in RGE, resulting from a favorable decision in a civil lawsuit, as well as the lower number of civil lawsuits in CPFL Paulista;
- Decrease of 6.7% (R\$ 4 million) in allowance for doubtful accounts, reflecting efforts to combat bad debt and the resumption of power cuts by the end of the year, which generated a positive impact on the 1Q21 ADA;
- Reduction of 28.9% (R\$ 1 million) in asset write-offs.

Other operating costs and expenses

Other operating costs and expenses			
	1Q21	1Q20	Var.
Costs of Building the Infrastructure	584	488	19.7%
Private Pension Fund	56	45	25.0%
Depreciation and Amortization	208	197	5.7%
Total	848	729	16.3%

EBITDA

EBITDA totaled R\$ 1,262 million in 1Q21, an increase of 11.0% (R\$ 125 million), mainly due to the concession's financial assets, in addition to the positive effects of the tariff adjustments between 1Q20 and 1Q21 combined with a positive market performance in the period.

Conciliation of Net Income and EBITDA (R\$ million)			
	1Q21	1Q20	Var.
Net income	597	728	-18.1%
Depreciation and Amortization	222	211	5.4%
Financial Results	88	(206)	-
Income Tax /Social Contributio	354	404	-12.2%
EBITDA	1,262	1,137	11.0%

EBITDA by Distributor

EBITDA by Distributor			
Distribution	1Q21	1Q20	Var.
CPFL Paulista	492	457	7.6%
CPFL Piratininga	270	185	46.1%
RGE	474	437	8.5%
CPFL Santa Cruz	25	57	-56.1%
EBITDA	1,262	1,137	11.0%

CPFL Paulista:

EBITDA totaled R\$ 492 million in 1Q21, an increase of 7.6% (R\$ 35 million), explained by the adjustments to the concession financial assets, which contributed with R\$ 43 million, along with the tariff adjustment favored by the IGP-M increase, and the positive market mix with the increase in the residential segment (6.3% if compared to 1Q20). On the other hand, there was an increase of R\$ 9 million in pension plan, of R\$ 6 million in PMSO/ADA and of R\$ 6 million in compensatory fines.

CPFL Piratininga:

EBITDA totaled R\$ 270 million in 1Q21, an increase of 46.1% (R\$ 85 million). The positive result is explained by the better margin, highlighting the performance of the market and the tariff, already reflecting the tariff adjustment favored by the IGP-M increase, in addition to the positive market mix with the increase in the residential segment (9.4% if compared to 1Q20). The concession's financial assets also contributed with R\$17 million to this result.

RGE:

EBITDA totaled R\$ 474 million in 1Q21, an increase of 8.5% (R\$ 37 million), explained by the monetary adjustment of the concession financial assets, which contributed with R\$ 51 million, partially offset by a negative market performance (-3.2% if compared to 1Q20) due to customer migrations and lower temperatures.

CPFL Santa Cruz:

EBITDA totaled R\$ 25 million in 1Q21, a decrease of 56.1% (R\$ 32 million). The less expressive result in 1Q21 is due to reversal of the gain recorded in 2019 related to the judicial lawsuit for the exclusion of ICMS from the PIS/Cofins calculation basis, in the amount of R\$ 34 million. This reversal was done due to the current position of Aneel's technical department showed in the Technical Note of February 10, 2021, which is in currently in the public audience phase. This scenario of the referred Technical Note and public audience did not exist when the asset now reverted was constituted. It is important to emphasize that the Agency's Board of Directors will still decide on the matter and the Company continues with the understanding that the need for reimbursement to consumers of the amounts received after the judicial action had a final decision is limited to the 10-year statute of limitations.

Financial Result

Financial Result (R\$ Million)			
	1Q21	1Q20	Var.
Revenues	172	388	-55.6%
Expenses	(260)	(182)	43.4%
Financial Result	(88)	206	-

In 1Q21, the financial result recorded a net financial expense of R\$ 88 million, reduction of R\$ 294 million. The items that explain this variation are:

- Negative variation of R\$ 272 million in the **mark-to-market** (non-cash effect). This significant variation was mainly due to the high level of new funds raised in 1Q21 due to the large volume of funding that occurred in that period (R\$ 2.6 billion) in foreign currency, with swap to CDI, before a relevant deterioration of credit market conditions as a result of the economic crisis generated by the pandemic;
- Increase of 27.2% (R\$ 38 million) in in the **expenses with net debt**, resulting mainly from the increase in the IPCA;
- Negative variation of R\$ 17 million in **other financial income and expenses**;
- Negative variation of 93.5% (R\$ 7 million) in the **adjustment of sectoral financial assets/liabilities**;

Partially offset by:

- Increase of 37.2% (R\$ 40 million) in **late payment interest and fines**, due to the higher IGP-M.

Net Income

Net Income totaled R\$ 597 million in 1Q21, a decrease of 18.1% (R\$ 132 million), due to a worsening in financial results, mainly reflecting mark-to-market, partially offset by the increase of EBITDA.

6.1.2) Tariff Events

Reference dates

Tariff Revision				
Distributor	Periodicity	Next Revision	Cycle	Tariff Process Dates
CPFL Paulista	Every 5 years	April 2023	5 th PTRC	April 8 th
RGE	Every 5 years	June 2023	5 th PTRC	June 19 th
CPFL Piratininga	Every 4 years	October 2023	6 th PTRC	October 23 rd
CPFL Santa Cruz	Every 5 years	March 2026	6 th PTRC	March 22 nd

Annual tariff adjustments and periodic tariff reviews in 2020 and 2021

Annual Tariff Adjustments (ATAs)				Periodic tariff reviews (PTRs)
	CPFL Paulista	RGE ⁽¹⁾	CPFL Piratininga	CPFL Santa Cruz
Ratifying Resolution	2,670	2,697	2,792	2,837
Adjustment	17.62%	15.74%	18.31%	17.19%
Parcel A	11.79%	8.25%	11.80%	11.90%
Parcel B	7.74%	1.82%	3.96%	5.08%
Financial Components	-1.91%	5.67%	2.55%	0.21%
Effect on consumer billings	8.95%	6.09%	9.82%	9.95%
Date of entry into force	04/22/2021	06/19/2020	10/23/2020	03/22/2021

1) ANEEL suspended the application of 2020 new tariffs for RGE until July 1, 2020, due to the COVID-19 pandemic. The difference in revenue from the anniversary date of the Distributors until July 1 was transferred to the Distributor through the sectoral loan "COVID Account". Additionally, to avoid a cash flow mismatch, ANEEL gave a discount on the CDE payment to CCEE, in the same period, in the estimated amount of this difference of revenue, to be refunded in installments from July to December 2020.

6.2) Commercialization and Services Segments

Economic-Financial Performance

Consolidated Income Statement - Commercialization (R\$ Million)			
	1Q21	1Q20	Var.
Net Operating Revenue	592	718	-17.5%
EBITDA⁽¹⁾	17	0	3960.5%
Net Income	22	6	276.0%

Consolidated Income Statement - Services (R\$ Million)			
	1Q21	1Q20	Var.
Net Operating Revenue	199	152	30.6%
EBITDA⁽¹⁾	45	28	59.1%
Net Income	28	17	68.5%

Note: 1) EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization.

6.3) Generation Segment

Consolidated Income Statement - Generation Segment (R\$ Million)			
	1Q21	1Q20	Var.
Gross Operating Revenue	866	742	16.7%
Net Operating Revenue	802	684	17.1%
Cost of Electric Power	(102)	(101)	1.0%
Operating Costs & Expenses	(317)	(315)	0.7%
EBIT	382	268	42.5%
Equity income	90	85	6.0%
EBITDA¹	650	546	19.0%
Financial Income (Expense)	(51)	(100)	-48.7%
Income Before Taxes	421	253	66.2%
Net Income	349	178	95.7%

Note: (1) EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization.

Operating Revenue

In 1Q21, the **Gross Operating Revenue** reached R\$ 866 million, an increase of 16.7% (R\$ 124 million). The **Net Operating Revenue** was of R\$ 802 million, registering an increase of 17.1% (R\$ 117 million).

The main factors that affected the net operating revenue were:

- Increase of R\$ 94 million with **Electric Energy Supply**;
- Increase of R\$ 30 million in the **Revenue from Building the Infrastructure of the Concession**, related to the services rendered to the construction of transmission lines and substation; this revenue has its counterpart in operating costs;

These effects were partially offset by:

- Increase of 15.0% (R\$ 7 million) of **PIS/COFINS**.

Cost of Electric Power

Cost of Electric Energy - R\$ Million			
	1Q21	1Q20	Var.
Energy Purchased in the Spot Market	(31)	(24)	26.2%
Energy Purchased Bilateral Contracts and ACL	(42)	(47)	-10.4%
PIS and COFINS Tax Credit	4	3	4.1%
Cost of Electric Power Purchased for Resale	(70)	(68)	1.9%
Basic Network Charges	(28)	(25)	14.1%
Connection Charges	(3)	(3)	1.0%
Charges for the Use of the Distribution System	(7)	(6)	3.8%
SSC/REC	4	0	22262.8%
PIS and COFINS Tax Credit	1	1	4.8%
Distribution System Usage Charges	(33)	(33)	-1.0%
Cost of Electric Energy	(102)	(101)	1.0%

In 1Q21, the Cost of Electric Energy was of R\$ 102 million, representing an increase of 1.0% (R\$ 1 million), compared to 1Q20, due to:

- Increase of 26.2% (R\$ 6 million) in the **cost with short-term energy**;
- Increase of 14.1% (R\$ 4 million) in **Basic Network Charges**.

Partially offset by:

- Decrease of 10.4% (R\$ 5 million) in **the cost with energy purchased in the regulated market, free market and through bilateral contracts**, due to the decrease in the volume (-1.3%) and in the average purchase price (-9.3%);
- R\$ 4 million gain in the **System Services and Reserve Energy Charges (SSC and REC)**.

Volume of purchased energy (GWh)	1Q21	1Q20	Var.
Energy Purchased in the Spot Market	292	827	-64.6%
Energy Purchased Bilateral Contracts and ACL	344	349	-1.3%
Total	637	1,175	-45.8%

Average price (R\$/MWh)	1Q21	1Q20	Var.
Energy Purchased in the Spot Market	(105.70)	(29.63)	256.7%
Energy Purchased Bilateral Contracts and ACL	(123.16)	(135.72)	-9.3%
Total	(115.14)	(61.11)	88.4%

PMSO

PMSO (R\$ million)				
	1Q21	1Q20	Variation	
			R\$ MM	%
Personnel	(32)	(37)	5	-13.1%
Material	(3)	(9)	6	-63.3%
Outsourced Services	(46)	(51)	5	-10.2%
Other Operating Costs/Expenses	(23)	(18)	(6)	32.3%
<i>Asset Write-off</i>	(1)	(0)	(0)	70.4%
<i>GSF Risk Premium</i>	(6)	(3)	(2)	60.9%
<i>Others</i>	(17)	(14)	(3)	23.9%
Total PMSO	(105)	(115)	10	-8.8%

PMSO reached R\$ 105 million in 1Q21, a decrease of 8.8% (R\$ 10 million) compared to 1Q20, due to:

- Decrease of 13.1% (R\$ 5 million) in the expenses with **Personnel**;
- Decrease of 63.3% (R\$ 6 million) in the expenses with **Material**;
- Decrease of 10.2% (R\$ 5 million) in the expenses with **Outsourced Services**;

Partially offset by:

- Increase of R\$ 3 million in **other expenses**;
- Increase of R\$ 2 million in **GSF Risk Premium**, due to the monetary adjustment;
- Increase of R\$ 0.3 million in **Asset Write-off**;

Other operating costs and expenses

Other operating costs and expenses			
	1Q21	1Q20	Var.
Private Pension Fund	(1)	(1)	-30.3%
Costs with Infrastructure Construction	(35)	(7)	388.0%
Depreciation and amortization	(135)	(150)	-10.1%
Amortization of Concession Intangible	(42)	(42)	0.1%
Total	(177)	(192)	-7.9%

Equity Income

Equity Income (R\$ Million)			
	1Q21	1Q20	Var. %
Projects			
Barra Grande HPP	(3)	(0)	786.8%
Campos Novos HPP	44	35	28.1%
Foz do Chapecó HPP	34	33	1.8%
Epasa TPP	15	18	-15.7%
Total	90	85	6.0%

Note: Disclosure of interest in subsidiaries is made in accordance with IFRS 12 and CPC 45.

In 1Q21, the result of the Equity Income was R\$ 90 million, an increase of 6.0% (R\$ 5 million).

Equity Income (R\$ Million)			
BARRA GRANDE	1Q21	1Q20	Var. %
Net Revenue	15	14	9.1%
Operating Costs / Expenses	(9)	(8)	14.6%
Deprec. / Amortization	(3)	(3)	0.2%
Net Financial Result	(7)	(4)	112.2%
Income Tax	1	(0)	-
Net Income	(3)	(0)	786.8%

Equity Income (R\$ Million)			
CAMPOS NOVOS	1Q21	1Q20	Var. %
Net Revenue	94	79	19.6%
Operating Costs / Expenses	(19)	(18)	7.4%
Deprec. / Amortization	(6)	(6)	0.1%
Net Financial Result	(2)	(2)	-24.0%
Income Tax	(23)	(18)	28.4%
Net Income	44	35	28.1%

Equity Income (R\$ Million)			
FOZ DO CHAPECÓ	1Q21	1Q20	Var. %
Net Revenue	122	117	4.1%
Operating Costs / Expenses	(29)	(29)	-1.2%
Deprec. / Amortization	(12)	(16)	-25.8%
Net Financial Result	(31)	(22)	40.5%
Income Tax	(17)	(17)	-1.3%
Net Income	34	33	1.8%

Equity Income (R\$ Million)			
EPASA	1Q21	1Q20	Var. %
Net Revenue	95	38	149.6%
Operating Costs / Expenses	(63)	(10)	532.4%
Deprec. / Amortization	(12)	(5)	160.3%
Net Financial Result	(1)	(1)	-14.0%
Income Tax	(3)	(4)	-25.2%
Net Income	15	18	-15.7%

Below are the main variations:

Barra Grande:

In 1Q21, the net revenue increased 9.1% (R\$ 1 million), while the operating costs and expenses had an increase of 14.6% (R\$ 1 million). The net financial expense presented an increase of 112.2% (R\$ 4 million), due to the increase in expenses with UBP, which were impacted by IGP-M.

Campos Novos:

In 1Q21, the net revenue increased 19.6% (R\$ 15 million), mainly due to the contracts readjustments, by IGP-M and dollar, which occurred in Oct-20. The operating costs and expenses increased by 7.4% (R\$ 1 million). The net financial expense decreased by 24.0%, due to a negative impact of the IGP-M on expenses with UBP, offset by lower debt expenses.

Foz do Chapecó:

In 1Q21, net revenue increased 4.1% (R\$ 5 million), mainly due to the contracts readjustments. The operating costs and expenses remained practically stable in the period. In the net financial expense, there was an increase of 40.5% (R\$ 9 million), due mainly to the increase in expenses with UBP (impacted by IGP-M and IPCA).

Epasa:

In 1Q21, net revenue increased R\$ 57 million and the operating costs and expenses increased R\$ 53 million, due to higher volumes of generation. Depreciation and amortization increased by R\$ 7 million, influenced by the change in the depreciation rate of assets to coincide with the end of the contract; previously, the life cycle of each asset was considered. The net financial expense remained practically stable in the period.

EBITDA

In 1Q21, **EBITDA** was of R\$ 650 million, an increase of 19.0% (R\$ 104 million), mainly due to the better performance of wind generation and contractual readjustments.

EBITDA and Net Income conciliation (R\$ million)			
	1Q21	1Q20	Var.
Net Income	349	178	95.7%
Depreciation and Amortization	177	193	-7.9%
Financial Result	51	100	-48.7%
Income Tax / Social Contribution	72	75	-4.1%
EBITDA	650	546	19.0%

Financial Result

Financial Result (IFRS - R\$ Million)			
	1Q21	1Q20	Var.
Financial Revenues	31	39	-21.8%
Financial Expenses	(82)	(139)	-41.1%
Financial Result	(51)	(100)	-48.7%

In 1Q21, the financial result was a **net financial expense** of R\$ 51 million, a reduction of 48.7% (R\$ 49 million), mainly due to lower expenses with net debt (R\$ 54 million), partially offset by the increase in expenses with UBP (R\$ 5 million).

Income Tax and Social Contribution

In 1Q21, the income tax and social contribution item registered a negative result of R\$ 72 million, compared to a negative result of R\$ 75 million in 1Q20, a reduction of 4.1% (R\$ 3 million).

Net Income

In 1Q21, **net income** was R\$ 349 million, an increase of 95.7% (R\$ 171 million), compared to R\$ 178 million in 1Q20. This result mainly reflects the higher EBITDA, the gain with the financial result, due to lower expenses with net debt.

7) ATTACHMENTS

7.1) Balance Sheet - Assets – CPFL Energia

(R\$ thousands)



	Consolidated		
ASSETS	03/31/2021	12/31/2020	03/31/2020
CURRENT			
Cash and Cash Equivalents	4,618,910	3,918,796	5,569,505
Bonds and securities	948,806	1,872,079	946
Consumers, Concessionaries and Licensees	5,027,956	5,206,854	4,805,590
Dividend and Interest on Equity	80,647	80,647	122,552
Recoverable Taxes	460,046	425,045	463,614
Derivatives	1,252,122	744,660	696,721
Sectoral Financial Assets	898,077	558,884	899,766
Contractual Assets	25,100	24,833	24,657
Other assets	1,133,141	980,006	689,497
TOTAL CURRENT	14,444,805	13,811,803	13,272,848
NON-CURRENT			
Consumers, Concessionaries and Licensees	663,209	828,314	756,717
Judicial Deposits	770,232	764,760	769,694
Recoverable Taxes	2,587,983	404,394	409,730
Sectoral Financial Assets	109,187	108,908	5,441
Derivatives	1,269,523	1,340,113	1,748,408
Deferred Taxes	332,278	585,869	562,406
Concession Financial Assets	10,880,072	10,347,567	9,162,557
Investments at Cost	116,654	116,654	116,654
Other assets	205,561	172,140	761,827
Investments	1,106,167	1,015,918	1,060,902
Property, Plant and Equipment	8,705,514	8,797,903	8,975,244
Contractual Assets	2,018,774	1,842,905	1,357,441
Intangible Assets	8,857,921	8,969,637	9,222,291
TOTAL NON-CURRENT	37,623,075	35,295,081	34,909,313
TOTAL ASSETS	52,067,880	49,106,884	48,182,161

7.2) Balance Sheet - Liabilities – CPFL Energia

(R\$ thousands)



	Consolidated		
LIABILITIES AND SHAREHOLDERS' EQUITY	03/31/2021	12/31/2020	03/31/2020
CURRENT			
Trade payables	3,119,367	3,909,517	2,743,239
Borrowings	3,855,493	2,797,195	3,082,710
Debentures	1,157,982	1,191,270	843,880
Private pension plan	312,534	199,803	136,441
Regulatory liabilities	126,036	108,371	25,387
Taxes, Fees and Contributions	894,356	965,222	734,977
Intercompany Loan	2,423,984	2,409,545	-
Dividends	898,838	906,852	669,011
Estimated payroll	144,168	133,429	132,781
Derivatives	-	1,354	3,545
Sectorial financial liabilities	45	41,514	-
Use of public asset	12,573	12,573	11,771
Other payables	1,637,143	1,729,304	1,341,894
TOTAL CURRENT	14,582,519	14,405,951	9,725,636
NON-CURRENT			
Trade payables	349,557	456,658	364,051
Borrowings	8,463,399	8,624,840	11,216,917
Debentures	6,033,216	6,257,032	7,549,688
Private pension plan	2,607,404	2,759,826	1,864,574
Taxes, Fees and Contributions	167,492	166,738	157,770
Deferred tax liabilities	810,343	767,807	1,120,840
Provision for tax, civil and labor risks	608,606	616,136	554,096
Derivatives	5,417	-	-
Sectorial financial liabilities	333,839	185,592	367,181
Use of public asset	118,748	112,055	93,084
Other payables	2,808,871	518,471	627,339
TOTAL NON-CURRENT	22,306,892	20,465,155	23,915,541
SHAREHOLDERS' EQUITY			
Issued capital	9,388,071	9,388,071	9,388,080
Capital Reserves	(1,643,775)	(1,643,775)	(1,640,962)
Legal Reserve	1,218,283	1,218,283	1,036,125
Statutory reserve - working capital improvement	5,803,185	5,803,185	4,046,305
Dividend	865,248	865,248	1,433,295
Accumulated comprehensive income	(1,716,127)	(1,695,235)	(917,876)
Retained earnings	952,908	-	897,294
	14,867,792	13,935,777	14,242,262
Equity attributable to noncontrolling interests	310,676	300,001	298,721
TOTAL SHAREHOLDERS' EQUITY	15,178,468	14,235,778	14,540,984
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	52,067,880	49,106,884	48,182,160

7.3) Income Statement – CPFL Energia

(R\$ thousands)



Consolidated			
	1Q21	1Q20	Variation
OPERATING REVENUES			
Electricity Sales to Final Customers	8,617,109	8,150,474	5.7%
Electricity Sales to Distributors	1,064,239	1,127,496	-5.6%
Revenue from building the infrastructure	622,535	495,804	25.6%
Update of concession's financial asset	258,834	138,572	86.8%
Sectorial financial assets and liabilities	252,439	(463,343)	-
Other Operating Revenues	1,669,229	1,429,726	16.8%
	12,484,386	10,878,728	14.8%
DEDUCTIONS FROM OPERATING REVENUES	(4,196,261)	(3,596,461)	16.7%
NET OPERATING REVENUES	8,288,125	7,282,267	13.8%
COST OF ELECTRIC ENERGY SERVICES			
Electricity Purchased for Resale	(3,782,971)	(3,703,952)	2.1%
Electricity Network Usage Charges	(1,194,315)	(637,466)	87.4%
	(4,977,287)	(4,341,419)	14.6%
OPERATING COSTS AND EXPENSES			
Personnel	(362,961)	(354,135)	2.5%
Material	(73,198)	(74,108)	-1.2%
Outsourced Services	(146,880)	(170,786)	-14.0%
Other Operating Costs/Expenses	(176,843)	(190,381)	-7.1%
<i>Allowance for Doubtful Accounts</i>	<i>(54,181)</i>	<i>(57,844)</i>	<i>-6.3%</i>
<i>Legal and judicial expenses</i>	<i>(23,487)</i>	<i>(37,510)</i>	<i>-37.4%</i>
<i>Others</i>	<i>(99,176)</i>	<i>(95,027)</i>	<i>4.4%</i>
Cost of building the infrastructure	(618,998)	(495,091)	25.0%
Employee Pension Plans	(56,337)	(45,440)	24.0%
Depreciation and Amortization	(351,649)	(354,718)	-0.9%
Amortization of Concession's Intangible	(72,161)	(72,109)	0.1%
	(1,859,029)	(1,756,767)	5.8%
EBITDA¹	1,966,015	1,696,213	15.9%
INCOME FROM ELECTRIC ENERGY SERVICE	1,451,809	1,184,081	22.6%
FINANCIAL REVENUES (EXPENSES)			
Financial Revenues	225,134	438,292	-48.6%
Financial Expenses	(346,178)	(317,285)	9.1%
	(121,044)	121,007	-200.0%
EQUITY ACCOUNTING			
Equity Accounting	90,394	85,305	6.0%
Assets Surplus Value Amortization	(145)	(145)	0.0%
	90,249	85,160	6.0%
INCOME BEFORE TAXES	1,421,015	1,390,248	2.2%
Social Contribution	(123,161)	(129,908)	-5.2%
Income Tax	(336,617)	(356,214)	-5.5%
NET INCOME	961,237	904,126	6.3%
<i>Controlling Shareholders' Interest</i>	<i>946,337</i>	<i>890,041</i>	<i>6.3%</i>
<i>Non-Controlling Shareholders' Interest</i>	<i>14,900</i>	<i>14,085</i>	<i>5.8%</i>

Note: (1) EBITDA is calculated from the sum of net income, taxes, financial result and depreciation/amortization, according to CVM Instruction no. 527/12.

7.4) Income Statement by business segment

Income Statement by business segment - CPFL Energia (R\$ million)							
	Distribution	Generation	Commerciali- zation	Services	Others	Eliminations	Total
1Q21							
Net operating revenue	7,093	802	592	199	0	(398)	8,288
Operating costs and expenses	(6,054)	(420)	(576)	(161)	(23)	398	(6,836)
Depreciation e amortization	(222)	(177)	(1)	(8)	(16)	-	(424)
Income from electric energy service	1,039	382	16	38	(23)	-	1,452
Equity accounting	-	90	-	-	-	-	90
EBITDA	1,262	650	17	45	(7)	-	1,966
Financial result	(88)	(51)	16	0	2	-	(121)
Income (loss) before taxes	951	421	33	38	(21)	-	1,421
Income tax and social contribution	(354)	(72)	(11)	(10)	(13)	-	(460)
Net income (loss)	597	349	22	28	(34)	-	961
1Q20							
Net operating revenue	6,103	684	718	152	(4)	(371)	7,282
Operating costs and expenses	(5,177)	(416)	(718)	(131)	(27)	371	(6,098)
Depreciation e amortization	(211)	(193)	(1)	(7)	(16)	-	(427)
Income from electric energy service	926	268	(0)	22	(31)	(0)	1,184
Equity accounting	-	85	-	-	-	-	85
EBITDA	1,137	546	0	28	(15)	-	1,696
Financial result	206	(100)	9	1	5	-	121
Income (loss) before taxes	1,132	253	9	22	(26)	-	1,390
Income tax and social contribution	(404)	(75)	(3)	(6)	1	-	(486)
Net income (loss)	728	178	6	17	(25)	-	904
Variation							
Net operating revenue	16.2%	17.1%	-17.5%	30.6%	0.0%	7.3%	13.8%
Operating costs and expenses	16.9%	0.8%	-19.8%	23.4%	-13.7%	7.3%	12.1%
Depreciation e amortization	5.4%	-7.9%	5.4%	11.1%	0.1%	-	-0.7%
Income from electric energy service	12.3%	42.5%	-	74.4%	-24.8%	-100.0%	22.6%
Equity accounting	-	6.0%	-	-	-	-	6.0%
EBITDA	11.0%	19.0%	3960.5%	59.1%	-50.7%	-	15.9%
Financial result	-	-48.7%	-	-67.0%	-60.1%	-	-
Income (loss) before taxes	-16.0%	66.2%	277.7%	70.0%	-17.9%	-	2.2%
Income tax and social contribution	-12.2%	-4.1%	281.2%	74.5%	-	-	-5.4%
Net income (loss)	-18.1%	95.7%	276.0%	68.5%	37.0%	-	6.3%

7.5) Cash Flow – CPFL Energia

(R\$ thousands)



Consolidated		
	1Q21	Last 12M
Beginning Balance	3,918,796	5,569,505
Net Income Before Taxes	1,421,015	4,828,108
Depreciation and Amortization	423,810	1,662,982
Interest on Debts and Monetary and Foreign Exchange Restatements	20,309	594,122
Consumers, Concessionaries and Licensees	289,822	(363,061)
Sectoral Financial Assets	(327,787)	(49,903)
Accounts Receivable - Resources Provided by the CDE/CCEE	(38,549)	(41,117)
Suppliers	(922,832)	336,053
Sectoral Financial Liabilities	95,589	(75,178)
Accounts Payable - CDE	(28,638)	(20,299)
Interest on Debts and Debentures Paid	(138,075)	(702,931)
Income Tax and Social Contribution Paid	(160,246)	(577,695)
Others	(255,763)	109,000
	(1,042,361)	871,974
Total Operating Activities	378,654	5,700,082
Investment Activities		
Purchases of Contract Asset, Property, Plant and Equipment and Intangible Assets	(657,384)	(2,819,856)
Securities, Pledges and Restricted Deposits	923,818	(355,780)
Others	-	(5,290)
Total Investment Activities	266,434	(3,180,926)
Financing Activities		
Loans and Debentures	513,910	2,312,478
Principal Amortization of Loans and Debentures, Net of Derivatives	(443,544)	(6,025,336)
Dividend and Interest on Equity Paid	(12,213)	(2,125,381)
Intragroup Loans with Subsidiaries	-	2,380,000
Amortization of Intragroup Loans with Subsidiaries	(3,124)	(12,206)
Others	-	696
Total Financing Activities	55,028	(3,469,749)
Cash Flow Generation	700,116	(950,594)
Ending Balance - 03/31/2021	4,618,910	4,618,910

7.6) Income Statement – Generation Segment

(R\$ thousands)



Consolidated			
	1Q21	1Q20	Variation
OPERATING REVENUES			
Electricity Sales to Final Customers	4,430	6,188	-28.4%
Electricity Sales to Distributors	805,640	711,662	13.2%
Other Operating Revenues	17,941	16,605	8.1%
	866,255	742,280	16.7%
DEDUCTIONS FROM OPERATING REVENUES	(64,702)	(57,793)	12.0%
NET OPERATING REVENUES	801,553	684,487	17.1%
COST OF ELECTRIC ENERGY SERVICES			
Electricity Purchased for Resale	(69,722)	(68,390)	1.9%
Electricity Network Usage Charges	(32,592)	(32,915)	-1.0%
	(102,314)	(101,305)	1.0%
OPERATING COSTS AND EXPENSES			
Personnel	(32,085)	(36,910)	-13.1%
Material	(3,293)	(8,962)	-63.3%
Outsourced Services	(46,117)	(51,348)	-10.2%
Other Operating Costs/Expenses	(23,190)	(17,522)	32.3%
<i>Allowance for Doubtful Accounts</i>	<i>(735)</i>	<i>(431)</i>	<i>70.4%</i>
<i>Legal and judicial expenses</i>	<i>(5,542)</i>	<i>(3,446)</i>	<i>60.9%</i>
<i>Others</i>	<i>(16,913)</i>	<i>(13,645)</i>	<i>23.9%</i>
Cost of building the infrastructure	(34,706)	(7,112)	388.0%
Employee Pension Plans	(606)	(869)	-30.3%
Depreciation and Amortization	(134,944)	(150,122)	-10.1%
Amortization of Concession's Intangible	(42,350)	(42,298)	0.1%
	(317,292)	(315,143)	0.7%
EBITDA¹	649,636	545,765	19.0%
INCOME FROM ELECTRIC ENERGY SERVICE	381,947	268,040	42.5%
FINANCIAL REVENUES (EXPENSES)			
Financial Revenues	30,697	39,252	-21.8%
Financial Expenses	(81,927)	(139,090)	-41.1%
	(51,230)	(99,838)	-48.7%
EQUITY ACCOUNTING			
Equity Accounting	90,394	85,305	6.0%
Assets Surplus Value Amortization	(145)	(145)	0.0%
	90,249	85,160	6.0%
INCOME BEFORE TAXES ON INCOME	420,967	253,361	66.2%
Social Contribution	(20,271)	(21,623)	-6.3%
Income Tax	(51,606)	(53,312)	-3.2%
NET INCOME	349,090	178,425	95.7%

Note: (1) EBITDA (IFRS) is calculated from the sum of net income, taxes, financial result and depreciation/amortization, as CVM Instruction no. 527/12.

7.7) Income Statement – Distribution Segment

(R\$ thousand)



Consolidated			
	1Q21	1Q20	Variation
OPERATING REVENUE			
Electricity Sales to Final Customers	8,128,871	7,599,057	7.0%
Electricity Sales to Distributors	313,211	411,613	-23.9%
Revenue from building the infrastructure	584,292	487,979	19.7%
Adjustments to the concession's financial asset	258,834	138,572	86.8%
Sectoral financial assets and liabilities	252,439	(463,343)	-
Other Operating Revenues	1,607,587	1,375,424	16.9%
	11,145,233	9,549,301	16.7%
DEDUCTIONS FROM OPERATING REVENUE	(4,051,999)	(3,446,798)	17.6%
NET OPERATING REVENUE	7,093,234	6,102,502	16.2%
COST OF ELECTRIC ENERGY SERVICES			
Electricity Purchased for Resale	(3,374,228)	(3,176,136)	6.2%
Electricity Network Usage Charges	(1,167,947)	(611,888)	90.9%
	(4,542,175)	(3,788,024)	19.9%
OPERATING COSTS AND EXPENSES			
Personnel	(235,092)	(228,908)	2.7%
Material	(47,016)	(44,825)	4.9%
Outsourced Services	(213,110)	(200,204)	6.4%
Other Operating Costs/Expenses	(154,286)	(171,189)	-9.9%
<i>Allowance for Doubtful Accounts</i>	<i>(53,991)</i>	<i>(57,894)</i>	<i>-6.7%</i>
<i>Legal and Judicial Expenses</i>	<i>(19,870)</i>	<i>(32,919)</i>	<i>-39.6%</i>
<i>Others</i>	<i>(80,424)</i>	<i>(80,375)</i>	<i>0.1%</i>
Cost of building the infrastructure	(584,292)	(487,979)	19.7%
mari-1020	(55,732)	(44,571)	25.0%
Depreciation and Amortization	(208,050)	(196,753)	5.7%
Amortization of Concession's Intangible	(14,133)	(14,133)	0.0%
	(1,511,711)	(1,388,562)	8.9%
EBITDA¹	1,261,530	1,136,803	11.0%
EBIT	1,039,348	925,917	12.3%
FINANCIAL INCOME (EXPENSE)			
Financial Income	172,139	387,632	-55.6%
Financial Expenses	(260,490)	(181,629)	43.4%
	(88,351)	206,004	-
INCOME BEFORE TAXES ON INCOME	950,997	1,131,920	-16.0%
Social Contribution	(94,298)	(106,749)	-11.7%
Income Tax	(260,011)	(296,867)	-12.4%
NET INCOME	596,688	728,305	-18.1%

Note: (1) EBITDA (IFRS) is calculated from the sum of net income, taxes, financial result and depreciation/amortization, as CVM Instruction no. 527/12.

7.8) Economic-Financial performance by Distributor

(R\$ thousand)






CPFL PAULISTA			
	1Q21	1Q20	Var.
Gross Operating Revenue	4,882,452	4,075,927	19.8%
Net Operating Revenue	3,158,607	2,636,237	19.8%
Cost of Electric Power	(2,102,297)	(1,705,045)	23.3%
Operating Costs & Expenses	(640,433)	(544,585)	17.6%
EBIT	415,878	386,607	7.6%
EBITDA⁽¹⁾	491,682	457,138	7.6%
Financial Income (Expense)	(31,120)	91,627	-
Income Before Taxes	384,758	478,234	-19.5%
Net Income	246,813	308,659	-20.0%

CPFL PIRATININGA			
	1Q21	1Q20	Var.
Gross Operating Revenue	2,072,703	1,703,100	21.7%
Net Operating Revenue	1,331,476	1,093,384	21.8%
Cost of Electric Power	(894,296)	(738,289)	21.1%
Operating Costs & Expenses	(196,463)	(198,597)	-1.1%
EBIT	240,716	156,498	53.8%
EBITDA⁽¹⁾	270,249	185,022	46.1%
Financial Income (Expense)	9,406	46,553	-79.8%
Income Before Taxes	250,122	203,051	23.2%
Net Income	161,941	131,154	23.5%

RGE			
	1Q21	1Q20	Var.
Gross Operating Revenue	3,692,400	3,334,884	10.7%
Net Operating Revenue	2,296,354	2,068,802	11.0%
Cost of Electric Power	(1,334,852)	(1,175,253)	13.6%
Operating Costs & Expenses	(588,975)	(554,360)	6.2%
EBIT	372,528	339,189	9.8%
EBITDA⁽¹⁾	474,455	437,374	8.5%
Financial Income (Expense)	(58,639)	62,424	-
Income Before Taxes	313,889	401,614	-21.8%
Net Income	199,747	257,339	-22.4%

CPFL SANTA CRUZ			
	1Q21	1Q20	Var.
Gross Operating Revenue	497,678	435,389	14.3%
Net Operating Revenue	306,796	304,078	0.9%
Cost of Electric Power	(210,730)	(169,437)	24.4%
Operating Costs & Expenses	(85,840)	(91,019)	-5.7%
EBIT	10,226	43,623	-76.6%
EBITDA⁽¹⁾	25,144	57,268	-56.1%
Financial Income (Expense)	(7,998)	5,399	-
Income Before Taxes	2,228	49,022	-95.5%
Net Income	(11,813)	31,152	-

Note: (1) EBITDA (IFRS) is calculated from the sum of net income, taxes, financial result and depreciation/amortization, as CVM Instruction no. 527/12.

7.9) Sales within the Concession Area by Distributor

(In GWh)



CPFL Paulista			
	1Q21	1Q20	Var.
Residential	2,275	2,564	-11.3%
Industrial	2,896	2,654	9.1%
Commercial	1,463	1,517	-3.6%
Others	10,830	1,081	0.2%
Total	8,167	7,816	4.5%

CPFL Piratininga			
	1Q21	1Q20	Var.
Residential	1,161	1,061	9.4%
Industrial	1,596	1,507	5.9%
Commercial	707,060	687,921	2.8%
Others	341,644	327,336	4.4%
Total	3,805	3,583	6.2%

RGE			
	1Q21	1Q20	Var.
Residential	1,582	1,604	-1.4%
Industrial	1,528	1,434	6.6%
Commercial	644	729	-11.6%
Others	1,360	1,518	-10.4%
Total	5,114	5,285	-3.2%

CPFL Santa Cruz			
	1Q21	1Q20	Var.
Residential	229	214	6.8%
Industrial	293	268	9.2%
Commercial	95	97	-1.4%
Others	178	179	-0.3%
Total	796	758	4.9%

7.10) Sales to the Captive Market by Distributor

(in GWh)



CPFL Paulista			
	1Q21	1Q20	Var.
Residential	2,725	2,564	6.3%
Industrial	521	533	-2.3%
Commercial	1,002	1,102	-9.1%
Others	1,019	1,027	-0.8%
Total	5,266	5,226	0.8%

CPFL Piratininga			
	1Q21	1Q20	Var.
Residential	1,161	1,061	9.4%
Industrial	200	218	-8.1%
Commercial	460	475	-3.1%
Others	250	251	-0.7%
Total	2,071	2,005	3.3%

RGE			
	1Q21	1Q20	Var.
Residential	1,582	1,604	-1.4%
Industrial	342	386	-11.4%
Commercial	504	601	-16.1%
Others	1,316	1,511	-12.9%
Total	3,744	4,103	-8.7%

CPFL Santa Cruz			
	1Q21	1Q20	Var.
Residential	229	214	6.8%
Industrial	61	87	-30.3%
Commercial	80	86	-7.7%
Others	178	178	-0.4%
Total	547	566	-3.4%

7.11) Information on Interest in Companies

Energy distribution	Company type	Equity interest	Location (state)	Number of municipalities	Approximate number of consumers (in thousands)	Concession period	End of the concession
Companhia Paulista de Força e Luz ("CPFL Paulista")	Publicly-held corporation	Direct 100%	Interior of São Paulo	234	4.699	30 years	November 2027
Companhia Piratininga de Força e Luz ("CPFL Piratininga")	Publicly-held corporation	Direct 100%	Interior and coast of São Paulo	27	1.839	30 years	October 2028
RGE Sul Distribuidora de Energia S.A. ("RGE")	Publicly-held corporation	Direct and Indirect 100%	Interior of Rio Grande do Sul	381	2.988	30 years	November 2027
Companhia Jaguarí de Energia ("CPFL Santa Cruz")	Privately-held corporation	Direct 100%	Interior of São Paulo, Paraná and Minas Gerais	45	479	30 years	July 2045

Energy generation (conventional and renewable sources)	Company type	Equity interest	Location (state)	Number of plants / type of energy	Installed power (MW)	
					Total	CPFL share
CPFL Energias Renováveis S.A. ("CPFL Renováveis")	Publicly-held corporation	Direct and Indirect 100%	(b)	(b)	(b)	(b)
CPFL Geração de Energia S.A. ("CPFL Geração")	Publicly-held corporation	Direct 100%	São Paulo	n/a	n/a	n/a
CERAN - Companhia Energética Rio das Antas ("CERAN")	Privately-held corporation	Indirect 65%	Rio Grande do Sul	3 Hydropower	360	234
Foz do Chapecó Energia S.A. ("Foz do Chapecó")	Privately-held corporation	Indirect 51% (c)	Santa Catarina and Rio Grande do Sul	1 Hydropower	855	436
Campos Novos Energia S.A. ("ENERCAN")	Privately-held corporation	Indirect 48.72%	Santa Catarina	1 Hydropower	880	429
BAESA - Energética Barra Grande S.A. ("BAESA")	Publicly-held corporation	Indirect 25.01%	Santa Catarina e Rio Grande do Sul	1 Hydropower	690	173
Centrais Elétricas da Paraíba S.A. ("EPASA")	Privately-held corporation	Indirect 53.34%	Paraíba	2 Thermal	342	182
Paulista Lajeado Energia S.A. ("Paulista Lajeado")	Privately-held corporation	Indirect 59.93% (a)	Tocantins	1 Hydropower	903	38

Transmission	Company Type	Location	Core Activity	Equity Interest
CPFL Transmissão Piracicaba S.A. ("CPFL Transmissão Piracicaba")	Limited liability company	São Paulo	n/a	Indirect 100%
CPFL Transmissão Morro Agudo S.A. ("CPFL Transmissão Morro Agudo")	Limited liability company	São Paulo	n/a	Indirect 100%
CPFL Transmissão Maracanaú S.A. ("CPFL Maracanaú")	Limited liability company	Ceará	n/a	Indirect 100%
CPFL Transmissão Sul I S.A. ("CPFL Sul I")	Limited liability company	Santa Catarina	n/a	Indirect 100%
CPFL Transmissão Sul II S.A. ("CPFL Sul II")	Limited liability company	Rio Grande do Sul	n/a	Indirect 100%

Notes:

- (a) The joint venture Chapecoense fully consolidates the interim financial statements of its direct subsidiary, Foz de Chapecó, and fully consolidates its financial statements;
- (b) Paulista Lajeado has a 7% participation in the installed power of Investco S.A. (5.94% share of its capital);
- (c) CPFL Renováveis has 51.54% of the assured energy and power of HPP Serra da Mesa, whose concession belongs to Furnas.

Energy commercialization	Company type	Core activity	Equity interest
CPFL Comercialização Brasil S.A. ("CPFL Brasil")	Privately-held corporation	Energy commercialization	Direct 100%
Clion Assessoria e Comercialização de Energia Elétrica Ltda ("CPFL Meridional")	Limited liability company	Commercialization and provision of energy services	Indirect 100%
CPFL Comercialização de Energia Cone Sul Ltda ("CPFL Cone Sul")	Limited liability company	Energy commercialization	Indirect 100%
CPFL Planalto Ltda ("CPFL Planalto")	Limited liability company	Energy commercialization	Direct 100%
CPFL Brasil Varejista de Energia Ltda ("CPFL Brasil Varejista")	Limited liability company	Energy commercialization	Indirect 100%

Provision of services	Company type	Core activity	Equity interest
CPFL Serviços, Equipamentos, Indústria e Comércio S.A. ("CPFL Serviços")	Privately-held corporation	Manufacturing, commercialization, rental and maintenance of electro-mechanical equipment and service provision	Direct 100%
Nect Serviços Administrativos de Infraestrutura Ltda ("CPFL Infra")	Limited liability company	Provision of infrastructure and fleet services	Direct 100%
Nect Serviços Administrativos de Recursos Humanos Ltda ("CPFL Pessoas")	Limited liability company	Provision of human resources services	Direct 100%
Nect Serviços Administrativos Financeiros Ltda ("CPFL Finanças")	Limited liability company	Provision of financial services	Direct 100%
Nect Serviços Adm de Suprimentos E Logística Ltda ("CPFL Supre")	Limited liability company	Supply and logistics services	Direct 100%
CPFL Atende Centro de Contatos e Atendimento Ltda ("CPFL Atende")	Limited liability company	Provision of call center services	Direct 100%
CPFL Total Serviços Administrativos S.A. ("CPFL Total")	Privately-held corporation	Collection services	Indirect 100%
CPFL Eficiência Energética Ltda ("CPFL Eficiência")	Limited liability company	Energy efficiency management	Direct 100%
TI Nect Serviços de Informática Ltda ("Authi")	Limited liability company	Provision of IT services	Direct 100%
CPFL Geração Distribuída de Energia Ltda ("CPFL GD")	Limited liability company	Provision of maintenance services for energy generation companies	Indirect 100%

Others	Company type	Core activity	Equity interest
CPFL Jaguarí de Geração de Energia Ltda ("Jaguarí Geração")	Limited liability company	Holding company	Direct 100%
Chapecoense Geração S.A. ("Chapecoense")	Privately-held corporation	Holding company	Indirect 51%
Sul Geradora Participações S.A. ("Sul Geradora")	Privately-held corporation	Holding company	Indirect 99.95%
CPFL Telecomunicações Ltda ("CPFL Telecom")	Limited liability company	Telecommunication services	Direct 100%
Alesta Sociedade de Crédito Direto S.A. ("Alesta")	Privately-held corporation	Financial services	Direct 100%

Note: On April 15, 2020, the constitution of Alesta Sociedade de Crédito Direto S.A. was approved. The Company is a private financial institution that operates in the category of Direct Credit Society, constituted in the form of a corporation.

7.12) Reconciliation of Net Debt/EBITDA Pro Forma ratio of CPFL Energia for purposes of financial covenants calculation

(R\$ million)



Net Debt Pro Forma Reconciliation (1Q21)

Net debt - Generation projects

Mar-21	Majority-controlled subsidiaries (fully consolidated)			Investees accounted for under the equity method					Total
	CERAN	Paulista Lajeado	Subtotal	ENERCA N	BAESA	Chapecoense	EPASA	Subtotal	
Borrowings and Debentures	212	-	212	256	-	882	55	1,193	1,406
(-) Cash and Cash Equivalents	(45)	(16)	(61)	(138)	(73)	(148)	(168)	(527)	(589)
Net Debt	167	(16)	151	118	(73)	734	(113)	666	817
CPFL Stake (%)	65.00%	59.93%	-	48.72%	25.01%	51.00%	53.34%	-	-
Net Debt in Generation Projects	109	(10)	99	58	(18)	374	(60)	353	452

Reconciliation

CPFL Energia	
Gross Debt	19,418
(-) Cash and Cash Equivalents	(4,619)
Net Debt (IFRS)	14,799
(-) Fully Consolidated Projects	(151)
(+) Proportional Consolidation	452
Net Debt (Pro Forma)	15,100

EBITDA Pro Forma Reconciliation (1Q21 - LTM)

EBITDA - Generation Projects

1Q21	Majority-controlled subsidiaries (fully consolidated)			Investees accounted for under the equity method					Total
	CERAN	Paulista Lajeado	Subtotal	ENERCA N	BAESA	Chapecoense	EPASA	Subtotal	
Net operating revenue	289	42	331	751	301	943	512	2,507	2,838
Operating cost and expense	(28)	(23)	(51)	(34)	57	(225)	(304)	(506)	(557)
EBITDA	261	19	280	717	358	718	208	2,001	2,281
CPFL stake (%)	65.00%	59.93%	-	48.72%	25.01%	51.00%	53.34%	-	-
Proportional EBITDA	170	11	181	349	90	366	111	916	1,097

Reconciliation

CPFL Energia - 1Q21 LTM	
Net income	3,764
Amortization	1,663
Financial Results	558
Income Tax /Social Contribution	1,064
EBITDA	7,050
(-) Equity income	(415)
(-) EBITDA - Fully consolidated projects	(280)
(+) Proportional EBITDA	1,097
EBITDA Pro Forma	7,451
Net Debt / EBITDA Pro Forma	2.03x

Note: in accordance with financial covenants calculation in cases of assets acquired by the Company.