
Wind farms


Wind farms

1Q11 Results


Bioformosa TPP (biomass)

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1Q11 Highlights

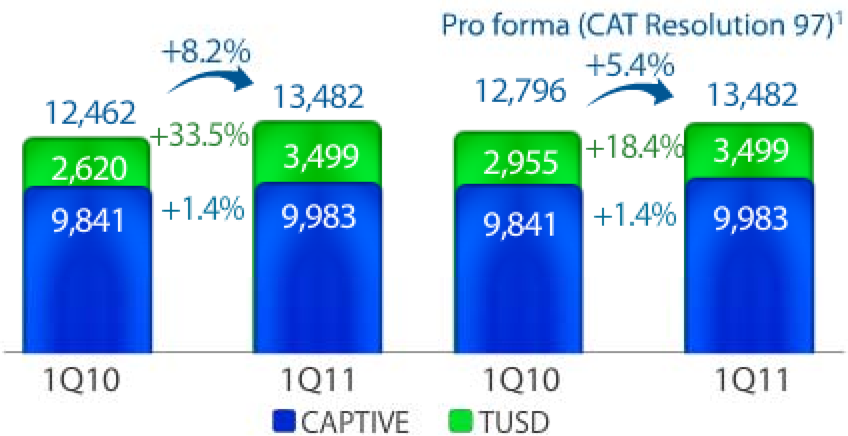
Net revenue	EBITDA	Pro forma EBITDA "Regulatory"[1]	Net income[2]	Pro forma Net income "Regulatory"[1]
1Q11 R$ 3,023 million	1Q11 R$ 1,020 million	1Q11 R$ 896 million	1Q11 R$ 466 million	1Q11 R$ 380 million
+5.0%	+3.9%	+8.1%	-4.5%	-2.3%
1Q10 R$ 2,879 million	1Q10 R$ 982 million	1Q10 R$ 829 million	1Q10 R$ 488 million	1Q10 R$ 389 million

- Growth of 5.4% in sales in the concession area[3]
- Annual economic tariff adjustment of 6.11% for CPFL Paulista in Apr, 2011, 8.01% for CPFL Santa Cruz, 6.84% for CPFL Mococa, 6.57% for CPFL Sul Paulista, 6.42% for CPFL Leste Paulista and 5.22% for CPFL Jaguari in Feb, 2011
- Incorporation of CPFL Energias Renováveis through the association between CPFL Energia and ERSA Energias Renováveis
- Acquisition of SIIF Énergies Brasil per R$ 1,494 million, of which 210MW in wind farms in operation and 867 MW in portfolio of projects[4]
- CPFL Energia's credit rating was maintained the same after the acquisition of SIIF Énergies Brasil and the association with ERSA
- CPFL Energia's simultaneous stock reverse split and split were approved, in the Extraordinary Shareholders Meeting of April 28, 2011;
- CPFL Energia was elected the most sustainable electric power company in Latin America in 2011 (Utilities) by M&E for the 3rd consecutive year
- Appreciation of 12.6% of CPFL Energia's shares price on the BM&FBOVESPA in 1Q11, outperforming the Ibovespa (-1.0%) and the IEE (9.7%);

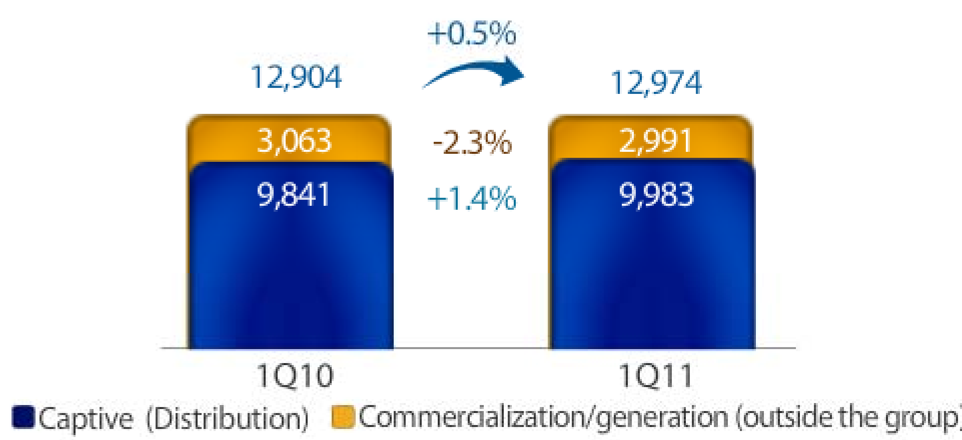
1) Consider effects of regulatory assets and liabilities 2) CPFL Energia's net income (exclude equity attributed to noncontrolling shareholders): R$ 460 million
3) Considers CAT 97 effect 4) Disregard 135MW of Quintanilha Machado (R$ 70 million)

1Q11 Energy sales and TUSD

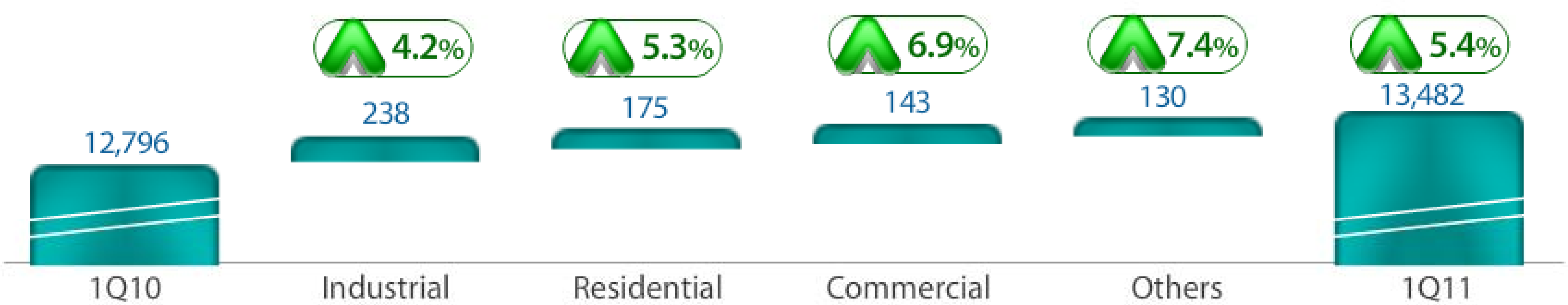
Concessions area sales (GWh)



Total energy sales (GWh)[2]



Concessions area sales (GWh) | Consumer classes Pro forma (CAT Resolution 97)[1]



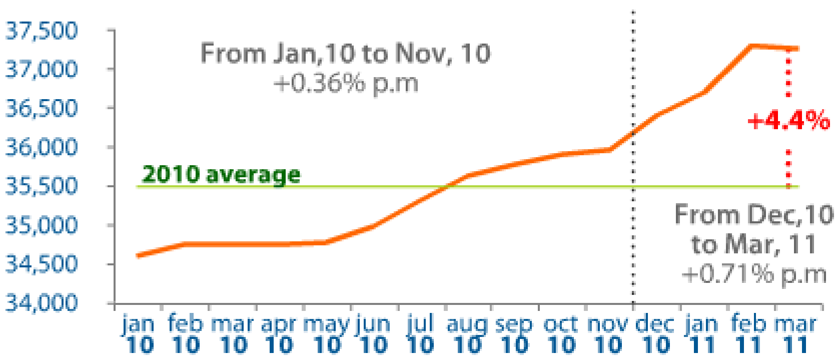
1) CAT Resolution 97 – State of São Paulo Finance Secretarial: i) all free customers are now being billed on the first day of each month ii) reduced number of days for meter readings in Jan,10 (around 15 days) iii) compensated under the item "not billed" (zero effect on the result). 2) Excludes intercompany transaction and in CCEE. Considers Furnas (Semesa) and others sales from Generation Business outside the Group. EPASA sales (75 Gwh in the 1Q10 and 17 GWh in the1Q11) is not considered in Commercialization/Generation (outside the Group) sales because EPASA has a annual fixed revenue

Concession area sales | Seasonally adjusted consumption

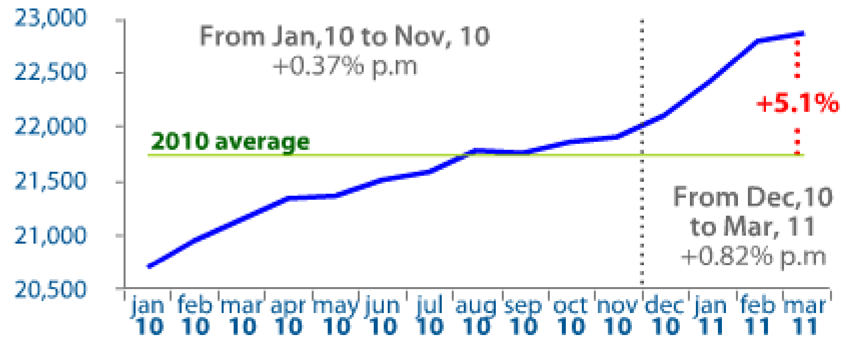
Strong performance in the 2H10[1]:

Real increase in the income mass[2]	credit[3]	Retail sales[2]	Furniture and home appliances[2]
+9.6%	**+14.4%**	**+10.4%**	**+16.5%**

Residential seasonally adjusted consumption (MWh/day) (moving average)

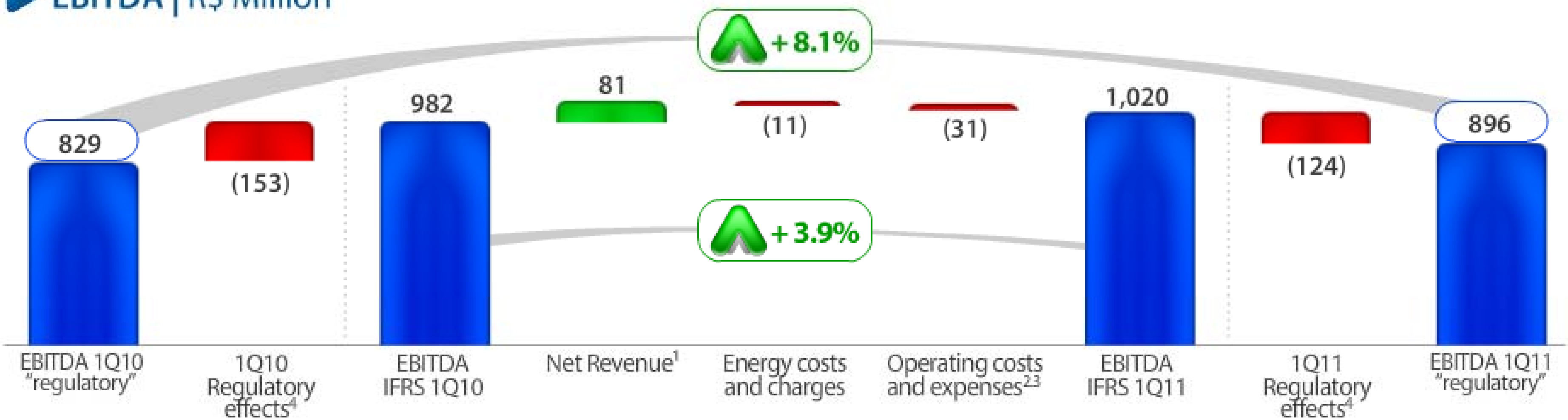


Commercial seasonally adjusted consumption (MWh/day) (moving average)



1) Accumulated growth from Jul, 10 to Dec, 10 compared with the same period of previous year 2) Source: IBGE 3) Source: Bacen. Personal credit granted to individuals excluding auto finance and real state mortgages Note: Seasonally adjusted consumption. Exclude temperature, commercial losses, calendar and seasonal effects

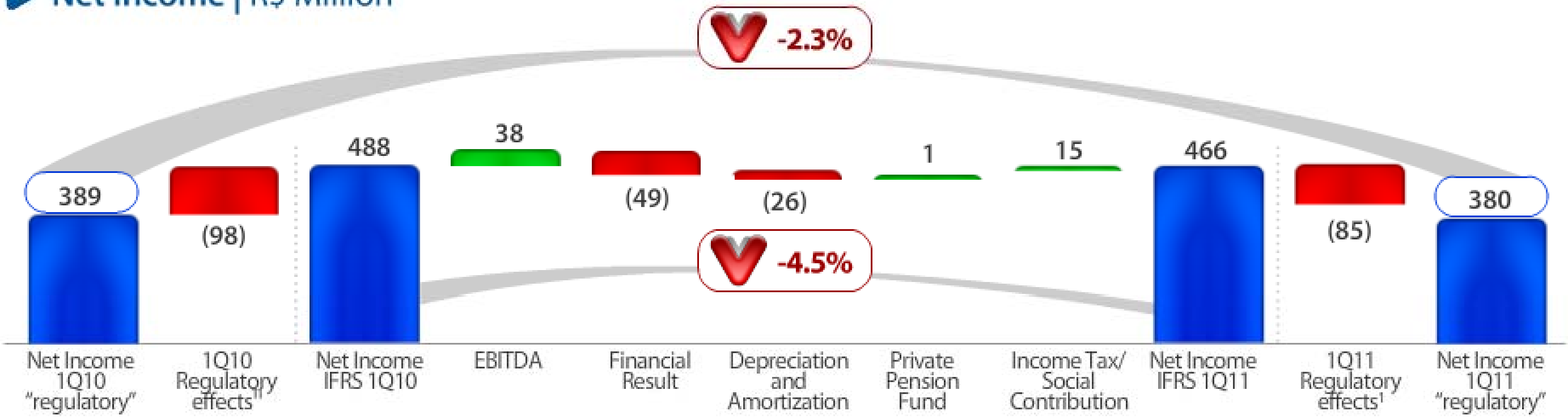
EBITDA | R$ Million



- Increase of 3.0% in Net Revenues[1] (R$ 81 million)[1]
  - Increase of 40.6% in TUSD free consumer revenues (R$ 98 million)
  - Additional net revenue of new power plants - Foz do Chapecó HPP, EPASA and Baldin TPP´s (R$ 79 million)
  - Increase of 20.6% in sectorial charges in deductions from operating revenues (R$ 63 million)
- Increase of 0.8% in Energy costs and charges (R$ 11 million)
  - Increase of 8.4% in the energy charges, mainly due to the increase in System Service Charges - ESS and Connection Charges (R$23 million)
  - Decrease of 1.1% in energy costs, mainly due to the reduction in the foreign exchange rate, that affected the purchase from Itaipu (R$ 12 million)
- Increase of 9.2% in operating costs and expenses[2,3] (R$ 31 million) **Adjusted: +6.1%** **IGPM: +10.9%**
  - Foz do Chapecó HPP and Baldin and EPASA TPPs (R$ 6 million) and physical inventory of assets (R$ 10 million)
  - 1Q10: Energy contract ´s premium paid by EPASA due to postponement in ANEEL authorization (R$ 5 million)
  - Payroll expenses 2010 – average adjustment : 6.1% (R$ 8 million)

1) Excludes "Revenue of construction of own assets" 2) Personnel, Material, Third Party Services and Others 3) Excludes "Costs of construction of own assets" 4) Regulatory assets and liabilities

Net Income | R$ Million



- Increase of 3.9% in EBITDA (R$ 38 million)
- Decrease of 59% in Financial Result (R$ 49 million)
  - Increase of 40.9% in Financial Expenses (R$ 75 million)
    - Financial expenses due to the beginning of commercial start-up of the Foz do Chapecó HPP, Epasa and Baldin TPP´s (R$ 34 million)
    - Incresase of Selic rate (R$ 36 million)
  - Increase of 25.4% in Financial Revenues (R$ 25 million)
- Increase of 16.3% in Depreciation and Amortization (R$ 26 million)
  - Commercial start-up of the Foz de Chapecó HPP and Baldin TPP (R$ 14 million)
- Decrease in Income Tax and Social Contribution (R$ 15 million)

	1Q10	1Q11
Selic	2.00%	2.60%
TJLP	1.47%	1.47%

1) Regulatory assets and liabilities

Corporate Structure| Incorporation of CPFL Renováveis

Current corporate structure considering the projects involved in the joint venture

CPFL ENERGIA

- 100% cpfl brasil
  - cpfl bioformosa
  - cpfl bioipê
  - cpfl bioburiti
  - cpfl biopedra
  - **4 Wind Farms: SIIF Énergies Brasil**
- 100% cpfl geração (22 SPPs)
  - cpfl sul
  - cpfl bioenergia
  - **7 Wind Farms: Santa Clara from I to VI and Eurus VI**
  - **6 Wind Farms: Campo dos Ventos from I to V and Eurus V**

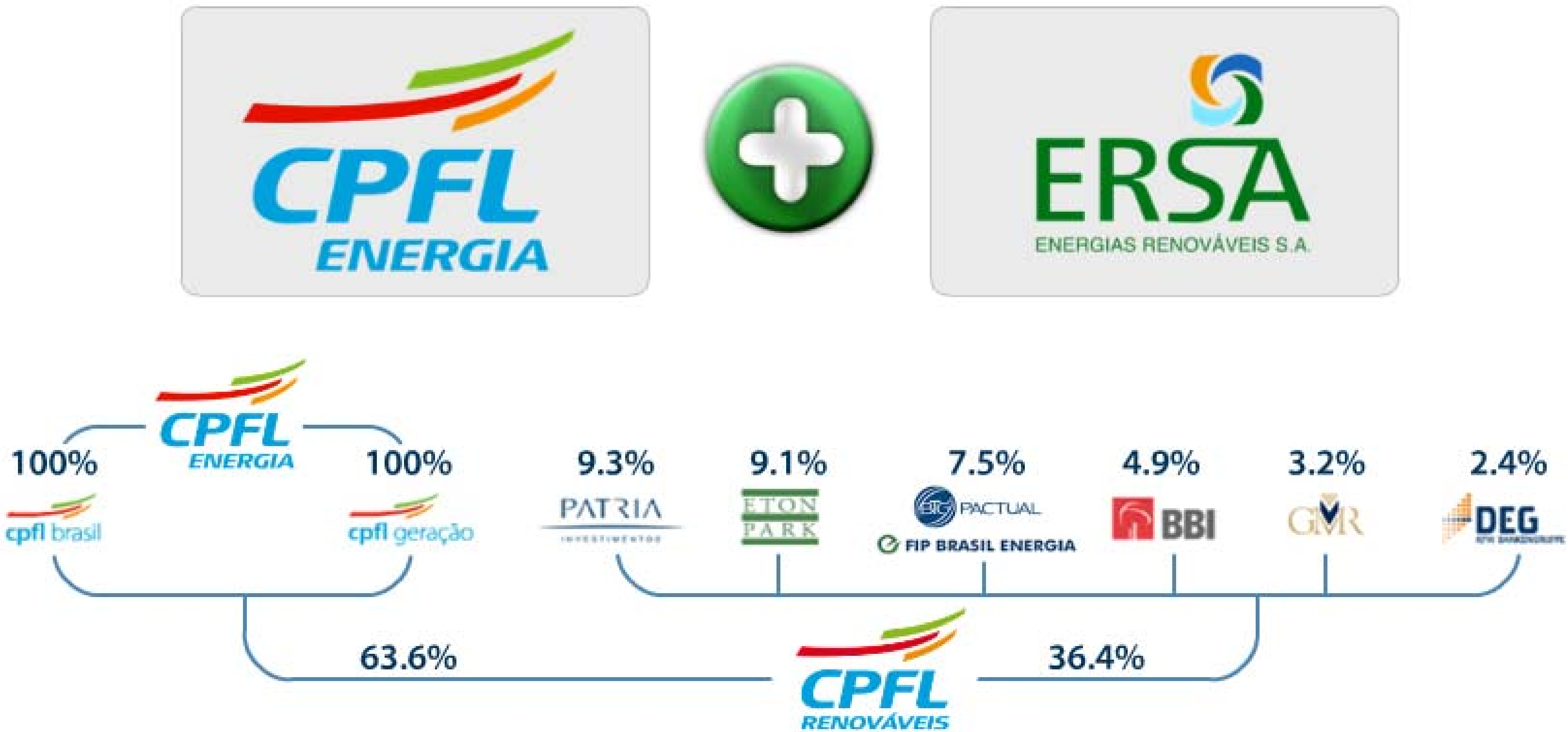
ERSA ENERGIAS RENOVÁVEIS S.A.

- **12 SPPs**
  Operating: 11
  Under construction: 1
- **4 Wind Farms**
  Under construction

+ 600 MW in certified projects and 2,741 MW for development

Note: Source: ERSA (IR)

Corporate Structure| Incorporation of CPFL Renováveis



Transaction approval schedule (e)

- **May 4 |** ANEEL and BNDES Protocols
- **Jul - Sep |** Approval by competent body
- **Aug - Sep |** Shareholding restructuring services, merger of ERSA and incorporation of CPFL Renováveis

- Equity value: R$ 4.5 billion
- Financial resources provided by stockholders (cash): R$ 571 million
  - CPFL: R$ 250 million
  - ERSA: R$ 321 million

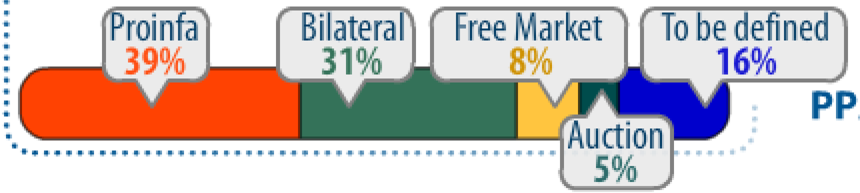
Note: Source: ERSA (IR)

Expansion in Generation | Incorporation of CPFL Renováveis

CPFL Renováveis | Projects into commercial operation - (Aug, 11) (e)

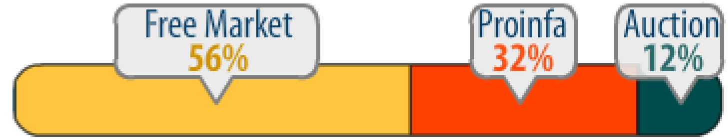
CPFL Energia[2]

- **22 SPPs:** Americana, Buritis, Capão Preto, Chibarro, Dourados, Diamante, Eloy Chaves, Esmeril, Gavião Peixoto, Jaguari, Lençois, Monjolinho, Pinhal, Pirapó, Saltinho, Salto Grande, Santana, São Joaquim, Socorro,Três Saltos, Andorinha e Guaporé
  4 Sugarcane-fired TPPs: Baldin, Bio Formosa, Bio ipê e Bio Buriti
  4 Wind Farms: Foz do Rio Choró, Icaraizinho, Paracuru e Praia Formosa
- Installed Capacity (MW): **493.7**
- Avg. MW[3]: **211.0**

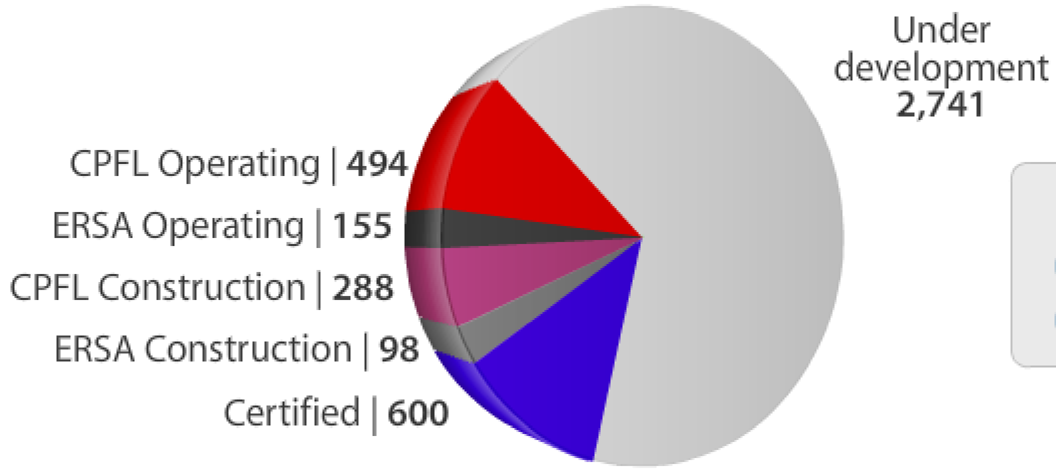


ERSA[1]

- **11 SPPs:** Alto Irani, Arvoredo, Barra da Paciência, Cocais Grande, Corrente Grande, Ninho da Água, Paiol, Plano Alto, São Gonçalo, Varginha e Várzea Alegre
- Installed Capacity (MW): **154.5**
- Avg. MW[3,4]: **95.4**



PPA (Avg. MW)



Total Portfolio (e)

- **4,375 MW**
- **1,832 Avg. MW[5]**

Preliminary figures. Depends on approval by competent body 1) Source: ERSA (IR) 2) Includes SIIF Énergies Brasil's assets 3) Assured Energy/ Guaranteed Power Output 4) Expectation to increase 0.8 avg. MW after review by ANEEL 5) Considers review of Varginha SPP's assured energy by ANEEL in April 20, 2011

CPFL ENERGIA

Expansion in Generation | Acquisition of 1,078 MW in wind farms in Mar, 11
210 MW in operating and 867 MW for development

Acquisition of 100% of the Jantus SL (SIIF Énergies Brasil) per R$ 950 million[1] (equity) and R$ 544 million (net debt)

Wind Farms into commercial operation

	Formosa	Icaraizinho	Foz do Rio Choró	Paracuru
Installed Capacity	105.0 MW	54.6 MW	25.2MW	25.2MW
Load Factor	28.5%	47.9%	40.7%	49.6%
PROINFA PPA 20 years[1]	R$ 281/ MWh	R$ 248/ MWh	R$ 258/ MWh	R$ 248/ MWh

Projects portfolio

- **135 MW** | Quintanilha Machado Wind Farm, RJ
- **412 MW** | Certified projects
- **320 MW** | Non-certified projects

Total | 867 MW

Note: Load factor – Estimated values according to historical production and certification
1) Excludes additional investment of R$ 70 million in case of Quintanilha Machado's acquisition
2) Proinfa PPA: as of June, 2010   Note: illustrative picture

Expansion in Generation | Projects under construction
Sugarcane-fired Termoelectric Power Plants

	Bio Formosa TPP	Bio Buriti TPP	Bio Ipê TPP	Bio Pedra TPP
Status (actual)[1]	88%	70%	54%	15%
Commercial Start-up (e)	3Q11	2Q11	2Q11	2Q12
Installed Capacity (MW)	40	50	25	70
Assured Energy (avg. MW)	16	21.2	8.4	24
Estimated Investment (R$ million)	127	135	26	205
Capital Structure (e)	81% BNDES / 19% equity 36% | TJLP + 1.9% p.y. 64% | 5.5% p.y. pre	80% BNDES / 20% equity 36% | TJLP + 1.9% p.y. 64% | 5.5% p.y. pre	87% BNDES / 13% equity 74% | TJLP + 1.9% p.y. 26% | 5.5% p.y. pre	80% BNDES / 20% equity 26% | TJLP + 1.9% p.y. 74% | 5.5% p.y. pre
Average maturity	11 years	11 years	13 years	10 years

1) As of Mar, 11

Expansion in Generation | Projects under construction
Wind Farms

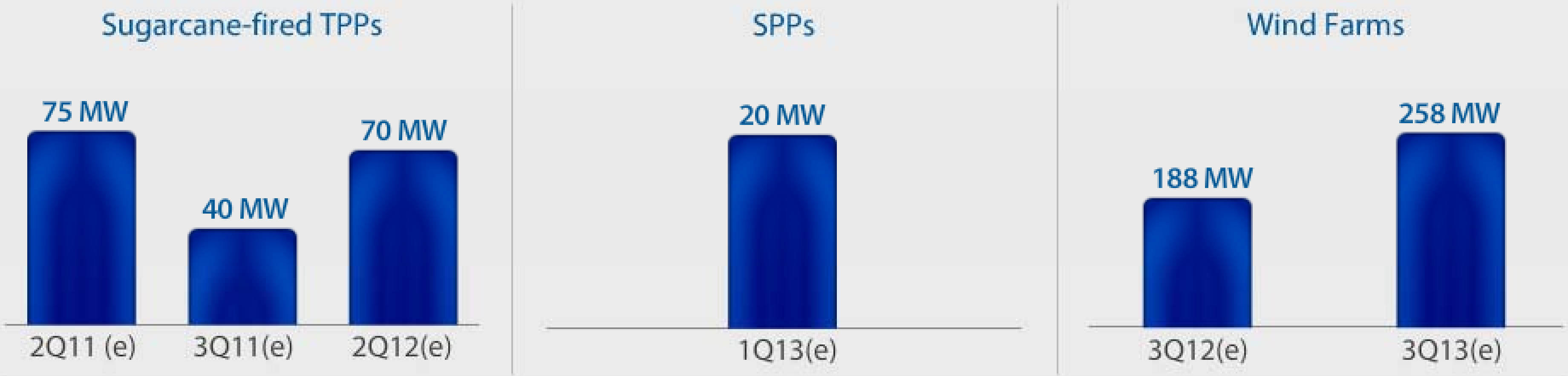


	Santa Clara I, II, III, IV, V, VI and Eurus VI	Campo dos Ventos II	Campo dos Ventos I, III, IV, V e Eurus V
Status (actual)[1]	17%	-	Waiting for ANEEL authorisation
Commercial Start-up (e)	3Q12	3Q13	3Q13
Installed Capacity (MW)	188	30	150
Assured Energy (avg. MW)[2]	76	14	64.6
Estimated Investment (R$ million)	801	127	600
Capital Structure (e)	70% BNDES /30% equity TJLP + 1.7% a.a.	70% debt / 30% equity	70% debt / 30% equity
Average maturity	16 years	-	-

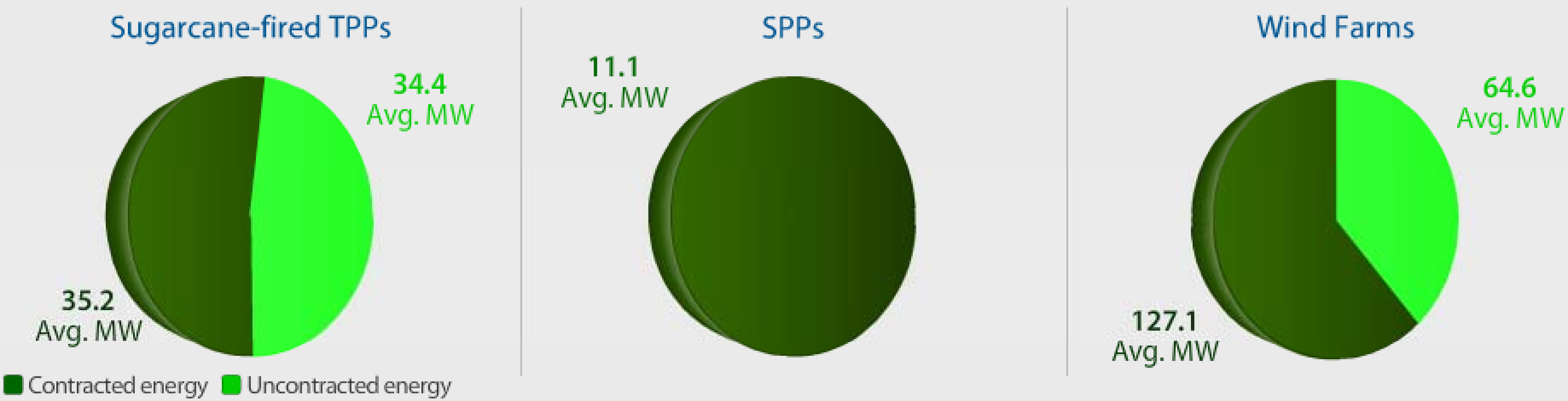
Note: illustrative picture   1) As of Mar, 11   2) Guaranteed Power Output

Expansion in Generation | CPFL Renováveis' projects under construction
Sales strategy

Commercial start-up schedule



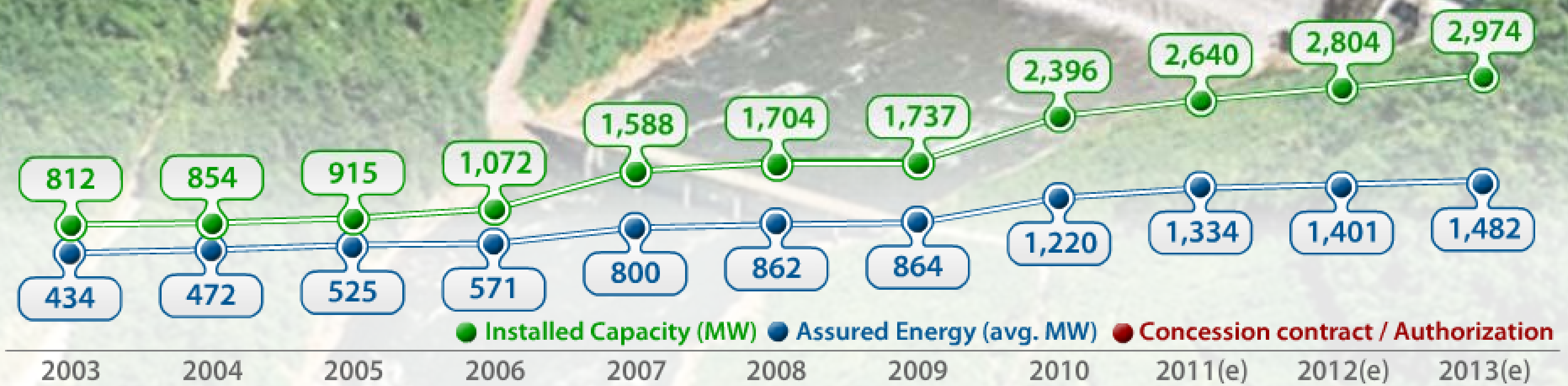
Contracted energy (avg. MW)



Sales strategy of the uncontracted energy
A-3 New Power Plants Auction (Jul, 11) / A-3 Reserve Energy Auction (Jul, 11) / Free Market

Expansion in Generation | Installed Capacity Growth

Total (e): 5,099 MW



- **2003:** CPFL Geração SPP's **2027** | Serra da Mesa[1] **2028**
- **2004:** Monte Claro **2036**
- **2005:** Barra Grande **2036** | CPFL Sul[2]
- **2006:** Campos Novos **2035** | Lajeado | **2032** | CPFL Jaguariúna SPP's **2015**
- **2007:** Castro Alves **2036** | 14 de Julho **2036**
- **2008:** Foz do Chapecó **2036** | Baldin Biomass **2025** | EPASA's TPPs **2042** | Diamante SPP **2027**
- **2009:** Bio Formosa Biomass **2029** | Buriti Biomass **2030** | Ipê Biomass **2030** | SIIF | **2032** | ERSA's SPPs **2029-2032**
- **2010:** 7 Wind Farms **2045** | Pedra Biomass **2031**
- **2011:** 10 Wind Farms **2046** | 2 SPPs | **2040**

1) Guarantee of 51.54% of the assured energy until 2028 2) Hydroelectric power projects with less than 1,000 Kw that are not considered concession by the grantor
3) From 9 SPPs from CPFL Jaguariúna (today are in the Distribution), 6 are in the situation described in note 2

Generation |Energy Auctions expected for 2011

A-3 Auction
Expected date: Jul, 11

- **Sources: biomass, wind and natural gas**
  Long term contracts: 20 years
- **Sources: hydraulic**
  Long term contracts: 30 years

Reserve Energy Auction
Expected date: Jul, 11

- **Sources: biomass, wind**
  Long term contracts: 20 years

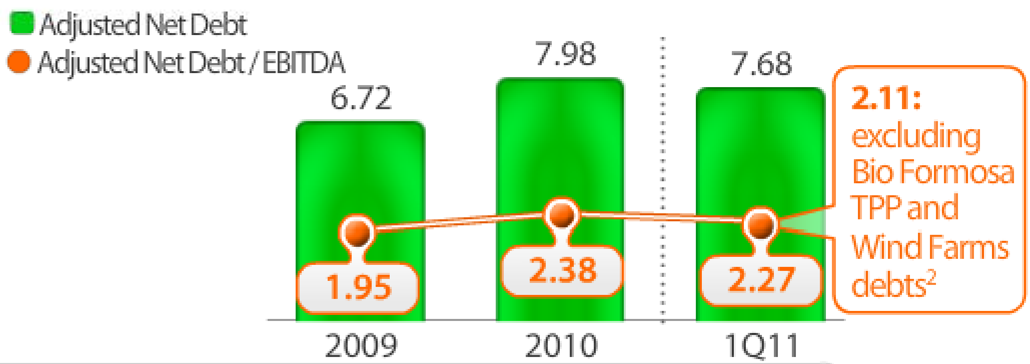
Preliminary valuation of possible participants HPP`s in the A-5 Auction in2011

A-5 Auction
Expected date:
2H11

HPP´s projetcs	River	MW	State
Cachoeira	Parnaíba	63	MA / PI
Castelhanos	Parnaíba	64	MA / PI
Estreito	Parnaíba	56	MA / PI
Ribeiro Gonçalves	Parnaíba	113	MA / PI
Uruçui	Parnaíba	134	MA / PI
Foz do Apiacás	Apiacás	275	MT
Sinop	Teles Pires	461	MT
São Manoel	Teles Pires	746	PA / MT
Total		**1,912**	

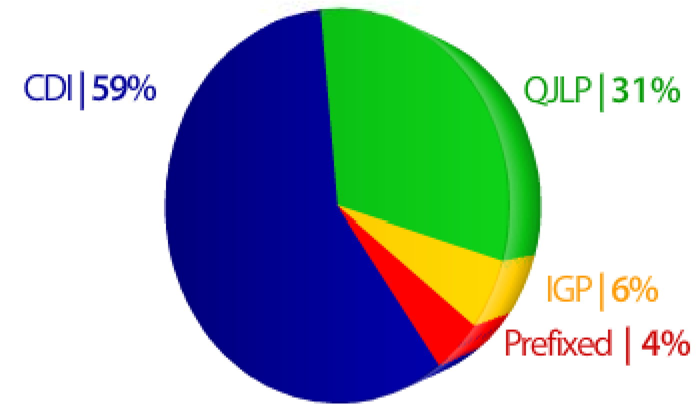
1Q11 Debt Profile

1Q11 Adjusted Net Debt/EBITDA[1] | R$ billion



	2009	2010	1Q11
Real Cost (LTM)	4.9%	4.4%	4.3%
Cash and Cash Equivalents (R$ million)	1,487	1,563	1,967

Debt Breakdown



CPFL Energia's credit rating unchanged after SIIF Énergies Brasil's acquisition and joint venture between CPFL and ERSA

STANDARD & POOR'S

Rating brAA+ |Apr, 11

CPFL ENERGIA | Subsidiaries

Fitch Rating

Rating AA+ (bra) | Apr, 11

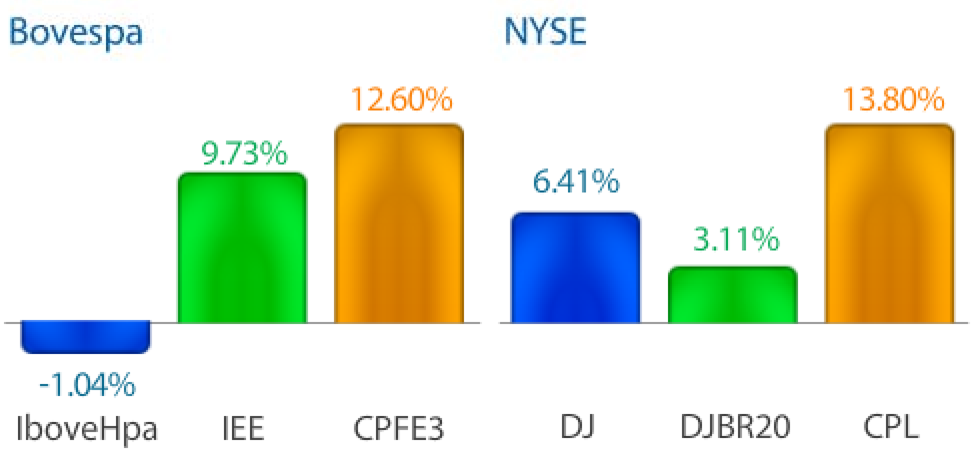
CPFL ENERGIA | cpfl paulista

1) Excludes Judicial Deposits of R$ 493 million – Includes hedging operations; Excludes regulatory assets/liabilities; EBITDA LTM

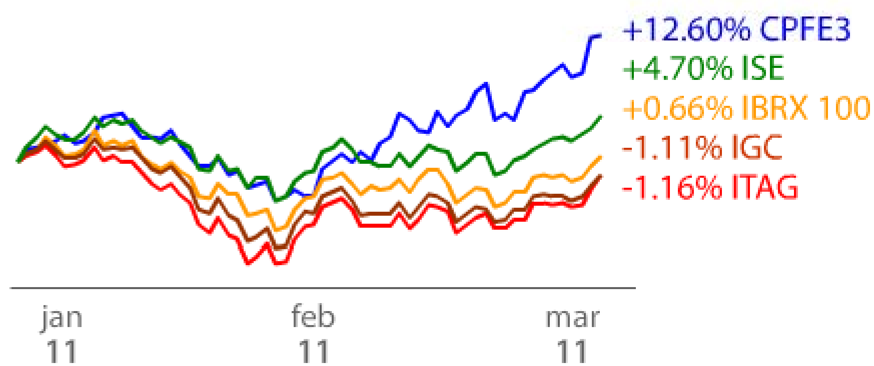
2) Includes debts from Santa Clara I, II, III, IV, V, VI and Eurus VI; Includes EBITDA LTM (e) from CPFL Bioenergia, EPASA and Foz do Chapecó

Capital market performance

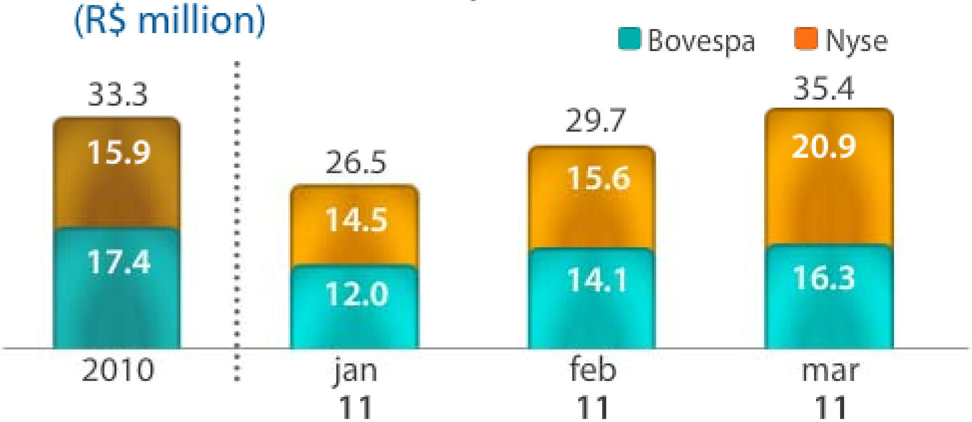
Shares Performance[1] – 1Q11



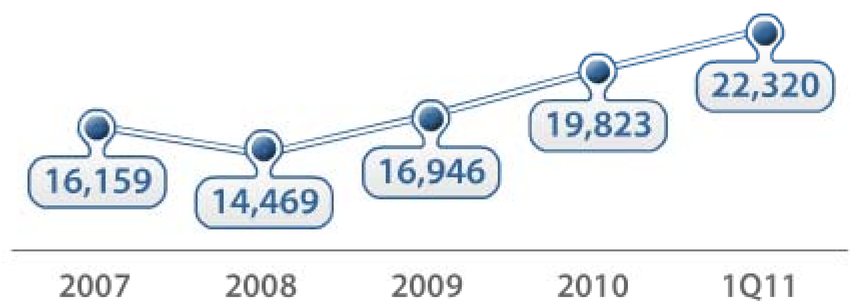
Shares Performance[1] – CPFL vs Main Indexes



Daily average volume | Bovespa and Nyse (R$ million)



Market capitalization (R$ million)[2]



IBOVESPA IBRX IEE ITAG IGC IGCT ISE MSCI Indexes

1) Closing price in March 31th, 2011 – adjusted per dividends (CPFE3: R$ 45.40 / CPL: US$ 85.61)

2)Closing price not adjusted per dividends

Sustainability | The most sustainable power energy company of Latin America

MANAGEMENT M&E EXCELLENCE The power of sustainability

LATINFINANCE

SUSTAINABILITY SCORES 2011
THE BEST LATIN AMERICAN COMPANIES IN OIL&GAS AND ENERGY IN SUSTAINABILITY

CPFL ENERGIA

CPFL Energia was elected the most sustainable power energy company of Latin American by consecutive third year

- **M&E Methodology:** calculation of 150 compliance, performance and risk points

Sustainability Compliance
Number of standards complied with/total number of standards = % compliance

Quantifiable Sustainability Compliance
Mean of last 3 years/last year's performance = % performance

Sustainability Risk
Volatility of sustainability performance over last 3 years = % Risk

CPFL Energia obtained the best performance in Sustainability Compliance with score above of 90%

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