
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 6-K/A

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16 UNDER THE
SECURITIES EXCHANGE ACT OF 1934**

For the month of May, 2011

Commission File Number 32297

CPFL Energy Incorporated
(Translation of Registrant's name into English)

**Rua Gomes de Carvalho, 1510, 14º andar, cj 1402
CEP 04547-005 - Vila Olímpia, São Paulo – SP
Federative Republic of Brazil
(Address of principal executive office)**

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F. Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-_____

REGISTRATION WITH CVM SHOULD NOT BE CONSTRUED AS AN EVALUATION OF THE COMPANY.
COMPANY MANAGEMENT IS RESPONSIBLE FOR THE INFORMATION PROVIDED.

01.01 - IDENTIFICATION

1 - CVM CODE 01866-0	2 - COMPANY NAME CPFL ENERGIA S.A.	3 - CNPJ (Federal Tax ID) 02.429.144/0001-93
4 - NIRE (State Registration Number) 35300186133		

01.02 - HEAD OFFICE

1 - ADDRESS Rua Gomes de Carvalho, 1510 - 14º- Cj 2		2 - DISTRICT Vila Olímpia	
3 - ZIP CODE 04547-005	4 - CITY São Paulo		5 - STATE SP
6 - AREA CODE 019	7 - TELEPHONE 3756-8018	8 - TELEPHONE 3756-8707	9 - TELEPHONE -
11 - AREA CODE 019	12 - FAX 3756-8392	13 - FAX -	14 - FAX -
10 - TELEX			
15 - E-MAIL ri@cpfl.com.br			

01.03 - INVESTOR RELATIONS OFFICER (Company Mailing Address)

1- NAME Wilson P. Ferreira Junior			
2 – ADDRESS Rodovia Campinas Mogi-Mirim, 1755, Km 2,5		3 - DISTRICT Jardim Santana	
4 - ZIP CODE 13088-900	5 - CITY Campinas		6 - STATE SP
7 - AREA CODE 019	8 - TELEPHONE 3756-8704	9 - TELEPHONE -	10 - TELEPHONE -
12 - AREA CODE 019	13 - FAX 3756-8777	14 - FAX -	15 - FAX -
11 - TELEX			
16 - E-MAIL wferreira@cpfl.com.br			

01.04 –REFERENCE / AUDITOR INFORMATION

CURRENT YEAR		CURRENT QUARTER			PREVIOUS QUARTER		
1 - BEGINNING	2. END	3 - NUMBER	4 - BEGINNING	5 - END	6 - NUMBER	7 - BEGINNING	8 - END
01.01.2010	12.31.2010	1	01.01.2010	03.31.2010	4	10.01.2009	12.31.2009

09 - INDEPENDENT ACCOUNTANT KPMG Auditores Independentes	10 - CVM CODE 00418-9
11. PARTNER IN CHARGE Jarib Brisola Duarte Fogaça	12 - CPF (INDIVIDUAL TAX ID) 012.163.378-02

(Free Translation of the original in Portuguese)

FEDERAL GOVERNMENT

BRAZILIAN SECURITIES COMMISSION (CVM)

QUARTERLY INFORMATION – ITR

COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES

Brazilian Corporation Law

Date: March 31, 2010

01.01 - IDENTIFICATION

1 - CVM CODE 01866-0	2 - COMPANY NAME CPFL ENERGIA S.A.	3 - CNPJ (Federal Tax ID) 02.429.144/0001-93
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01.05 - CAPITAL STOCK

Number of Shares (in units)	1 CURRENT QUARTER 03/31/2010	2 PREVIOUS QUARTER 12/31/2009	3 SAME QUARTER PREVIOUS YEAR 03/31/2009
Paid-in Capital			
1 – Common	479,910,938	479,910,938	479,910,938
2 – Preferred	0	0	0
3 – Total	479,910,938	479,910,938	479,910,938
Treasury Stock			
4 - Common	0	0	0
5 - Preferred	0	0	0
6 – Total	0	0	0

01.06 - COMPANY PROFILE

1 - TYPE OF COMPANY Commercial, Industrial and Other
2 - STATUS Operational
3 - NATURE OF OWNERSHIP Private National
4 - ACTIVITY CODE 3120– Administration and Participation Company - Electric Energy
5 - MAIN ACTIVITY Holding
6 - CONSOLIDATION TYPE Full
7 – TYPE OF INDEPENDENT ACCOUNTANTS REPORT Unqualified

01.07 - COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

1 – ITEM	2 - CNPJ (Federal Tax ID)	3 - COMPANY NAME
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01.08 - CASH DIVIDENDS

1 – ITEM	2 – EVENT	3 – APPROVAL	4 – TYPE	5 - DATE OF PAYMENT	6 - TYPE OF SHARE	7 - AMOUNT PER SHARE
01	AGO/E	04/26/2010	Dividend	04/30/2010	ON (Common shares)	1.3648720650

01.01 - IDENTIFICATION

1 - CVM CODE 01866-0	2 - COMPANY NAME CPFL ENERGIA S.A.	3 - CNPJ (Federal Tax ID) 02.429.144/0001-93
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01.09 - SUBSCRIBED CAPITAL AND CHANGES IN THE CURRENT YEAR

1 - ITEM	2 - DATE OF CHANGE	3 - CAPITAL STOCK (IN THOUSANDS OF REAIS)	4 - AMOUNT OF CHANGE (IN THOUSANDS OF REAIS)	5 - NATURE OF CHANGE	7 - NUMBER OF SHARES ISSUED (IN UNITS)	8 - SHARE PRICE WHEN ISSUED (IN REAIS)
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01.10 - INVESTOR RELATIONS OFFICER

1- DATE	2 – SIGNATURE
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Date: March 31, 2010

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
01866-0	CPFL ENERGIA S.A.	02.429.144/0001-93

02.01 - BALANCE SHEET - ASSETS (in thousands of Brazilian reais – R\$)

1 – Code	2 – Description	3 – 03/31/2010	4 – 12/31/2009
1	Total assets	7,333,432	6,841,525
1.01	Current assets	500,039	507,356
1.01.01	Cash and cash equivalents	217,958	219,126
1.01.02	Credits	279,428	285,587
1.01.02.01	Accounts receivable	0	0
1.01.02.02	Other receivables	279,428	285,587
1.01.02.02.01	Dividends and interest on shareholders' equity	194,772	201,772
1.01.02.02.02	Financial investments	39,615	39,253
1.01.02.02.03	Recoverable taxes	44,763	44,310
1.01.02.02.04	Deferred taxes	0	0
1.01.02.02.05	Prepaid expenses	0	0
1.01.02.02.06	Derivatives	278	252
1.01.03	Materials and supplies	0	0
1.01.04	Other	2,653	2,643
1.02	Noncurrent assets	6,833,393	6,334,169
1.02.01	Long-term assets	325,288	327,471
1.02.01.01	Other receivables	247,637	250,975
1.02.01.01.01	Financial investments	57,338	62,179
1.02.01.01.02	Recoverable taxes	2,787	2,787
1.02.01.01.03	Deferred taxes	177,515	176,199
1.02.01.01.04	Prepaid expenses	0	0
1.02.01.01.05	Escrow deposits	9,997	9,810
1.02.01.02	Related parties	25,901	25,102
1.02.01.02.01	Associated companies	0	0
1.02.01.02.02	Subsidiaries	25,901	25,102
1.02.01.02.03	Other related parties	0	0
1.02.01.03	Other	51,750	51,394
1.02.02	Permanent assets	6,508,105	6,006,698
1.02.02.01	Investments	6,507,617	6,006,277
1.02.02.01.01	Associated companies	0	0
1.02.02.01.02	Associated companies - goodwill	0	0
1.02.02.01.03	Permanent equity interests	0	0
1.02.02.01.04	Permanent equity interests - goodwill	0	0
1.02.02.01.05	Other investments	0	0
1.02.02.01.06	Permanent equity interests – negative goodwill	0	0
1.02.02.02	Property, plant and equipment	125	1
1.02.02.03	Intangible assets	363	420
1.02.02.04	Deferred charges	0	0

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FEDERAL GOVERNMENT

BRAZILIAN SECURITIES COMMISSION (CVM)

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COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES

Brazilian Corporation Law

Date: March 31, 2010

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1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
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02.02 - BALANCE SHEET - LIABILITIES (in thousands of Brazilian reais – R\$)

1 – Code	2 - Description	3 – 03/31/2010	4 – 12/31/2009
2	Total liabilities	7,333,432	6,841,525
2.01	Current liabilities	31,770	40,149
2.01.01	Loans and financing	0	0
2.01.02	Debentures	3,122	12,788
2.01.02.01	Interest on debentures	3,122	12,788
2.01.03	Suppliers	2,665	2,658
2.01.04	Taxes and social contributions payable	178	102
2.01.05	Dividends	16,996	17,036
2.01.06	Reserves	0	0
2.01.07	Related parties	0	0
2.01.08	Other	8,809	7,565
2.01.08.01	Accrued liabilities	100	78
2.01.08.02	Other	8,709	7,487
2.02	Noncurrent liabilities	536,463	532,028
2.02.01	Long-term liabilities	536,463	532,028
2.02.01.01	Loans and financing	0	0
2.02.01.02	Debentures	450,000	450,000
2.02.01.03	Reserves	9,987	9,800
2.02.01.03.01	Reserve for contingencies	9,987	9,800
2.02.01.04	Related parties	0	0
2.02.01.05	Advance for future capital increase	0	0
2.02.01.06	Other	76,476	72,228
2.02.01.06.01	Derivatives	1,430	1,056
2.02.01.06.02	Other	75,046	71,172
2.03	Deferred income	0	0
2.05	Shareholders' equity	6,765,199	6,269,348
2.05.01	Capital	4,741,175	4,741,175
2.05.02	Capital reserves	16	16
2.05.03	Revaluation reserves	0	0
2.05.03.01	Own assets	0	0
2.05.03.02	Subsidiary/associated companies	0	0
2.05.04	Profit reserves	996,768	996,768
2.05.04.01	Legal reserves	341,751	341,751
2.05.04.02	Statutory reserves	0	0
2.05.04.03	For contingencies	0	0
2.05.04.04	Unrealized profits	0	0
2.05.04.05	Profit retention	0	0
2.05.04.06	Special reserve for undistributed dividends	0	0
2.05.04.07	Other profit retention	655,017	655,017
2.05.04.07.01	Additional Proposed dividend	655,017	655,017
2.05.05	Equity valuation adjustments	772,048	765,667
2.05.05.01	Adjustments of financial investments	0	0
2.05.05.02	Adjustments of cumulative translation	0	0
2.05.05.03	Adjustments of business combinations	0	0
2.05.06	Accumulated profit or loss	255,192	(234,278)
2.05.07	Advance for future capital increase	0	0

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BRAZILIAN SECURITIES COMMISSION (CVM)

QUARTERLY INFORMATION – ITR

Brazilian Corporation Law

COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES

Date: March 31, 2010

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03.01 - INCOME STATEMENT (in thousands of Brazilian reais – R\$)

1 - Code	2 – Description	3 - 01/01/2010 to 03/31/2010	4 - 01/01/2010 to 03/31/2010	5 - 01/01/2009 to 03/31/2009	6 - 01/01/2009 to 03/31/2009
3.01	Gross operating revenues	0	0	0	0
3.02	Deductions	0	0	0	0
3.03	Net operating revenues	0	0	0	0
3.04	Cost of sales and/or services	0	0	0	0
3.05	Gross operating income	0	0	0	0
3.06	Operating income (expense)	481,611	481,611	264,211	264,211
3.06.01	Selling	0	0	0	0
3.06.02	General and administrative	(4,796)	(4,796)	(3,812)	(3,812)
3.06.03	Financial	(2,010)	(2,010)	(8,568)	(8,568)
3.06.03.01	Financial income	14,226	14,226	9,350	9,350
3.06.03.02	Financial expense	(16,236)	(16,236)	(17,918)	(17,918)
3.06.04	Other operating income	0	0	0	0
3.06.05	Other operating expense	(35,362)	(35,362)	(37,187)	(37,187)
3.06.05.01	Amortization of intangible asset of concession	0	0	0	0
3.06.06	Equity in subsidiaries	523,779	523,779	313,778	313,778
3.07	Operating income	481,611	481,611	264,211	264,211
3.08	Non operating income	0	0	0	0
3.08.01	Income	0	0	0	0
3.08.02	Expense	0	0	0	0

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Date: March 31, 2010

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1 - Code	2 – Description	3 - 01/01/2010 to 03/31/2010	4 - 01/01/2010 to 03/31/2010	5 - 01/01/2009 to 03/31/2009	6 - 01/01/2009 to 03/31/2009
3.09	Income before taxes on income and profit sharing	481,611	481,611	264,211	264,211
3.10	Income tax and social contribution	0	0	0	0
3.11	Deferred income tax	1,315	1,315	497	497
3.11.01	Deferred social contribution	336	336	17	17
3.11.02	Deferred income tax	979	979	480	480
3.12	Statutory profit sharing/contributions	0	0	0	0
3.12.01	Profit sharing	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of interest on shareholders equity	0	0	0	0
3.15	Net income	482,926	482,926	264,708	264,708
	SHARES OUTSTANDING EX-TREASURY STOCK (in units)	479,910,938	479,910,938	479,910,938	479,910,938
	NET INCOME PER SHARE (Reais)	1,00628	1,00628	0,55158	0,55158
	NET LOSS PER SHARE (Reais)				

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FEDERAL GOVERNMENT

BRAZILIAN SECURITIES COMMISSION (CVM)

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COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES

Date: March 31, 2010

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
01866-0	CPFL ENERGIA S.A.	02.429.144/0001-93

04.01 – STATEMENTS OF CASH FLOW – INDIRECT METHOD (in thousands of Brazilian reais – R\$)

1 - Code	2 - Description	3 - 01/01/2010 to 03/31/2010	4 - 01/01/2010 to 03/31/2010	5 - 01/01/2009 to 03/31/2009	6 - 01/01/2009 to 03/31/2009
4.01	Net cash from operating activities	(10,023)	(10,023)	(19,883)	(19,883)
4.01.01	Cash generated from operations	(2,278)	(2,278)	(1,559)	(1,559)
4.01.01.01	Net income, including income tax and social contribution	481,610	481,610	264,198	264,198
4.01.01.02	Depreciation and amortization	35,392	35,392	37,217	37,217
4.01.01.03	Interest and monetary and exchange restatement	4,499	4,499	10,804	10,804
4.01.01.04	Equity in subsidiaries	(523,779)	(523,779)	(313,778)	(313,778)
4.01.02	Variation on assets and liabilities	(7,745)	(7,745)	(18,324)	(18,324)
4.01.02.01	Dividend and interest on shareholders' equity received	6,999	6,999	11,000	11,000
4.01.02.02	Recoverable taxes	(453)	(453)	(1,190)	(1,190)
4.01.02.03	Other operating assets	76	76	84	84
4.01.02.04	Suppliers	7	7	(288)	(288)
4.01.02.05	Other taxes and social contributions	76	76	(26)	(26)
4.01.02.06	Interest on debts - paid	(19,398)	(19,398)	(29,818)	(29,818)
4.01.02.07	Other operating liabilities	4,948	4,948	1,914	1,914
4.01.03	Other	0	0	0	0
4.02	Net cash in investing activities	9,093	9,093	67,325	67,325
4.02.01	Decrease of capital in subsidiaries	0	0	60,236	60,236
4.02.02	Acquisition of property, plant and equipment	(124)	(124)	0	0
4.02.03	Financial investments	10,060	10,060	9,742	9,742
4.02.04	Acquisition of intangible assets – other	0	0	(29)	(29)
4.02.05	Sale of noncurrent assets	(45)	(45)	(10)	(10)
4.02.06	Intercompany loans with subsidiaries and associated companies	(799)	(799)	(2,614)	(2,614)
4.02.07	Other	1	1	0	0
4.03	Net cash in financing activities	(238)	(238)	(263)	(263)
4.03.01	Payment of loans, financing and debentures (principal), net of derivatives	(198)	(198)	(239)	(239)
4.03.02	Dividend and interest on shareholders' equity paid	(40)	(40)	(24)	(24)
4.04	Exchange variation on cash and cash equivalents	0	0	0	0
4.05	Increase (decrease) in cash and cash equivalents	(1,168)	(1,168)	47,179	47,179
4.05.01	Cash and cash equivalents at beginning of period	219,126	219,126	15,702	15,702
4.05.02	Cash and cash equivalents at end of period	217,958	217,958	62,881	62,881

(Free Translation of the original in Portuguese)

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05.01 –STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM JANUARY 01, 2010 TO MARCH 31, 2010 (in thousands of Brazilian reais – R\$)

1 - Code	2 – Description	3 - Capital	4 – Capital Reserves	5 – Revaluation Reserves	6 – Profit Reserves	7 – Retained earnings	8 – Equity valuation adjustments	9 – Shareholders' Equity Total
5.01	Opening balance	4,741,175	16	0	996,768	(234,278)	765,667	6,269,348
5.02	Prior year adjustments	0	0	0	0	0	0	0
5.03	Adjusted balance	4,741,175	16	0	996,768	(234,278)	765,667	6,269,348
5.04	Net income / Loss for the period	0	0	0	0	482,926	0	482,926
5.05	Distribution	0	0	0	0	0	0	0
5.05.01	Dividend	0	0	0	0	0	0	0
5.05.02	Interest on shareholders' equity	0	0	0	0	0	0	0
5.05.03	Other distributions	0	0	0	0	0	0	0
5.06	Realization of profit reserve	0	0	0	0	0	0	0
5.07	Equity valuation adjustments	0	0	0	0	6,544	6,381	12,925
5.07.01	Adjustment of financial Investments	0	0	0	0	0	0	0
5.07.02	Adjustment of cumulative translation	0	0	0	0	0	0	0
5.07.03	Adjustment of business combinations	0	0	0	0	0	0	0
5.07.04	Equity on subsidiaries adjustments					6,544	6,381	12,925
5.08	Increase/Decrease on capital	0	0	0	0	0	0	0
5.09	Constitution/Realization of capital reserve	0	0	0	0	0	0	0
5.10	Treasury shares	0	0	0	0	0	0	0

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
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1 - Code	2 – Description	3 - Capital	4 – Capital Reserves	5 – Revaluation Reserves	6 – Profit Reserves	7 – Retained earnings	8 – Equity valuation adjustments	9 – Shareholders' Equity Total
5.11	Other transactions of capital	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Final balance	4,741,175	16	0	996,768	255,192	772,048	6,765,199

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1 - Code	2 – Description	3 - Capital	4 – Capital Reserves	5 – Revaluation Reserves	6 – Profit Reserves	7 – Retained earnings	8 – Equity valuation adjustments	9 – Shareholders' Equity Total
5.01	Opening balance	4,741,175	16	0	996,768	(234,278)	765,667	6,269,348
5.02	Prior year adjustments	0	0	0	0	0	0	0
5.03	Adjusted balance	4,741,175	16	0	996,768	(234,278)	765,667	6,269,348
5.04	Net income / Loss for the period	0	0	0	0	482,926	0	482,926
5.05	Distribution	0	0	0	0	0	0	0
5.05.01	Dividend	0	0	0	0	0	0	0
5.05.02	Interest on shareholders' equity	0	0	0	0	0	0	0
5.05.03	Other distributions	0	0	0	0	0	0	0
5.06	Realization of profit reserve	0	0	0	0	0	0	0
5.07	Equity valuation adjustments	0	0	0	0	6,544	6,381	12,925
5.07.01	Adjustment of financial Investments	0	0	0	0	0	0	0
5.07.02	Adjustment of cumulative translation	0	0	0	0	0	0	0
5.07.03	Adjustment of business combinations	0	0	0	0	0	0	0
5.07.04	Equity on subsidiaries adjustments					6,544	6,381	12,925
5.08	Increase/Decrease on capital	0	0	0	0	0	0	0
5.09	Constitution/Realization of capital reserve	0	0	0	0	0	0	0
5.10	Treasury shares	0	0	0	0	0	0	0

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1 - Code	2 – Description	3 - Capital	4 – Capital Reserves	5 – Revaluation Reserves	6 – Profit Reserves	7 – Retained earnings	8 – Equity valuation adjustments	9 – Shareholders' Equity Total
5.11	Other transactions of capital	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Final balance	4,741,175	16	0	996,768	255,192	772,048	6,765,199

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08.01 – CONSOLIDATED BALANCE SHEET – ASSETS (in thousands of Brazilian reais – R\$)

1 - Code	2 – Description	3 – 03/31/2010	4 – 12/31/2009
1	Total assets	18,854,564	18,490,759
1.01	Current assets	3,917,990	3,649,296
1.01.01	Cash and cash equivalents	1,690,295	1,487,243
1.01.02	Credits	2,024,066	1,988,133
1.01.02.01	Accounts receivable	1,796,811	1,752,858
1.01.02.01.01	Consumers, concessionaires and licensees	1,796,811	1,752,858
1.01.02.02	Other credits	227,255	235,275
1.01.02.02.01	Financial investments	39,615	39,253
1.01.02.02.02	Recoverable taxes	174,612	192,278
1.01.02.02.03	Derivatives	9,839	795
1.01.02.02.04	Leases	3,189	2,949
1.01.03	Materials and supplies	16,735	17,360
1.01.04	Other	186,894	156,560
1.02	Noncurrent assets	14,936,574	14,841,463
1.02.01	Long-term assets	3,525,610	3,565,323
1.02.01.01	Other credits	3,286,037	3,328,294
1.02.01.01.01	Consumers, concessionaires and licensees	211,301	224,887
1.02.01.01.02	Financial investments	75,394	79,835
1.02.01.01.03	Recoverable taxes	112,504	113,235
1.02.01.01.04	Deferred taxes	1,203,285	1,286,805
1.02.01.01.05	Escrow deposits	828,241	794,177
1.02.01.01.06	Derivatives	100	7,881
1.02.01.01.07	Leases	22,688	21,243
1.02.01.01.08	Financial asset of concession	705,573	674,029
1.02.01.01.09	Private Pension Plan	10,417	9,725
1.02.01.01.10	Investment at cost	116,534	116,477
1.02.01.02	Related parties	0	0
1.02.01.02.01	Associated companies	0	0
1.02.01.02.02	Subsidiaries	0	0
1.02.01.02.03	Other related parties	0	0
1.02.01.03	Other	239,573	237,029
1.02.02	Permanent assets	11,410,964	11,276,140
1.02.02.01	Investments	0	0
1.02.02.01.01	Associated companies	0	0
1.02.02.01.02	Interest in subsidiaries	0	0
1.02.02.01.03	Other investments	0	0
1.02.02.02	Property, plant and equipment	5,304,625	5,213,039
1.02.02.03	Intangible assets	6,106,339	6,063,101
1.02.02.04	Deferred charges	0	0

(Free Translation of the original in Portuguese)

FEDERAL GOVERNMENT

BRAZILIAN SECURITIES COMMISSION (CVM)

QUARTERLY INFORMATION – ITR

COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES

Brazilian Corporation Law

Date: March 31, 2010

08.02 – CONSOLIDATED BALANCE SHEET – LIABILITIES AND SHAREHOLDRES' EQUITY (in thousands of Brazilian reais – R\$)

1 - Code	2 – Description	3 – 03/31/2010	4 – 12/31/2009
2	Total liabilities	18,554,564	18,490,759
2.01	Current liabilities	4,116,744	3,422,933
2.01.01	Loans and financing	1,425,675	756,576
2.01.01.01	Accrued interest on debts	85,761	27,662
2.01.01.02	Loans and financing	1,339,914	728,914
2.01.02	Debentures	574,669	600,309
2.01.02.01	Accrued interest on debentures	74,838	101,284
2.01.02.02	Debentures	499,831	499,025
2.01.03	Suppliers	995,395	1,021,452
2.01.04	Taxes and social contributions payable	534,505	498,610
2.01.05	Dividends and interest on equity	22,284	25,284
2.01.06	Reserves	0	0
2.01.07	Related parties	0	0
2.01.08	Other	564,216	520,702
2.01.08.01	Private pension plans	41,954	44,484
2.01.08.02	Regulatory charges	100,640	63,750
2.01.08.03	Accrued liabilities	50,546	50,898
2.01.08.04	Derivatives	0	7,012
2.01.08.05	Other	355,025	338,861
2.01.08.06	Public utilities	16,051	15,697
2.02	Noncurrent liabilities	7,700,671	8,531,047
2.02.01	Long-Term liabilities	7,700,671	8,531,047
2.02.01.01	Loans and financing	3,189,605	3,791,469
2.02.01.01.01	Accrued Interest on debts	14,424	62,427
2.02.01.01.02	Loans and financing	3,175,181	3,729,042
2.02.01.02	Debentures	2,551,198	2,751,169
2.02.01.03	Reserves	310,281	300,644
2.02.01.03.01	Reserve for contingencies	310,281	300,644
2.02.01.04	Related parties	0	0
2.02.01.05	Advance for future capital increase	0	0
2.02.01.06	Other	1,649,587	1,687,765
2.02.01.06.01	Suppliers	31,992	42,655
2.02.01.06.02	Private pension plans	682,500	723,286
2.02.01.06.03	Taxes and social contributions payable	1,476	1,639
2.02.01.06.04	Deferred tax debts	279,429	282,010
2.02.01.06.05	Derivatives	10,767	5,694
2.02.01.06.06	Other	232,403	226,644
2.02.01.06.07	Public utilities	411,020	405,837
2.03	Deferred revenue	0	0
2.04	Noncontrolling shareholders' interest	271,950	267,431
2.05	Shareholders' equity	6,765,199	6,269,348
2.05.01	Capital	4,741,175	4,741,175
2.05.02	Capital reserves	16	16
2.05.03	Revaluation reserves	0	0
2.05.03.01	Own assets	0	0
2.05.03.02	Subsidiary/associated companies	0	0
2.05.04	Profit reserves	996,768	996,768
2.05.04.01	Legal	341,751	341,751
2.05.04.02	Statutory	0	0
2.05.04.03	For contingencies	0	0
2.05.04.04	Unrealized profits	0	0
2.05.04.05	Profit retention	0	0
2.05.04.06	Special reserve for undistributed dividends	0	0
2.05.04.07	Other revenue reserves	655,017	655,017
2.05.04.07.01	Additional dividend proposed	655,017	655,017
2.05.05	Equity valuation adjustments	772,048	765,667
2.05.05.01	Adjustment of financial investments	0	0
2.05.05.02	Adjustment of cumulative translation	0	0
2.05.05.03	Adjustment of business combinations	0	0
2.05.06	Accumulated profit or loss	255,192	(234,278)

2.05.07	Advance for future capital increase	0	0
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FEDERAL GOVERNMENT

BRAZILIAN SECURITIES COMMISSION (CVM)

QUARTERLY INFORMATION – ITR

Brazilian Corporation Law

COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES

Date: March 31, 2010

09.01 – CONSOLIDATED INCOME STATEMENT (in thousands of Brazilian reais – R\$)

1 – Code	2 - Description	3 - 01/01/2010 to 03/31/2010	4 - 01/01/2010 to 03/31/2010	5 - 01/01/2009 to 03/31/2009	6 - 01/01/2009 to 03/31/2009
3.01	Operating revenues	4,250,781	4,250,781	3,764,330	3,764,330
3.02	Deductions from operating revenues	(1,372,056)	(1,372,056)	(1,177,172)	(1,177,172)
3.03	Net operating revenues	2,878,725	2,878,725	2,587,158	2,587,158
3.04	Cost of electric energy services	(1,799,207)	(1,799,207)	(1,878,731)	(1,878,731)
3.04.01	Electric energy purchased for resale	(1,126,833)	(1,126,833)	(1,234,017)	(1,234,017)
3.04.02	Electric energy network usage charges	(280,475)	(280,475)	(286,757)	(286,757)
3.04.03	Personnel	(87,803)	(87,803)	(77,931)	(77,931)
3.04.04	Private pension plans	21,802	21,802	(901)	(901)
3.04.05	Material	(13,419)	(13,419)	(12,555)	(12,555)
3.04.06	Outsourced services	(35,769)	(35,769)	(34,982)	(34,982)
3.04.07	Depreciation and amortization	(109,153)	(109,153)	(110,788)	(110,788)
3.04.08	Other	(15,944)	(15,944)	(13,056)	(13,056)
3.04.09	Cost of services rendered to third parties	(151,613)	(151,613)	(107,744)	(107,744)
3.05	Gross operating income	1,079,518	1,079,518	708,427	708,427
3.06	Operating income (expense)	(319,874)	(319,874)	(278,785)	(278,785)
3.06.01	Sales and marketing	(63,910)	(63,910)	(47,692)	(47,692)
3.06.02	General and administrative	(119,392)	(119,392)	(100,986)	(100,986)
3.06.03	Financial income (expense)	(82,007)	(82,007)	(75,956)	(75,956)
3.06.03.01	Financial income	100,427	100,427	104,052	104,052
3.06.03.02	Financial expenses	(182,434)	(182,434)	(180,008)	(180,008)
3.06.04	Other operating income	0	0	0	0
3.06.05	Other operating expenses	(54,565)	(54,565)	(54,151)	(54,151)
3.06.05.01	Amortization of intangible asset of concession	0	0	0	0
3.06.05.02	Other operating expense	0	0	0	0
3.06.06	Equity in subsidiaries	0	0	0	0
3.07	Operating income	759,644	759,644	429,642	429,642
3.08	Nonoperating income (expense)	0	0	0	0
3.08.01	Nonoperating income	0	0	0	0
3.08.02	Nonoperating expense	0	0	0	0
3.09	Income before taxes on income and profit sharing	759,644	759,644	429,642	429,642
3.10	Income tax and social contribution	(212,502)	(212,502)	(137,884)	(137,884)
3.10.01	Social contribution	(56,056)	(56,056)	(37,239)	(37,239)
3.10.02	Income tax	(156,446)	(156,446)	(100,645)	(100,645)
3.11	Deferred income tax and social contribution	(59,279)	(59,279)	(22,882)	(22,882)
3.11.01	Social contribution	(16,486)	(16,486)	(5,777)	(5,777)
3.11.02	Income tax	(42,793)	(42,793)	(17,105)	(17,105)
3.12	Statutory profit sharing/contributions	0	0	0	0
3.12.01	Profit sharing	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of interest on shareholders' equity	0	0	0	0
3.14	Noncontrolling shareholders' interest	(4,937)	(4,937)	(4,168)	(4,168)
3.15	Net income	482,926	482,926	264,708	264,708
	SHARES OUTSTANDING EX-TREASURY STOCK (units)	479,910,938	479,910,938	479,910,938	479,910,938
	NET INCOME PER SHARE (Reais)	1.00628	1.00628	0.55158	0.55158
	LOSS PER SHARE (Reais)				

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FEDERAL GOVERNMENT

BRAZILIAN SECURITIES COMMISSION (CVM)

QUARTERLY INFORMATION – ITR

Brazilian Corporation Law

COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES

Date: March 31, 2010

10.01 – CONSOLIDATED STATEMENTS OF CASH FLOW – Indirect method (in thousands of Brazilian reais – R\$)

1 - Code	2 - Description	3 – 01/01/2010 to 03/31/2010	4 – 01/01/2010 to 03/31/2010	5 – 01/01/2009 to 03/31/2009	6 – 01/01/2009 to 03/31/2009
4.01	Net cash from operating activities	669,112	669,112	294,960	294,960
4.01.01	Cash generated from operations	1,056,757	1,056,757	740,801	740,801
4.01.01.01	Net income, including income tax and social contribution	759,644	759,644	429,642	429,642
4.01.01.02	Depreciation and amortization	161,807	161,807	166,466	166,466
4.01.01.03	Reserve for contingencies	9,152	9,152	(11,613)	(11,613)
4.01.01.04	Interest and monetary and exchange restatement	127,152	127,152	151,790	151,790
4.01.01.05	Loss (gain) on pension plan	(21,799)	(21,799)	901	901
4.01.01.06	Losses on disposal of noncurrent assets	1,422	1,422	3,504	3,504
4.01.01.07	Deferred taxes - PIS and COFINS	15,077	15,077	111	111
4.01.02	Variation on assets and liabilities	(383,343)	(383,343)	(445,841)	(445,841)
4.01.02.01	Consumers, Concessionaires and Licensees	(30,368)	(30,368)	(99,581)	(99,581)
4.01.02.02	Recoverable Taxes	18,396	18,396	(1,674)	(1,674)
4.01.02.03	Other operating assets	(24,794)	(24,794)	(13,102)	(13,102)
4.01.02.04	Suppliers	(36,720)	(36,720)	4,456	4,456
4.01.02.05	Taxes and social contributions paid	(186,329)	(186,329)	(174,974)	(174,974)
4.01.02.06	Other taxes and social contributions	16,051	16,051	18,226	18,226
4.01.02.07	Private Pension Plans	(21,514)	(21,514)	(24,073)	(24,073)
4.01.02.08	Interest paid on debt	(152,252)	(152,252)	(138,605)	(138,605)
4.01.02.09	Regulatory Charges	36,891	36,891	(16,752)	(16,752)
4.01.02.10	Other operating liabilities	22,036	22,036	(11,861)	(11,861)
4.01.02.11	Reduction on subsidiaries capital	(24,740)	(24,740)	12,099	12,099
4.01.03	Other	0	0	0	0
4.02	Net cash in investing activities	(280,223)	(280,223)	(242,998)	(242,998)
4.02.01	Addition to property, plant and equipment	(113,839)	(113,839)	(176,343)	(176,343)
4.02.02	Financial investments	3,191	3,191	10,991	10,991
4.02.03	Increase of special obligations	0	0	0	0
4.02.04	Acquisition of intangible assets – other	(175,388)	(175,388)	(82,438)	(82,438)
4.02.05	Sale of noncurrent assets	2,868	2,868	3,849	3,849
4.02.06	Other	2,945	2,945	943	943
4.03	Net cash in financing activities	(185,837)	(185,837)	75,640	75,640
4.03.01	Loans, financing and debentures obtained	159,561	159,561	238,157	238,157
4.03.02	Payments of Loans, financing and debentures , net of derivatives	(342,398)	(342,398)	(162,488)	(162,488)
4.03.03	Dividend and interest on shareholders' equity paid	(3,000)	(3,000)	(29)	(29)
4.04	Exchange variation on cash and cash equivalents	0	0	0	0
4.05	Increase (decrease) in cash and cash equivalents	203,052	203,052	127,602	127,602
4.05.01	Cash and cash equivalents at beginning of period	1,487,243	1,487,243	758,454	758,454
4.05.02	Cash and cash equivalents at end of period	1,690,295	1,690,295	886,056	886,056

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FEDERAL GOVERNMENT

BRAZILIAN SECURITIES COMMISSION (CVM)

QUARTERLY INFORMATION – ITR

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Date: March 31, 2010

11.01 – CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM JANUARY 01, 2010 TO MARCH 31, 2010 (in thousands of Brazilian reais – R\$)

1 - Code	2 – Description	3 - Capital	4 – Capital Reserves	5 – Revaluation Reserves	6 – Profit Reserves	7 – Retained earnings	8 – Equity valuation adjustments	9 – Shareholders' Equity Total
5.01	Opening balance	4,741,175	16	0	996,768	(234,278)	765,667	6,269,348
5.02	Prior year adjustments	0	0	0	0	0	0	0
5.03	Adjusted balance	4,741,175	16	0	996,768	(234,278)	765,667	6,269,348
5.04	Net income / Loss for the period	0	0	0	0	482,926	0	482,926
5.05	Distribution	0	0	0	0	0	0	0
5.05.01	Dividend	0	0	0	0	0	0	0
5.05.02	Interest on shareholders' equity	0	0	0	0	0	0	0
5.05.03	Other distributions	0	0	0	0	0	0	0
5.06	Realization of profit reserve	0	0	0	0	0	0	0
5.07	Equity valuation adjustments	0	0	0	0	6,544	6,381	12,925
5.07.01	Adjustment of financial Investments	0	0	0	0	0	0	0
5.07.02	Adjustment of cumulative translation	0	0	0	0	0	0	0
5.07.03	Adjustment of business combinations	0	0	0	0	0	0	0
5.07.04	Adjustment of financial instruments	0	0	0	0	19	19,564	19,583
5.07.05	Tax on adjustments of financial instruments	0	0	0	0	0	(6,658)	(6,658)
5.07.06	Realization of revaluation reserve	0	0	0	0	9,887	(9,887)	0
5.07.07	Tax on realization of revaluation reserve	0	0	0	0	(3,362)	3,362	0
5.08	Increase/Decrease on capital	0	0	0	0	0	0	0
5.09	Constitution/Realization of capital reserve	0	0	0	0	0	0	0
5.10	Treasury shares	0	0	0	0	0	0	0
5.11	Other transactions of capital	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Final balance	4,741,175	16	0	996,768	255,192	772,048	6,765,199

(Free Translation of the original in Portuguese)

FEDERAL GOVERNMENT

BRAZILIAN SECURITIES COMMISSION (CVM)

QUARTERLY INFORMATION – ITR

Brazilian Corporation Law

COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES

Date: March 31, 2010

11.01 – CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM JANUARY 01, 2010 TO MARCH 31, 2010 (in thousands of Brazilian reais – R\$)

1 - Code	2 – Description	3 - Capital	4 – Capital Reserves	5 – Revaluation Reserves	6 – Profit Reserves	7 – Retained earnings	8 – Equity valuation adjustments	9 – Shareholders' Equity Total
5.01	Opening balance	4,741,175	16	0	996,768	(234,278)	765,667	6,269,348
5.02	Prior year adjustments	0	0	0	0	0	0	0
5.03	Adjusted balance	4,741,175	16	0	996,768	(234,278)	765,667	6,269,348
5.04	Net income / Loss for the period	0	0	0	0	482,926	0	482,926
5.05	Distribution	0	0	0	0	0	0	0
5.05.01	Dividend	0	0	0	0	0	0	0
5.05.02	Interest on shareholders' equity	0	0	0	0	0	0	0
5.05.03	Other distributions	0	0	0	0	0	0	0
5.06	Realization of profit reserve	0	0	0	0	0	0	0
5.07	Equity valuation adjustments	0	0	0	0	6,544	6,381	12,925
5.07.01	Adjustment of financial Investments	0	0	0	0	0	0	0
5.07.02	Adjustment of cumulative translation	0	0	0	0	0	0	0
5.07.03	Adjustment of business combinations	0	0	0	0	0	0	0
5.07.04	Adjustment of financial instruments	0	0	0	0	19	19,564	19,583
5.07.05	Tax on adjustments of financial instruments	0	0	0	0	0	(6,658)	(6,658)
5.07.06	Realization of revaluation reserve	0	0	0	0	9,887	(9,887)	0
5.07.07	Tax on realization of revaluation reserve	0	0	0	0	(3,362)	3,362	0
5.08	Increase/Decrease on capital	0	0	0	0	0	0	0
5.09	Constitution/Realization of capital reserve	0	0	0	0	0	0	0
5.10	Treasury shares	0	0	0	0	0	0	0
5.11	Other transactions of capital	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Final balance	4,741,175	16	0	996,768	255,192	772,048	6,765,199

CPFL ENERGIA S.A.
NOTES TO THE INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2010

(Amounts stated in thousands of Brazilian reais, except where otherwise indicated)



CPFL Energia S.A.

Balance Sheets as of March 31, 2010 and December 31, 2009
(in thousands of Brazilian Reais)

ASSETS	Parent Company		Consolidated	
	March 31, 2010	December 31, 2009	March 31, 2010	December 31, 2009
CURRENT ASSETS				
Cash and Banks (note 6)	217,958	219,126	1,690,295	1,487,243
Consumers, Concessionaires and Licensees (note 7)	-	-	1,796,811	1,752,858
Dividends and Interest on Equity	194,772	201,772	-	-
Coligadas, controladas e Parent Company	-	-	-	-
Financial Investments (note 8)	39,615	39,253	39,615	39,253
Recoverable Taxes (note 9)	44,763	44,310	174,612	192,278
Derivatives (note 31)	278	252	9,839	795
Provisão para créditos de liquidação duvidosa (nota 10)	-	-	-	-
Materials and Supplies	-	-	16,735	17,360
Leases	-	-	3,189	2,949
Other credits (note 12)	2,653	2,643	186,894	156,560
TOTAL CURRENT ASSETS	500,039	507,356	3,917,990	3,649,296
NONCURRENT ASSETS				
Consumers, Concessionaires and Licensees (note 7)	-	-	211,301	224,887
Due from Related Parties	25,901	25,102	-	-
Escrow Deposits (note 22)	9,997	9,810	828,241	794,177
Financial Investments (note 8)	57,338	62,179	75,394	79,835
Recoverable Taxes (note 9)	2,787	2,787	112,504	113,235
Derivatives (nota 31)	-	-	100	7,881
Tax Credits (note 10)	177,515	176,199	1,203,285	1,286,805
Leases	-	-	22,688	21,243
Financial asset of concession (note 11)	-	-	705,573	674,029
Private pension plan (note 20)	-	-	10,417	9,725
Investment at cost	-	-	116,534	116,477
Other Credits (note 12)	51,750	51,394	239,573	237,029
Investments (note 13)	6,507,617	6,006,277	-	-
Property, Plant and Equipment (note 14)	125	1	5,304,625	5,213,039
Intangible assets (note 15)	363	420	6,106,339	6,063,101
TOTAL NONCURRENT ASSETS	6,833,393	6,334,169	14,936,574	14,841,463
TOTAL ASSETS	7,333,432	6,841,525	18,854,564	18,490,759



CPFL Energia S.A.

Balance Sheets as of March 31, 2010 and December 31, 2009
(in thousands of Brazilian Reals)

LIABILITIES AND SHAREHOLDERS' EQUITY	Parent Company		Consolidated	
	March 31, 2010	December 31, 2009	March 31, 2010	December 31, 2009
CURRENT LIABILITIES				
Suppliers (note 18)	2,665	2,658	995,395	1,021,452
Accrued Interest on Debts (note 16)	-	-	85,761	27,662
Accrued Interest on Debentures (note 17)	3,122	12,788	74,838	101,284
Loans and Financing (note 16)	-	-	1,339,914	728,914
Debentures (note 17)	-	-	499,831	499,025
Private Pension Plan (note 20)	-	-	41,954	44,484
Regulatory Charges (note 21)	-	-	100,640	63,750
Taxes and Social Contributions Payable (note 19)	178	102	534,505	498,610
Dividends and Interest on Equity	16,996	17,036	22,284	25,284
Accrued liabilities	100	78	50,546	50,898
Derivatives (note 31)	-	-	-	7,012
Public Utilities (note 23)	-	-	16,051	15,697
Other (note 24)	8,709	7,487	355,025	338,861
TOTAL CURRENT LIABILITIES	31,770	40,149	4,116,744	3,422,933
NONCURRENT LIABILITIES				
Suppliers (note 18)	-	-	31,992	42,655
Accrued Interest on Debts (note 16)	-	-	14,424	62,427
Loans and Financing (note 16)	-	-	3,175,181	3,729,042
Debentures (note 17)	450,000	450,000	2,551,198	2,751,169
Private Pension Plan (note 20)	-	-	682,500	723,286
Taxes and Social Contributions Payable (note 19)	-	-	1,476	1,639
Deferred tax debits (note 10)	-	-	279,429	282,010
Reserve for contingencies (note 22)	9,987	9,800	310,281	300,644
Derivatives (note 31)	1,430	1,056	10,767	5,694
Public Utilities (note 23)	-	-	411,020	405,837
Other (note 24)	75,046	71,172	232,403	226,644
TOTAL NONCURRENT LIABILITIES	536,463	532,028	7,700,671	8,531,047
SHAREHOLDERS' EQUITY (note 25)				
Capital	4,741,175	4,741,175	4,741,175	4,741,175
Capital Reserves	16	16	16	16
Profit Reserves	341,751	341,751	341,751	341,751
Additional dividend proposed	655,017	655,017	655,017	655,017
Revaluation Reserve	772,048	765,667	772,048	765,667
Retained earnings	255,192	(234,278)	255,192	(234,278)
	6,765,199	6,269,348	6,765,199	6,269,348
Net equity attributable to controlling shareholders	6,765,199	6,269,348	6,765,199	6,269,348
Net equity attributable to noncontrolling shareholders	-	-	271,950	267,431
TOTAL SHAREHOLDERS' EQUITY	6,765,199	6,269,348	7,037,149	6,536,779
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	7,333,432	6,841,525	18,854,564	18,490,759



CPFL Energia S.A.

Statement of income for the periods ended in March 31, 2010 and 2009
(in thousands of Brazilian Reais)

	Parent Company		Consolidated	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
NET OPERATING REVENUE (note 26)	-	-	2,878,725	2,587,158
COST OF ELECTRIC ENERGY SERVICES				
Cost of Electric Energy (note 27)	-	-	(1,407,308)	(1,520,774)
Operating Cost (note 28)	-	-	(240,286)	(250,213)
Services Rendered to Third Parties (note 28)	-	-	(151,613)	(107,744)
GROSS OPERATING INCOME	-	-	1,079,518	708,427
Operating expenses (note 28)				
Sales expenses	-	-	(63,910)	(47,692)
General and Administrative expenses	(4,796)	(3,812)	(119,392)	(100,986)
Other Operating Expense	(35,362)	(37,187)	(54,565)	(54,151)
	(40,158)	(40,999)	(237,867)	(202,829)
INCOME FROM ELECTRIC ENERGY SERVICE	(40,158)	(40,999)	841,651	505,598
Equity in subsidiaries (note 13)	523,779	313,778	-	-
FINANCIAL INCOME (EXPENSE) (note 29)				
Income	14,226	9,350	100,427	104,052
Expense	(16,236)	(17,918)	(182,434)	(180,008)
	(2,010)	(8,568)	(82,007)	(75,956)
INCOME BEFORE TAXES	481,611	264,211	759,644	429,642
Social contribution (note 10)	336	17	(72,542)	(43,016)
Income tax (note 10)	979	480	(199,239)	(117,750)
	1,315	497	(271,781)	(160,766)
NET INCOME	482,926	264,708	487,863	268,876
Net income attributable to controlling shareholders			482,926	264,708
Net income attributable to noncontrolling shareholders			4,937	4,168



	Capital	Capital Reserevs	Legal reserve	Additional dividend proposed	Other comprehensive income Deemed cost	Financial instruments	Retained earnings	Total	Noncontrolling shareholders' interest	Total Shareholders' equity
Balance at December 31, 2009	4,741,175	16	341,751	655,017	635,871	129,796	(234,278)	6,269,348	267,431	6,536,779
Capital Increase	-	-	-	-	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-	482,926	482,926	4,937	487,863
Prescribed dividend	-	-	-	-	-	-	-	-	-	-
Aprovação da proposta de dividendo	-	-	-	-	-	-	-	-	-	-
Changes in Other Comprehensive Income:										
- Gain (Loss) in financial instruments	-	-	-	-	-	19,583	-	19,583	(202)	19,381
- Tax on financial instruments	-	-	-	-	-	(6,658)	-	(6,658)	69	(6,589)
- Realization of financial instruments	-	-	-	-	-	(19)	19	-	-	-
- Realization of deemed cost of fixed assets	-	-	-	-	(9,887)	-	9,887	-	-	-
- Tax on deemed cost realization	-	-	-	-	3,362	-	(3,362)	-	-	-
Other changes in noncontrolling shareholders	-	-	-	-	-	-	-	-	(285)	(285)
Balance at March 31, 2010	4,741,175	16	341,751	655,017	629,346	142,702	255,192	6,765,199	271,950	7,037,149



	Capital Social	Capital Reserevs	Legal reserve	Additional dividend proposed	Other comprehensive income Deemed cost	Financial instruments	Retained earnings	Total	Noncontrolling shareholders' interest	Total Shareholders' equity
Balance at January 1, 2009	4,741,175		16 277,428	606,105	661,975	137,895	(631,911)	5,792,683	258,163	6,050,846
Capital Increase	-	-	-	-	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-	264,708	264,708	4,168	268,876
Prescribed dividend	-	-	-	-	-	-	-	-	-	-
Aprovação da proposta de dividendo	-	-	-	-	-	-	-	-	-	-
Changes in Other Comprehensive Income:										
- Gain (Loss) in financial instruments	-	-	-	-	-	(5,329)	-	(5,329)	(75)	(5,404)
- Tax on financial instruments	-	-	-	-	-	1,812	-	1,812	26	1,838
- Realization of financial instruments	-	-	-	-	-	(140)	140	-	-	-
- Realization of deemed cost of fixed assets	-	-	-	-	(9,844)	-	9,844	-	-	-
- Tax on deemed cost realization	-	-	-	-	3,347	-	(3,347)	-	-	-
Other changes in noncontrolling shareholders	-	-	-	-	-	-	-	-	(5,012)	(5,012)

Balance at March 31, 2009	<u>4,741,175</u>	<u>16</u>	<u>277,428</u>	<u>606,105</u>	<u>655,478</u>	<u>134,238</u>	<u>(360,566)</u>	<u>6,053,874</u>	<u>257,270</u>	<u>6,311,144</u>
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Statements of Cash Flow for the periods ended in March 31, 2010 and 2009

	Parent Company		Consolidated	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
OPERATING CASH FLOW				
Income (Loss) for the period, before income tax and social contribution	481,611	264,211	759,644	429,642
ADJUSTMENTS TO RECONCILE NET INCOME TO CASH DERIVED FROM OPERATIONS				
Depreciation and amortization	35,392	37,217	161,807	166,466
Reserve for contingencies	-	-	9,152	(11,613)
Interest and monetary restatement	4,499	10,804	127,152	151,790
Pension plan costs	-	-	(21,799)	901
Equity in subsidiaries	(523,779)	(313,778)	-	-
Losses on the write-off of noncurrent assets	-	-	1,422	3,504
Deferred taxes (PIS and COFINS)	-	-	15,077	111
REDUCTION (INCREASE) IN OPERATING ASSETS				
Consumers, concessionaires and licensees	-	-	(30,368)	(99,581)
Dividend and interest on equity received	6,999	11,000	-	-
Recoverable taxes	(453)	(1,190)	18,396	(1,674)
Escrow deposits	-	-	(24,740)	12,099
Other operating assets	76	84	(24,794)	(13,102)
INCREASE (DECREASE) IN OPERATING LIABILITIES				
Suppliers	7	(288)	(36,720)	4,456
Taxes and social contributions paid	-	-	(186,329)	(174,974)
Other taxes and social contributions	76	(26)	16,051	18,226
Other liabilities with employee pension plans	-	-	(21,514)	(24,073)
Interest on debts - paid	(19,398)	(29,818)	(152,252)	(138,605)
Regulatory charges	-	-	36,891	(16,752)
Other operating liabilities	4,947	1,901	22,036	(11,861)
CASH FLOWS PROVIDED (USED) BY OPERATIONS	(10,023)	(19,883)	669,112	294,960
INVESTMENT ACTIVITIES				
Decrease in investments on subsidiaries	-	60,236	-	-
Increase in property, plant and equipment	(124)	-	(113,839)	(176,343)
Financial investments	10,060	9,742	3,191	10,991
Additions to intangible assets	-	(29)	(175,388)	(82,438)
Sale of noncurrent assets	(45)	(10)	2,868	3,849
Intercompany loans with subsidiaries and associated companies	(799)	(2,614)	-	-
Other	1	-	2,945	943
GENERATION (UTILIZATION) OF CASH IN INVESTMENTS	9,093	67,325	(280,223)	(242,998)
FINANCING ACTIVITIES				
Loans, financing and debentures obtained	-	-	159,561	238,157
Payments of Loans, financing and debentures, net of derivatives	(198)	(239)	(342,398)	(162,488)
Dividend and interest on equity paid	(40)	(24)	(3,000)	(29)
GENERATION (UTILIZATION) OF CASH IN FINANCING	(238)	(263)	(185,837)	75,640
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,168)	47,179	203,052	127,602
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	219,126	15,702	1,487,243	758,454
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	217,958	62,881	1,690,295	886,056



Added Value Statements For the periods ended March 31, 2010 and 2009

	Parent Company		Consolidated	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
1- Revenues	-	29	4,555,993	3,975,818
1.1 Operating revenues	-	1	4,100,337	3,657,933
1.2 Revenue from infrastructure construction	-	-	150,444	106,397
1.3 Revenues related to the construction of own assets	-	28	319,512	208,476
1.4 Allowance for doubtful accounts	-	-	(11,773)	3,109
1.5 Other	-	-	(2,527)	(97)
2 - (-) Inputs	(3,873)	(3,134)	(2,206,596)	(2,135,753)
2.1 Electricity Purchased for Resale	-	-	(1,581,836)	(1,672,599)
2.2 Material	(15)	(8)	(166,868)	(97,473)
2.3 Outsourced Services	(2,802)	(1,841)	(374,611)	(291,660)
2.4 Other	(1,056)	(1,285)	(82,228)	(72,836)
2.5 Cost of Service Rendered	-	-	(1,053)	(1,185)
	-	-	-	-
3 - Gross Added Value (1 + 2)	(3,873)	(3,105)	2,349,397	1,840,065
4 - Retentions	(35,392)	(37,217)	(169,313)	(173,157)
4.1 Depreciation and Amortization	(30)	(30)	(123,705)	(125,513)
4.2 Amortization of intangible assets	(35,362)	(37,187)	(45,608)	(47,644)
5 - Net Added Value Generated (3 + 4)	(39,265)	(40,322)	2,180,084	1,666,908
6 - Added Value Received in Transfer	538,005	323,128	101,930	107,074
6.1 Financial Income	14,226	9,350	101,930	107,074
6.2 Equity in Subsidiaries	523,779	313,778	-	-
7 - Added Value to be Distributed (5 + 6)	498,740	282,806	2,282,014	1,773,982
8 - Distribution of Added Value				
8.1 Personnel and Charges	732	547	117,587	123,454
8.1.1 Direct Remuneration	683	463	89,768	81,996
8.1.2 Benefits	19	16	20,754	33,564
8.1.3 Government severance indemnity fund for employees - F.G.T.S.	30	68	7,065	7,894
8.2 Taxes, Fees and Contributions	(1,178)	(395)	1,476,818	1,188,279
8.2.1 Federal	(1,178)	(395)	790,887	571,675
8.2.2 State	-	-	680,908	611,902
8.2.3 Municipal	-	-	5,023	4,702
8.3 Interest and Rentals	16,260	17,946	199,746	193,373
8.3.1 Interest	16,236	17,907	196,775	190,292
8.3.2 Rental	24	39	2,971	3,081
8.4 Interest on capital	482,926	264,708	487,863	268,876
8.4.1 Retained profits	482,926	264,708	487,863	268,876
	498,740	282,806	2,282,014	1,773,982

(1) OPERATIONS

CPFL Energia S.A. ("CPFL Energia" or "Company") is a publicly quoted corporation incorporated for the principal purpose of acting as a holding company, participating in the capital of other companies primarily dedicated to electric energy distribution, generation and sales activities.

The Company's headquarters are located at Rua Gomes de Carvalho, 1510 - 14º floor - Cj 2 - Vila Olímpia - São Paulo - SP - Brasil.

The Company has direct and indirect interests in the following operational subsidiaries (information on the concession area, number of consumers, energy production capacity and associated data not examined by the independent auditors):

Energy distribution	Company Type	Equity Interest	Location (State)	Number of municipalities	Concession term	End of the concession
Companhia Paulista de Força e Luz ("CPFL Paulista")	Publicly-quoted corporation	Direct 100%	Interior of S. Paulo	234	30 years	November 2027
Companhia Piratininga de Força e Luz ("CPFL Piratininga")	Publicly-quoted corporation	Direct 100%	Interior of S. Paulo	27	30 years	October 2028
Rio Grande Energia S.A. ("RGE")	Publicly-quoted corporation	Direct 100%	Interior of Rio Grande do Sul	262	30 years	November 2027
Companhia Luz e Força Santa Cruz ("CPFL Santa Cruz")	Private corporation	Direct 99,99%	Interior of São Paulo and Paraná	27	16 years	July 2015
Companhia Leste Paulista de Energia ("CPFL Leste Paulista")	Private corporation	Direct 95,92%	Interior of S. Paulo	7	16 years	July 2015
Companhia Jaguari de Energia ("CPFL Jaguari")	Private corporation	Direct 87,27%	Interior of S. Paulo	2	16 years	July 2015
Companhia Sul Paulista de Energia ("CPFL Sul Paulista")	Private corporation	Direct 86,73%	Interior of S. Paulo	5	16 years	July 2015
Companhia Luz e Força de Mococa ("CPFL Mococa")	Private corporation	Direct 86,73%	Interior of São Paulo and Minas Gerais	4	16 years	July 2015

Energy generation - operational	Company Type	Equity Interest	Location (State)	Number of plants / type of energy	Installed power	
					Total	CPFL participation
CPFL Geração de Energia S.A. ("CPFL Geração")	Publicly-quoted corporation	Direct 100%	São Paulo, Goiás e Minas Gerais	1 Hydroelectric, 20 PCHs e 1 Thermal*	812 MW	812 MW
Campos Novos Energia S.A. ("ENERCAN")	Private corporation	Indirect 48,72%	Santa Catarina	1 Hydroelectric	880 MW	429 MW
CERAN - Companhia Energética Rio das Antas ("CERAN")	Private corporation	Indirect 65%	Rio Grande do Sul	3 Hydroelectric	360 MW	234 MW
BAESA - Energética Barra Grande S.A. ("BAESA")	Publicly-quoted corporation	Indirect 25,01%	Santa Catarina e Rio Grande do Sul	1 Hydroelectric	690 MW	173 MW
Centrais Elétricas da Paraíba S.A.-EPASA ("EPASA")	Private corporation	Indirect 51%	Paraíba	2 Thermals	342 MW	174 MW
Paulista Lajeado Energia S.A. ("Paulista Lajeado")	Private corporation	Indirect 52,34%**	São Paulo	1 Hydroelectric	903 MW	63 MW
CPFL Sul Centrais Elétricas Ltda. ("CPFL Sul Centrais Elétricas")	Limited company	Indirect 100%	Rio Grande do Sul	4 Small Hydroelectric Plants (RS)	2,65 MW	2,65 MW

(*) PCH - Small Hydropower Plant Central Hidrelétrica
(**) Paulista Lajeado has a 7% participation in the installed power of Investco S.A.

Energy generation - under development	Company Type	Equity Interest	Location	Number of plants / type of energy	Scheduled start-up date	Projected installed power
Foz do Chapecó Energia S.A. ("Foz do Chapecó")	Private corporation	Indirect 51%	Santa Catarina e Rio Grande do Sul	1 Hydroelectric	4th quarter 2010	855 MW
CPFL Bioenergia S.A. ("CPFL Bioenergia")	Private corporation	Indirect 100%	São Paulo	1 Thermal (Biomass)	4th quarter 2010	45 MW
CPFL Bio Formosa S.A. ("CPFL Bio Formosa")	Private corporation	Indirect 100%	Rio Grande do Norte	1 Thermal (Biomass)	2011	40 MW
CPFL Bio Buriti S.A. ("CPFL Bio Buriti")	Private corporation	Indirect 100%	São Paulo	1 Thermal (Biomass)	2011	50 MW
CPFL Bio Ipê S.A. ("CPFL Bio Ipê")	Private corporation	Indirect 100%	São Paulo	1 Thermal (Biomass)	2011	25 MW
CPFL Bio Pedra S.A. ("CPFL Bio Pedra")	Private corporation	Indirect 100%	São Paulo	1 Thermal (Biomass)	2012	70 MW
Santa Clara I Energias Renováveis Ltda. ("Santa Clara I")	Limited Company	Indirect 100%	Rio Grande do Norte	1 Wind power	2012	30 MW
Santa Clara I Energias Renováveis Ltda. ("Santa Clara II")	Limited Company	Indirect 100%	Rio Grande do Norte	1 Wind power	2012	30 MW
Santa Clara I Energias Renováveis Ltda. ("Santa Clara III")	Limited Company	Indirect 100%	Rio Grande do Norte	1 Wind power	2012	30 MW
Santa Clara I Energias Renováveis Ltda. ("Santa Clara IV")	Limited Company	Indirect 100%	Rio Grande do Norte	1 Wind power	2012	30 MW
Santa Clara I Energias Renováveis Ltda. ("Santa Clara V")	Limited Company	Indirect 100%	Rio Grande do Norte	1 Wind power	2012	30 MW
Santa Clara I Energias Renováveis Ltda. ("Santa Clara VI")	Limited Company	Indirect 100%	Rio Grande do Norte	1 Wind power	2012	30 MW
Eurus VI Energias Renováveis Ltda. ("Eurus VI")	Limited Company	Indirect 100%	Rio Grande do Norte	1 Wind power	2012	30 MW
(*) The predicted installed power for the Santa Clara Wind Power complex is 188 MW.						

Energy commercialization and services	Company Type	Core activity	Equity Interest
CPFL Comercialização Brasil S.A. ("CPFL Brasil")	Private corporation	Energy commercialization, consultancy and advisory services to agents in the energy sector	Direct 100%
Clion Assessoria e Comercialização de Energia Elétrica Ltda. ("CPFL Meridional")	Limited company	Commercialization and provision of energy services	Indirect 100%
CPFL Comercialização Cone Sul S.A. ("CPFL Cone Sul")	Private corporation	Energy commercialization	Indirect 100%
CPFL Planalto Ltda. ("CPFL Planalto")	Limited company	Energy commercialization	Direct 100%
CPFL Serviços, Equipamentos, Indústria e Comércio S.A. ("CPFL Serviços")	Private corporation	Manufacturing, commercialization, rental and maintenance of electro-mechanical equipment and service provision	Direct 87.82%
CPFL Atende Centro de Contatos e Atendimento Ltda. ("CPFL Atende")	Limited company	Provision of telephone answering services	Direct 100%

Other	Company Type	Core activity	Equity Interest
CPFL Jaguariuna S.A. ("CPFL Jaguariuna")	Private corporation	Venture capital company	Direct 100%
Companhia Jaguarí de Geração de Energia ("Jaguarí Geração")	Private corporation	Venture capital company	Direct 87.34%
Chapecoense Geração S.A. ("Chapecoense")	Private corporation	Venture capital company	Indirect 51%
Sul Geradora Participações S.A. ("Sul Geradora")	Private corporation	Venture capital company	Indirect 99.95%
Chumplitaz Serviços S.A. ("Chumplitaz")	Private corporation	Venture capital company	Direct 100%

(2) PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

In accordance with CVM Decision 603/2009, amended by CVM Decision 656/2011, the Company opted to re-present the quarterly financial information for 2010 compared to 2009 after publication of the 2010 financial statements. As such, the financial information presented here should be read together with the financial statements for 2010 compared to 2009.

The quarterly financial information presented here shows the figures originally presented, adjusted to reflect the alterations resulting from having applied the accounting pronouncements issued by the Brazilian Committee on Accounting Pronouncements (CPC) and approved by the Brazilian Securities Commission (CVM). Note 5 shows the main adjustments made as a result of having adopted the new accounting practices.

The mainly accounting policies set out on the preparation of these quarterly financial statements are consistent with those adopted in the annual financial statements. These accounting policies have been applied consistently to all periods presented in these individual and consolidated financial statements.

2.1 Basis of preparation

The individual (Parent Company) and consolidated quarterly financial statements were prepared and presented in accordance with generally accepted accounting principles in Brazil, based on the guidelines provided by the Brazilian Committee on Accounting Pronouncements (Comitê de Pronunciamentos Contábeis - CPC) and are being presented in accordance with “CPC21 Demonstrações Intermediárias”.

The Company also follows the guidelines of the Accounting Manual of the Public Electric Energy and the standards laid down by the National Electric Energy Agency (Agência Nacional de Energia Elétrica – ANEEL), when these are not in conflict with generally accepted accounting practices in Brazil and/or international accounting practices.

The individual quarterly financial statements are in conformity with the International Financial Reporting Standards – IFRS, issued by the International Accounting Standard Board – IASB, except for evaluation of investments in subsidiaries and jointly-owned entities, which are accounted for by the equity method, while for the IFRS they should be accounted for by the cost or fair value method.

The consolidated quarterly financial statements were also prepared and are presented in full conformity with the IFRS.

Note 5 shows the main differences between the accounting practices adopted previously in Brazil and the current and effective standards presented herein.

2.2 Basis of measurement

The quarterly financial statements have been prepared on the historic cost basis except for the following material items recorded in the balance sheets: i) derivative financial instruments measured at fair value, ii) financial instruments at fair value through profit or loss measured, iii) available-for-sale financial assets are measured at fair value, iv) property, plant and equipment adjusted to reflect the “deemed cost” on the transition date, and v) actuarial assets, recognition of which is limited to the present value of the economic benefits available in the form of reimbursements or future reductions in contributions to the plan.

2.3 Use of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

By definition, the resulting accounting estimates are rarely the same as the actual results. Accordingly, Company Management reviews the estimates and assumptions on an ongoing basis. Adjustments derived from revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimate that are subject to a greater degree of uncertainty and involve the risk of resulting in a material adjustment if these assumptions and estimates suffer significant changes during the next financial year is included in the following notes:

- Note 10 – Deferred tax credits and debits;
- Note 12 – Financial asset of concession;
- Note 15 – Intangible assets;
- Note 20 – Employee Pension Plan;
- Note 22 – Reserve for contingency, and
- Note 31 – Financial instruments and Operating Risks.

2.4 Functional currency and presentation currency

The individual and consolidated financial statements are presented in thousands of Brazilian reais, which is the Company's functional currency.

2.5 Basis of consolidation

(i) Business combinations

- Acquisitions made after January 1, 2009

In the case of acquisitions made after January 1, 2009, the Company measures goodwill as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. If the excess is negative, a gain arising from the purchase agreement is recognized immediately in profit or loss for the period.

- Acquisitions prior to January 1, 2009

As part of the transition to the IFRS and CPC the Company opted not to re-present business combinations prior to January 1, 2009. In relation to acquisitions prior to January 1, 2009 the goodwill represents the amount recognized under the accounting practices adopted previously. This goodwill was tested for impairment at the transition date, in accordance with Note 3.6.

(ii) Subsidiaries and jointly-owned entities:

The financial statements of subsidiaries and jointly-owned entities (joint ventures) are included in the consolidated financial statements from the date that total or shared control commences until the date that control ceases.

A jointly controlled operation is a venture directly or indirectly controlled together with other investors, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

The accounting policies of subsidiaries and jointly controlled entities taken into consideration in consolidation are aligned with the Company's accounting policies.

The financial information of subsidiaries and jointly controlled entities and of the associates is accounted for using the equity method.

The consolidated financial statements include the balances and transactions of the Company and its subsidiaries. The balances and transactions of assets, liabilities, income and expenses have been fully consolidated for fully owned subsidiaries and proportionately consolidated for the jointly-owned entities.

Intra-group balances and transactions, and any income and expenses derived from these transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Observing the conditions described above, the amount related to non-controlling interests is shown in shareholders' equity after the statement of income for the period in each year presented.

(iii) Acquisition of non-controlling interest

Accounted for as transactions within equity holders and therefore no goodwill is recognized as a result of such transactions.

2.6 Segment information

An operating segment is a component of the Company (i) that engages in operating activities from which it may earn revenues and incur expenses, (ii) whose operating results are regularly reviewed by Management to make decisions about resources to be allocated and assess the segment's performance, and (iii) for which discrete financial information is available.

Company Management bases strategic decisions on reports, segmenting the business into: (i) electric energy distribution activities ("Distribution"); (ii) electric energy generation activities ("Generation"); (iii) energy commercialization and service provision activities ("Commercialization"); and (iv) other, basically corresponding to corporate services and other activities not listed in the previous items.

Presentation of the operating segments includes items directly attributable to them, such as allocations required, including intangible assets.

2.7 Information on Corporate Interests

The interests directly or indirectly held by the Company in the subsidiaries and jointly-owned entities are described in Note 1. Except for the (i) jointly-owned entities ENERCAN, BAESA, Foz do Chapecó and EPASA, which are consolidated proportionately, and (ii) the investment in Investco recorded at cost by the subsidiary Paulista Lajeado, the other units are fully consolidated.

As of March 31, 2010, the participation of non-controlling interests stated in the consolidated statements refers to the third-party interests in the subsidiaries CERAN, Paulista Lajeado, CPFL Santa Cruz, CPFL Leste Paulista, CPFL Jaguarí, CPFL Sul Paulista, CPFL Mococa, CPFL Serviços and Jaguarí Geração.

2.8 Value added statements

The Company prepared individual and consolidated value added statements ("DVA") in conformity with technical pronouncement CPC 09 - Value Added Statement, which are presented as an integral part of the quarterly financial statements in accordance with the CPC standards for public companies, while for the IFRS they represent additional financial information.

(3) SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these individual and consolidated financial statements.

3.1 Concession agreements

ICPC 01 "Concession Agreements" establishes general guidelines for the recognition and measurement of obligations and rights related to concession agreements and applies to situations in which the granting power controls or regulates which services the concessionaire should provide with the infrastructure, to whom the services should be provided and at what price, and controls any significant residual interest in the infrastructure at the end of the concession period.

These definitions having been attended to, the infrastructure of distribution concessionaires is segregated and rollforwarded from the time of construction, complying with the provisions of the CPCs and IFRSs, so that the financial statements record (i) an intangible asset corresponding to the right to operate the concession and collect from the users of public utilities, and (ii) a financial asset corresponding to the unconditional contractual right to receive cash (compensation) by reversing the assets at the end of the concession.

The value of the concession financial assets is determined at fair value, based on the remuneration of the assets established by the regulatory authority. The financial asset is classified as available-for-sale and is restated and amortized annually in accordance with the adjustment of its fair value, against the revaluation reserve in equity.

The remaining amount is registered in intangible assets and corresponds to the right to charge consumers for electric energy distribution services, amortized in accordance with the consumption pattern that reflects the estimated economic benefit to the end of the concession.

Provision of infrastructure construction services is registered in accordance with CPC 17 – Construction Contracts, against a financial asset corresponding to the amount subject to compensation. Residual amounts are classified as intangible assets and will be amortized over the concession period in accordance with the economic pattern against which the revenue from consumption of electric energy is collected.

In accordance with (i) the tariff model that does not provide for a profit margin for the infrastructure construction activity, (ii) the way in which the subsidiaries manage the building by using a high level of outsourcing, and (iii) there is no provision for gains on constructions in the Company's business plans, management is of the opinion that the margins on this operation are irrelevant, and therefore no additional value to the cost is considered in the composition of the revenue. The revenue and construction costs are therefore presented in profit or loss for the period at the same amounts.

3.2 Financial instruments

- Financial assets:

Financial assets are recognized initially on the date that they are originated or on trade date at which the Company or its subsidiaries become one of the parties to the contractual provisions of the instrument. Derecognition of a financial asset occurs when the contractual rights to the cash flows from the asset expire or when the risks and rewards of ownership of the financial asset are transferred. The Company and its subsidiaries hold the following main financial assets:

- i. Classified at fair value through profit or loss: these are assets held for trading or designated as such upon initial recognition. The Company and its subsidiaries manage such assets and make purchase and sale decisions based on their fair value in accordance with their documented risk management or investment strategy. These financial assets are measured at fair value, and changes therein are recognized in profit or loss for the period.

The main financial assets classified by the Company and its subsidiaries in this category are: (i) bank balances and financial investments (Note 6), (ii) financial investments (Note 8) and (iii) derivatives (Note 31).

- ii. Held-to-maturity: these are assets that the Company and its subsidiaries have the positive intent and ability to hold to maturity. Held-to-maturity financial assets are recognized initially at fair value and subsequent to initial recognition are measured at recognized cost using the effective interest method, less any impairment losses.

The Company and its subsidiaries classify the following financial assets in this category: (i) security receivable from CESP (Note 8) and (ii) receivables of the subsidiary CPFL Paulista from CESP (Note 12).

- iii. Loans and receivables: these are assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value and, subsequent to initial recognition, measured at recognized cost using the effective interest method, less any impairment losses.

The main financial assets of the Company and its subsidiaries classified in this category are: (i) consumers, concessionaires and licensees (Note 7), (ii) dividends and Interest on shareholders' equity (Note 13.2) and (iii) other credits (Note 12).

- iv. Available-for-sale: these are non-derivative financial assets that are designated as available-for-sale or that are not classified in any of the previous categories. Subsequent to initial recognition, interest calculated by the effective rate method is recognized in profit or loss as part of the net operating income. Changes for registration at fair value are recognized in the revaluation reserve in equity. The accumulated result in other comprehensive income is transferred to profit or loss when the asset is realized.

The main asset of the Company and its subsidiaries classified in this category is the right to compensation at the end of the concession. The option to designate this instrument as available-for-sale is due to its non-classification in the previous categories described. Since Management believes that the compensation will be made at least in accordance with the current tariff pricing model, this instrument cannot be registered as loans and receivables as the compensation will not be fixed or determinable, due to the uncertainty in relation to impairment for reasons other than deterioration of the credit. The main uncertainties relate to the risk of non-recognition of part of these assets by the regulatory authority and their replacement values at the end of the concession (Note 4).

- Financial liabilities:

Financial liabilities are initially recognized on the date that they are originated or on the trade date at which the Company or its subsidiaries become a part of the contractual provisions of the instrument. The Company and its subsidiaries have the following main financial liabilities:

- i. Measured at fair value through profit or loss: these are financial liabilities that are: (i) held for short-term trading, (ii) designated at fair value in order to evaluate the effects of recognition of income and expenses to obtain more relevant and consistent accounting information, or (iii) derivatives. These liabilities are registered at fair value and for any change in the subsequent measurement of the fair value, set through profit or loss.

The Company and its subsidiaries classified the following financial liabilities in this category: (i) certain foreign currency debts (Note 16) and (ii) derivatives (Note 31).

- ii. Not measured at fair value through profit or loss: these other financial liabilities that are not classified in any of the previous categories. They are measured initially at fair value less any attributable transaction cost and subsequently measured at recognized cost by the effective interest method.

The main financial liabilities classified in this category are: (i) suppliers (note 18), (ii) loans and financing (note 16), (iii) debt charges (Note 16); (iv) debenture charges (Note 17); (v) debentures (Note 17); (vi) public utilities (Note 23); (vii) dividends payable and (viii) other accounts payable (note 24).

The Company accounts for warranties when these are issued to non-controlled entities or when the warranty is granted at a percentage higher than the Company's interest. Such warranties are initially measured at fair value, by (i) a liability equivalent to the income to be appropriated, which will subsequently be recognized as the Company is released from the obligations and (ii) an asset equivalent to the right to compensation by the guaranteed party, subsequently amortized by receipt of cash or on a straight-line basis to profit or loss.

Financial assets and liabilities are offset and the net amount presented when, and only when, there is a legal right to offset the amounts and the intent to settle on a net basis or to realize the asset and settle the liability simultaneously.

- Capital

Common shares are classified as equity. Additional costs directly attributable to shares issuance and share options are recognized as a deduction from equity, net of any tax effects.

3.3 Lease agreements:

It should be established at the inception of an agreement whether such arrangement is or contains a lease. A specific asset is the subject of a lease if fulfillment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the lessor the right to control the use of the underlying asset.

Leases in which substantially all the risks and rewards are with the lessor are classified as operating leases. Payments/receipts made under operating leases are recognized as expense/revenue in profit or loss on a straight-line basis, over the term of the lease.

Leases which involve not only the right to use assets, but also substantially transfer the risks and rewards to the lessee, are classified as finance leases.

In finance leases in which the Company or its subsidiaries act as lessee, the assets are capitalized to property, plant and equipment at the inception of the agreement against a liability measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. The property, plant and equipment is depreciated in accordance with the accounting policy applicable to that asset.

If the Company or its subsidiaries are the lessor in a finance lease, the investment is initially recognized at the construction/acquisition cost of the asset.

In both cases, the financial income/expense is recognized in profit or loss for the period over the term of the lease so as to produce a constant rate of interest on the remaining balance of the investment/liability.

3.4 Property, plant and equipment:

Items of property, plant and equipment are measured at acquisition, construction or formation cost less accumulated depreciation and, if applicable, accumulated impairment losses. Cost also includes any other costs attributable to bringing the assets to the place and in a condition to operate as intended by management, the cost of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs on qualifying assets.

The assets were measured at the transition date in accordance with the CPC and IFRS rules by segregation into two groups:

- Assets measured at deemed cost at the transition date: model adopted for assets built and put into long-term service where it is not possible to reconstruct the cost formation or where the cost of the survey is of no benefit in presentation of the financial statements. The cost of these items at the transition date was therefore determined in accordance with market prices ("deemed cost") and the revalued amounts are presented for both cost and accumulated depreciation. The effects of the deemed cost increased property, plant and equipment against equity, net of related tax effects.

- Assets measured at historic cost: model adopted by the Company for recently built assets where the basis for cost formation can be easily confirmed and the values at historic cost approximate the respective market values. In such cases, the subsidiaries performed an analysis to ensure that the cost formation is in accordance with current accounting practices.

The replacement cost of items of property, plant and equipment is recognized if it is probable that it will involve economic rewards for the subsidiaries and if the cost can be reliably measured, and the value of the replaced item is written off. Maintenance costs are recognized in profit or loss as they are incurred.

Depreciation is calculated on a straight-line basis, at annual rates of 2% to 20%, taking into consideration the estimated useful life of the assets, as instructed and defined by the regulatory authority. In the case of generators subject to regulation by Decree 2003, of 1996, the assets are depreciated at the rates established by the regulatory authority, provided they do not exceed the term of the concession.

Gains and losses derived from write-down of an item of property, plant and equipment are determined by comparing the resources produced by disposal with carrying amount of the asset, and are recognized net together with other operating income/expense.

Assets and facilities used in the regulated activities are tied to these services and may not be removed, disposed of, assigned or pledged in mortgage without the prior and express authorization of ANEEL. ANEEL regulates the release of Public Electric Energy Utility concession assets, granting prior authorization for release of assets of no use to the concession, intended for disposal and determines that the proceeds of the disposal be deposited in a tied bank account for use in the concession.

3.5 Intangible assets:

Includes rights related to non-physical assets such as goodwill, concession exploration rights, software and rights-of-way.

Goodwill that arises from the acquisition of subsidiaries is measured at the difference between the amount paid and/or payable for acquisition of a business and the net fair value of the assets and liabilities of the subsidiary acquired.

Goodwill is measured at cost less accumulated impairment losses. Goodwill and other intangible assets with indefinite useful lives are not subject to amortization and tested annually for impairment.

Negative goodwill are registered as gains in profit or loss at the time of the acquisition.

In the individual financial statements, goodwill is included in the carrying amount of the investment, and stated as intangible in the consolidated financial statements.

Intangible assets corresponding to the right to operate concessions can have three separate origins, based on the following arguments:

- i. Acquisitions through business combinations: the portion of goodwill arising from business combinations that corresponded to the right to operate the concession is stated as an intangible asset. Such amounts are amortized based on the net income curves projected for the concessionaires for the remaining term of the concession.
- ii. Investments in infrastructure (Application of ICPC 01 – Concession agreements): Under the electric energy distribution concession agreements with the subsidiaries, the intangible asset registered corresponds to the concessionaires' right to collection uses for use of the concession infrastructure. Since the exploration term is defined in the agreement, intangible assets with defined useful lives are amortized over the term of the concession in proportion to a curve that reflects the consumption pattern in relation to the anticipated economic rewards. For further information see Note 3.1.

Assets and facilities used in the regulated activities are tied to these services and may not be removed, disposed of, assigned or pledged in mortgage without the prior and express authorization of ANEEL. ANEEL regulates the release of Public Electric Energy Utility concession assets, granting prior authorization for release of assets of no use to the concession, intended for disposal and determines that the proceeds of the disposal be deposited in a tied bank account for use in the concession.

- iii. Public utilities: certain generation concessions were granted against payment to the federal government for use of a public utility. This obligation was registered on the date of signing the respective agreements, at present value, against the intangible assets account. These amounts, capitalized by interest incurred on the obligation to the start-update, are amortized on a straight-line basis over the remaining term of the concession.

3.6 Impairment

- Financial assets:

A financial asset not measured at fair value through profit or loss is reassessed at each reporting date to determine whether there is objective evidence that it is impaired. Impairment can occur after the initial recognition of the asset and have a negative effect on the estimated future cash flows.

The Company and its subsidiaries consider evidence of impairment of receivables and held-to-maturity investment securities at both a specific assets and collective level for all significant securities. Receivables and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together the securities with similar risk characteristics.

In assessing collective impairment the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether the assumptions and current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historic trends.

An impairment loss of a financial asset is recognized as follows:

- Amortized cost: as the difference between the carrying amount and the present value of the estimated future cash flows discounted at the assets original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognized through the unwinding of the discount. When a subsequent event indicates the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.
- Available-for-sale: by reclassification of the cumulative loss that has been recognized in the revaluation reserve in equity, to profit or loss. This reclassified loss is the difference between the acquisition cost, net of any principal repayment and amortization of the principal, and the current fair value, less any impairment loss previously recognized in profit or loss. Changes in impairment provisions attributable to effective interest rate are reflected as a component of financial income.

If an increase (gain) is identified in periods subsequent to recognition of the loss, then the impairment loss is reversed, with the amount of the reversal recognized in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale financial asset is recognized in the revaluation reserve in equity.

- Non-financial assets:

Non-financial assets that have indefinite useful lives, such as goodwill, are tested annually to check that the asset's carrying amount does not exceed the recoverable value. Other assets subject to amortization are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may be impaired.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount, which is the greater of its value in use and its fair value less costs to sell.

The methods used to assess impairment include tests based on the asset's value in use. In such cases, the assets (e.g. goodwill) are segregated and grouped together at the lowest level that generates identifiable cash flows (the "cash generating unit", or CGU). If there is an indication of impairment, the loss is recognized in profit or loss. Except in the case of goodwill, where the loss cannot be reversed in the subsequent period, impairment losses are assessed annually for any possibility to reverse the impairment.

Goodwill included in the carrying amount of an investment in an associate, as it is not recognized individually, is tested with the investment, as if it were a single asset.

3.7 Provisions

A provision is recognized if, as a result of a past event, there is a legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If applicable, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessment and the risks specific to the liability.

3.8 Employee benefits

The subsidiaries have post-employment benefits and pension plans, recognized by the accrual method in accordance with CPC 33 “Employee benefits”. Although the plans have particularities, they have the following characteristics:

- i. Defined contribution plan: a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no liability for the actuarial deficits of this plan. The obligations are recognized as an expense in profit or loss in the periods during which the services are rendered.
- ii. Defined benefit plan: The net obligation is calculated as the difference between the present value of the actuarial obligation based on assumptions, biometric studies and interest rates in line with market rates, and the fair value of the plan assets of the reporting date. The actuarial liability is calculated annually by independent actuaries using the projected unit credit method. The subsidiaries use the corridor method to avoid fluctuations in the macroeconomic conditions distorting the profit or loss for the period. The accumulated differences between the actuarial estimates and the actual results are therefore not recognized in the financial statements unless they are in excess of 10% of the greater of the plan liabilities and assets. Unrecognized gains and losses in excess of this limit are recognized in profit or loss for the year over the estimated remaining service time of the employees. If the plan records a surplus and it becomes necessary to recognize an asset, recognition is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of reimbursements or future reductions in contributions to the plan.

3.9 Dividends and Interest on shareholders’ equity

Under Brazilian law, the Company is required to distribute a mandatory minimum annual dividend of 25% of net income adjusted in accordance with the bylaws. To December 31, 2008, dividends in excess of the minimum of 25% had to be proposed and provisioned at each reporting date, subject to approval in an Annual General Meeting (AGM). According to international accounting practices, CPC 24 and ICPC 08, a provision may only be made for the minimum mandatory dividend, and dividends declared but not yet approved are only recognized as a liability in the financial statements after approval by the competent body. They will therefore be held in equity, in the “Additional dividend proposed” account, as they do not meet the criteria of present liability at the reporting date.

As established in the Company’s bylaws and in accordance with current Corporate law, the Board of Directors is responsible for declaring interim dividends and Interest on shareholders’ equity determined in a half-yearly balance sheet. Interim dividends declared at the base date of June 30 is only recognized as a liability in the Company’s financial statement after the date of the Board’s decision.

Under previous accounting practices, Interest on shareholders’ equity was recorded in profit or loss and reversed for purposes of presentation of the statement of income for the year. In accordance with the new accounting practice, Interest on shareholders’ equity is no longer shown in the statement of income for the year and the effects are only stated in changes in equity and in the effective income tax and social contribution rates.

3.10 Revenue recognition

Operating income in the course of ordinary activities of the subsidiaries is measured at the fair value of the consideration received or receivable. Operating revenue is recognized when persuasive evidence exists that the most significant risks and rewards have been transferred to the buyer, when it is probable that the financial and economic rewards will flow to the entity, that the associated costs can be reliably estimated, and the amount of the operating income can be reliably measured.

Revenue from distribution of electric energy is recognized when the energy is billed. Unbilled income related to the monthly billing cycle is appropriated based on the actual amount of energy provided in the month and the annualized loss rate. Historically, the difference between the unbilled revenue and the actual consumption, which is recognized in the subsequent month, has not been material. Revenue from energy generation sales is accounted for based on the assured energy and at tariffs specified in the terms of the contract or the current market price, as applicable. Energy commercialization revenue is accounted for based on bilateral contracts with market agents and duly registered with the Electric Energy Commercialization Chamber - CCEE. No single consumer represents 10% or more of the total billing.

Service revenue is recognized when the service is effectively provided, under a service agreement between the parties.

Revenue from construction contracts is recognized by the percentage of completion method ("fixed-price"), and losses are recognized in profit or loss as incurred.

3.11 Income tax and Social contribution

Income tax and Social contribution expense for the period is calculated and recognized in accordance with the legislation in force and comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in the revaluation reserve in equity, which is recognized net of tax effects.

Current tax is the expected tax payable or receivable/to be offset on the taxable income or loss for the year. Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the equivalent amounts used for tax purposes.

The Company and certain subsidiaries recorded in their financial statements the effects of tax loss carryforwards and temporary non-deductible differences, based on projections of future taxable profits, approved by the Boards of Directors and examined by the Fiscal Council. The subsidiaries also recognized tax credits on merged goodwill, which is amortized in proportion to the individual projected net incomes for the remaining term of each concession agreement.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

Deferred income tax and social contribution assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.12 Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to the Company by the weighted average number of common and preferred shares outstanding during the period. Diluted earnings per share is determined by the above-mentioned weighted average number of shares outstanding, adjusted for the effects of all dilutive potential convertible notes for the reporting periods, in accordance with CPC 41 and IAS 33.

3.13 Regulatory assets and liabilities

In accordance with the preliminary interpretation of IASB/IFRIC, regulatory assets and liabilities cannot be recognized in the Company's financial statements as they do not meet the requirements for assets and liabilities described in the Framework for the Preparation and Presentation of Financial Statements. The rights or offsetting are therefore only reflected in the financial statements to the extent that the electric energy is consumed by the captive customers.

(4) DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- Property, plant and equipment and intangible assets

The fair value of property, plant and equipment and intangible assets recognized as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between knowledgeable and willing parties under normal market conditions. The fair value of items of property, plant and equipment is based on the market approach and cost approaches using quoted market prices for similar items when available and replacement cost when appropriate.

- Financial instruments

Financial instruments measured at fair values were recognized based on quoted prices in an active market, or assessed using pricing models, applied individually for each transaction, taking into consideration the future payment flows, based on the conditions contracted, discounted to present value at market interest rate curves, based on information obtained from the BM&F, BOVESPA and ANDIMA websites, when available. Accordingly, the market value of a security corresponds to its maturity value (redemption value) marked to present value by the discount factor (relating to the maturity date of the security) obtained from the market interest graph in Brazilian reais.

Financial assets classified as available-for-sale refer to the right to compensation to be paid by the Federal Government on reversal of the assets of the distribution concessionaires. The methodology adopted for marking these assets to market is based on the tariff review process for distributors. This review, conducted every four or five years according to each concessionaire, consists of revaluation at market price of the distribution infrastructure. This valuation basis is used for pricing the tariff, which is increased annually up to the next tariff review, based on the parameter of the main inflation ratios.

Although the methodology and criteria for valuation of the compensation on reversal of the assets has not yet been defined by the Federal Government, company management believes that it will be based at least on the tariff pricing model. Accordingly, at the time of the tariff review, each concessionaire adjusts the position of the financial asset base for compensation at the amounts ratified by the regulatory authority and uses the General Market Price Index - IGP-M as best estimate for adjusting the original base to the fair value at subsequent dates, in conformity with the Tariff Review process.

(5) FIRST-TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

As a result of the enactment of Laws 11.638/07 and 11.941/09, in 2008, the CPC issued and the CVM approved a series of accounting Pronouncements and Interpretations with the objective of bringing Brazilian accounting practices into line with the international financial reporting standards ("IFRS"). These pronouncements have been fully applied, completing the first stage of the convergence.

In order to fully complete the process, further pronouncements were issued in the course of 2009 and 2010, so that the consolidated quarterly financial statements as of March 31, 2010 would be in line with international standards.

These quarterly financial statements are the first to have been prepared in conformity with the IFRS. In order to make the accounting practices standardization process possible, the Company applied CPCs 37 and 43 and IFRS 1, adopting January 1, 2009 as the transition date. Consequently, the 2009 financial statements are re-presented with the adjustments on adoption of the above-mentioned CPCs identified.

According to the pronouncements referred to above, there are mandatory retroactive application exceptions and optional exemptions.

Procedures adopted by the Company:

- Employee benefits: Recognition of the defined benefit type pension plans. In view of the impracticality of retroactive application, the Company took advantage of the exemption and all past gains and losses were recognized at January 1, 2009 against the accrued loss account.
- ICPC 01 – Concession agreements: Retroactive reconciliation of the financial assets and intangible assets accounted for in accordance with ICPC 01 and IFRIC 12. Accordingly, the Company did not use the exemption allowed for the transition rules.
- Business combinations: In accordance with the exemption permitted by CPC 37 and IFRS 1, the Company opted not to apply the requirements of CPC 15 – Business combinations retroactively in the transition to the International accounting standards. Accordingly, only business combinations occurring after January 1, 2009 reflect the requirements of this pronouncement.
- Deemed cost: CPC 37 allows the option to measure an item of property, plant and equipment at the deemed cost at the transition date, in accordance with Technical Interpretation ICPC 10 - Interpretation on the First Application to Property, Plant and Equipment and to Investment Property of Technical Pronouncements CPC 27, 28, 37 and 43. The Company opted to recognize the property, plant and equipment of the subsidiaries CPFL Sul Centrais and CPFL Geração at market value at the transition date.
- The estimates used in preparation of these financial statements at January 1, 2009 and December 31, 2009 are consistent with the estimates made on the same dates in accordance with the practices previously adopted in Brazil.

The impact of the transition to the international accounting practices on the shareholders' equity at January 1, 2009 and December 31, 2009, March 31, 2010 and the profit or loss for the period are described below.

5.1 Reconciliation of the adjustments and reclassifications on adoption of the new accounting practices:

a) Shareholders' equity as of January 1, 2009, December 31, 2009 and March 31, 2010:

	Reference	Consolidated		
		1st Quarter 10	1st Quarter 09	January, 1st
Previous equity		5,473,141	5,082,942	5,018,619
Adjustments				
Reversal of regulatory assets and liabilities	5.3.2	156,457	(7,871)	(690,956)
Pension plan	5.3.7	(288,212)	(288,192)	(294,939)
ICPC 01 - Concession agreements	5.3.3	216,120	185,026	200,186
Property, plant and equipment - deemed cost	5.3.4	953,553	963,440	1,002,991
Write-down of discount	5.3.8	12,828	12,828	12,828
Guarantees	5.3.8	(24,580)	(21,099)	(17,832)
Public utility	5.3.5	(59,117)	(29,317)	(28,868)
Depreciation rate	5.3.6	(6,822)	(27,288)	-
Other	5.3.8	4,929	4,533	377
Dividend	5.3.8	664,522	664,522	614,642
Tax effects on the adjustments		(337,707)	(269,087)	(20,307)
Effects of adjustments on the Noncontrolling interests		87	(1,089)	(4,058)
Parent company equity after application of the new practices		6,765,199	6,269,348	5,792,683
Noncontrolling interests as a result of the change in consolidation practices		184,843	181,301	165,773
Effects of adjustments on Noncontrolling interests		(88)	1,089	4,058
Previous Noncontrolling interests		87,195	85,041	88,332
Total equity after adoption of the new practices		7,037,149	6,536,779	6,050,846
Equity of the controlling interests		6,765,199	6,269,348	5,792,683
Noncontrolling interests		271,950	267,431	258,163

b) Statement of income for the period ended in March 31, 2009 and 2010:

	Reference	Consolidated	
		Changes in the quarter	
		1st Quarter 10	1st Quarter 09
Previous net income		390,199	282,703
Adjustments			
Reversal of regulatory assets and liabilities	5.3.2	164,329	(11,811)
Pension plan	5.3.7	3	19
ICPC 01 - Concession agreements	5.3.3	10,646	(1,028)
Property, plant and equipment - deemed cost	5.3.4	(9,887)	(9,884)
Write-down of discount	5.3.8	-	-
Guarantees	5.3.8	(3,481)	(972)
Public utility	5.3.5	(2,510)	153
Depreciation rate	5.3.6	(6,822)	(6,822)
Other	5.3.8	1,867	709
Tax effects		(62,442)	10,797
Effects of adjustments on the Noncontrolling interests		1,024	844
Net parent company income after application of the new practices		482,926	264,708
Noncontrolling interests as a result of the change in consolidation practices		3,542	2,926
Effects of adjustments on the Noncontrolling interests		(1,024)	(844)
Previous Noncontrolling interests		2,419	2,086
Total net income after adoption of the new practices		487,863	268,876

c) Statement of Cash Flow as of March 31, 2009 and 2010:

	1st Quarter 2010			
	Previous	Consolidation	Adjustments	New practices
Income including CSLL and IRPJ	612,873	5,402	141,369	759,644
Adjustments to income	258,194	9,236	29,683	297,113
Operating assets	(40,661)	866	(21,711)	(61,506)
Operating liabilities	(164,370)	(15,030)	(142,437)	(321,837)
Cash from operations	666,036	474	6,904	673,414
Acquisitions of property, plant and equipment	(274,269)	(367)	156,495	(118,141)
Additions of intangible assets	(23,576)	-	(151,812)	(175,388)
Other	20,575	16	(11,587)	9,004
Cash from investments	(277,270)	(351)	(6,904)	(284,525)
Cash from financing	(177,239)	(8,598)	-	(185,837)
Increase (decrease) in cash and cash equivalents	211,527	(8,475)	-	203,052
Opening cash and cash equivalents balance	1,473,175	14,068	-	1,487,243
Closing cash equivalents balance	1,684,702	5,593	-	1,690,295

	1st Quarter 2009			
	Previous	Consolidation	Adjustments	New practices
Income including CSLL and IRPJ	451,632	4,472	(26,462)	429,642
Adjustments to income	302,320	9,477	(638)	311,159
Operating assets	(173,755)	161	71,336	(102,258)
Operating liabilities	(287,416)	(6,538)	(49,629)	(343,583)
Cash from operations	292,781	7,572	(5,393)	294,960
Acquisitions of property, plant and equipment	(261,148)	(5,631)	90,436	(176,343)
Additions of intangible assets	(11,509)	(24)	(70,905)	(82,438)
Other	29,921	-	(14,138)	15,783
Cash from investments	(242,736)	(5,655)	5,393	(242,998)
Cash from financing	80,998	(5,358)	-	75,640
Increase (decrease) in cash and cash equivalents	131,043	(3,441)	-	127,602
Opening cash and cash equivalents balance	737,847	20,607	-	758,454
Closing cash equivalents balance	868,890	17,166	-	886,056

5.2 Reclassification of the amounts of the financial statements published previously:

Certain reclassifications were made in order to adjust presentation of the financial statements to the new accounting standard, with a view to facilitate understanding of the Company's operations. These reclassifications relate basically to (i) reclassification of balances of escrow deposits that were previously presented net of provisions for contingencies, (ii) transfer of the balance of tax credits or debits from current to non-current and consequent offset of the balances of assets and liabilities in compliance with the provisions of CPC 26 – Presentation of the financial statements and CPC 32 – Income taxes, and (iii) transfer of balances between accounts to open or group items that became or ceased relevant in presentation of the balance sheet, after adoption of new practices.

5.3 Nature of the adjustments on first application of the IFRS

5.3.1 Consolidation adjustments:

The concept of consolidation applied by the accounting practices applied previously differs from the concepts established by CPCs 36 and 19, which are based on the control criterion. According to CPC 36, control is the ability to preside over the financial and operational policies of the entity so as to obtain the rewards of its activities. CPC 19 establishes that joint control exists when the strategic and operating decisions in relation to the activity require a unanimous consensus of the parties sharing the control, thereby permitting proportionate consolidation of the subsidiary's financial statements.

Application of these concepts for the investments held by the Company resulted in a change in the consolidation criterion for the subsidiary CERAN, which is now fully consolidated. The adjustment recognized in this lines refers to the amounts of the difference between 100% and the interest held in the subsidiary, which were added line by line for consolidation purposes.

5.3.2 Reversal of regulatory assets and liabilities

To December 31, 2008, the electric energy concessionaires had regulatory asset balances referring to pre-payments made by the concessionaire in relation to the increase in the electric energy acquisition cost and expenditure on system charges, among others, which were received by tariff increase granted by the regulatory authority in the following years. They also had regulatory liability balances in relation to the decrease in these non-manageable costs to be returned to the consumers by a subsequent reduction in the tariff.

In accordance with the new practices (Note 3.13), these regulatory assets and liabilities cannot be recognized, as they do not meet the criteria for definition of assets and liabilities as established in the Framework for the Preparation and Presentation of Financial Statements.

The adjustment made refers to the reversal of the balances of regulatory assets and liabilities of the distribution subsidiaries. Note 32 shows a breakdown of these balances for the reporting dates presented.

5.3.3 ICPC 01 – Concession Agreements and adjustment for reconciliation of the intangible infrastructure asset

In accordance with the previous accounting practices, the whole concession infrastructure was accounted for as a fixed asset tied to the concession. ICPC 01 changes the method for recognizing the concessions if certain conditions are met, such as: (i) control over the activities to be provided, to whom the services are provided and at what price, and (ii) the reversal of the assets to the Granting Authority at the end of the concession.

These definitions having been met, the infrastructure of the distribution concessionaires has been segregated and rollforwarded since the construction date, complying with the provisions of the CPCs and IFRSs, so that the following was recognized in the financial statements (i) an intangible asset corresponding to the right to operate the concession by collecting from the users of the public utilities, and (ii) a financial asset corresponding to the unconditional contractual right to receive payment (compensation) by reversal of the assets at the end of the concession.

The financial concession asset was measured at fair value, based on the remuneration of the assets fixed by the regulatory body. The financial asset is classified as available-for-sale and is restated and amortized annually in accordance with the adjustment of its fair value, against the revaluation reserve in equity account.

The remaining amount was recognized in intangible assets and corresponds to the right to collect from consumers for the electricity energy distribution services, and amortized in accordance with the consumption pattern that reflects the estimated economic benefit to the end of the concession.

In accordance with ICPC01 and OCPC05, the distribution subsidiaries applied the concepts retroactively and reconstructed the infrastructure accounting base so that the costs used in formation of the intangible and financial asset are fully aligned with the provisions of the international accounting standards.

The adjustments to the lines of net income and services cost relate to recognition of the revenue from construction work of the distribution assets carried out by the concessionaires. For further details, see Note 3.1.

The following tables show the reclassifications and adjustments made in the distribution companies to comply with ICPC01, at January 1, 2009 and December 31, 2009.

January 1, 2009				
	Previous	Transfers between asset accounts	Adjustments to equity and income statement	New practices
Property, plant and equipment	3,308,975	(3,308,975)	-	-
Intangible assets	717,570	2,938,831	(11,912)	3,644,489
Financial assets	-	370,144	212,097	582,241

December 31, 2009				
	Previous	Transfers between asset accounts	Adjustments to equity and income statement	New practices
Property, plant and equipment	3,579,720	(3,579,720)	-	-
Intangible assets	741,307	3,105,894	(15,177)	3,832,024
Financial assets	-	473,826	200,204	674,030

5.3.4 Recognition of property, plant and equipment at deemed cost

As previously mentioned, the Company opted to apply the exemption foreseen in CPC 37 in respect of evaluation of property, plant and equipment, at the transition date, for the assets of the subsidiaries CPFL Sul Centrais and CPFL Geração, taking the fair value of the transition date as the deemed cost.

5.3.5 Public utilities

On signing their Concession Agreements, the subsidiary CERAN and the jointly-controlled ENERCAN, BAESA and Foz do Chapecó assumed obligations to the Federal Government in relation to the granting of the concession, as "Public Utilities". The liabilities are restated annually by the variation in the General Market Price Index – IGP-M.

To December 31, 2008, the subsidiaries recognized the granting expenses in profit or loss in accordance with their maturities. Under the new practices, the Public Utilities liabilities, discounted to present value in accordance with the fundraising rates of each venture, have been recognized on the date of signing the contract, against an intangible asset related to the right to exploit the concession.

5.3.6 Depreciation over the concession term

The concession agreements of the subsidiary CERAN and the jointly-owned subsidiaries ENERCAN, BAESA and Foz do Chapecó are ruled by Decree 2003, of 1996. In view of all the legal disputes and potential conflicts between (i) the wording of the Concessions Law, (ii) interpretations of the decree itself, and (iii) the way in which the concession agreements were drawn up, the Company conservatively made the adjustment to the related depreciation rates so that the property, plant and equipment related to the basic project would be depreciated over the useful life of the asset, provided it is restricted to the term of the concession.

5.3.7 Pension plan

- Employee benefit (pension plan)

As previously mentioned, the Company opted to recognize all accumulated actuarial gains and losses at January 1, 2009. The adjustment of R\$ 294,939 (R\$ 194,660 net of tax effects) corresponds to recognition of the accumulated actuarial loss at the transition date, in accordance with CPC 37, for all the defined benefit plans of the subsidiaries CPFL Paulista, CPFL Piratininga, CPFL Geração and RGE.

5.3.8 Other adjustments:

- Write-down of negative goodwill

In accordance with CPC 15 "Business Combinations", negative goodwill recognized in accordance with the previous accounting practices should be written down at the transition date for the international accounting practices.

An adjustment of R\$ 12,828 (R\$ 8,466 net of tax effects) was made in the Investment in relation to the write-down against retained earnings in the opening equity at the transition date.

- Guarantees provided

The accounting practices adopted in Brazil to December 31, 2008 contained no specific pronouncement in respect of the requirements for accounting for guarantees, and issuing of guarantees was therefore not recognized in the financial statements.

As a result of adoption of the pronouncements on recognition, measurement, presentation and disclosure of financial instruments (CPC 38, CPC 39 and CPC 40) from January 1, 2009, the Company now recognizes guarantees issued in excess of its participation in the joint ventures.

These guarantees are recognized initially at the fair value of the obligation on issue. The Company therefore recognized a liability in Other Payables corresponding to the fair value of the guarantee contracted on January 1, 2009 to a total amount of R\$ 63,692, which will be amortized by a credit in finance income as the guarantee risk is discharged.

The balancing items of R\$ 45,860 were recognized as Other assets. The amount corresponding to the Company's participation in each jointly-owned subsidiary and the amounts that will not be reimbursed by the other shareholders of the jointly-owned subsidiaries are recognized in profit or loss as finance expense to maturity. Any remaining amount is subject to reimbursement by the other shareholders of the jointly-owned subsidiaries. The net adjustment against retained earnings at January 1, 2009 was R\$ 17,832 (R\$11,769 net of tax effects).

- Dividend and Interest on shareholders' equity

The practices adopted previously determined that retained earnings should be distributed at the end of the year. A provision was recognized for the amount corresponding to appropriation of dividends as proposed by management even if it was subject to approval by the AGM.

In accordance with current accounting practices, as mentioned in Note 3.9, provisions are only recognized for amounts in excess of the minimum mandatory dividend after approval in an AGM, at which point they meet the obligation criteria determined by CPC 25. The adjustment stated reflects a reversal of the provision for an additional dividend to be paid in excess of the mandatory dividend not yet approved in a Meeting of Shareholders.

- Revaluation reserve

The adjustments in this group relate to (i) recognition of the value-added of the cost allocated to the property, plant and equipment of the generators and (ii) the balancing item of the restatement of the financial concession asset.

- Non-controlling interest

In accordance with the new accounting practices (CPC 26), since January 1, 2009, the Company has classified the participation of non-controlling shareholders as part of the consolidated results and of equity in the consolidated financial statements.

To December 31, 2008, this amount was stated in liabilities in the consolidated balance sheet and the adjustment in this line corresponded to reclassification of the liability to equity.

The amount previously stated in net income is now stated as net income attributable to the Company and the portion of the noncontrolling interests as net income attributable to noncontrolling interests.

(6) CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	March 31, 2010	December 31, 2009	March 31, 2010	December 31, 2009
Bank balances	1,235	5,029	39,737	313,104
Short-term financial investments	216,723	214,097	1,650,558	1,174,139
Total	217,958	219,126	1,690,295	1,487,243

Short-term financial investments are short-term transactions with institutions operating in the Brazilian financial market, with daily liquidity, low credit risk and average interest of 100% of the Interbank deposit rate (CDI).

(7) CONSUMERS, CONCESSIONAIRES AND LICENSEES

In the consolidated financial statements, the balance derives mainly from the supply of electric energy. The following table shows the breakdown at March 31, 2010 and December 31, 2009:

	Consolidated				
	Amounts	Past due		Total	
	coming due	until 90 dias	> 90 dias	March, 31, 2010	December 31, 2009
Current					
Consumer classes					
Residential	290,177	203,558	19,448	513,183	485,541
Industrial	126,870	83,220	37,780	247,870	264,798
Commercial	109,190	58,142	17,794	185,126	189,080
Rural	24,757	7,452	1,274	33,483	32,671
Public administration	51,701	6,307	889	58,897	60,943
Public lighting	32,903	2,666	16,365	51,934	60,557
Public utilities	28,366	4,992	271	33,629	35,380
Billed	663,964	366,337	93,821	1,124,122	1,128,970
Unbilled	476,447	-	-	476,447	388,162
Financing of Consumers' Debts	63,443	9,537	30,016	102,996	91,437
Free energy	3,594	-	-	3,594	3,506
CCEE transactions	13,095	-	-	13,095	14,722
Concessionaires and Licensees	163,035	-	-	163,035	184,891
Provision for doubtful accounts	-	-	(80,700)	(80,700)	(81,974)
Collection in process of classification	(26,971)	-	-	(26,971)	-
Other	19,231	165	1,797	21,193	23,144
Total	1,375,838	376,039	44,934	1,796,811	1,752,858
Non current					
Financing of Consumers' Debts	137,986	-	-	137,986	140,893
Free energy	23	-	-	23	38
CCEE transactions	41,301	-	-	41,301	41,301
Concessionaires and Licensees	31,991	-	-	31,991	42,655
Total	211,301	-	-	211,301	224,887

Allowance for doubtful accounts

	Consolidated
At December 31, 2009	(81,974)
Provision recognized	(21,349)
Recovery of revenue	9,576
Write-off of accounts receivable provisioned	13,047
At March 31, 2010	(80,700)

Collection agreements - Refers to agreements between the distributors and city halls and companies for collection through the electric energy bills. The credit balance of R\$ 26,971 at March 31, 2010 refers to amounts received where the accounts receivable were not written off due to the implementation of the new billing system – “CCS”.

(8) FINANCIAL INVESTMENTS

In 2005, through a Private Credit Agreement, the Company acquired the credit arising from the Purchase and Sale of Electric Energy Agreement between Companhia Energética de São Paulo (“CESP”) (seller) and CPFL Brasil (purchaser), referring to the supply of energy for a period of 8 years. The amounts handed over by the Company to CESP will be settled by CPFL Brasil using the funds derived from the acquisition of energy produced by that company.

As of March 31, 2010, the current assets balance of the parent company is R\$ 39,615 (R\$ 39,253 as of December 31, 2009), and the noncurrent assets balance is R\$ 57,338 (R\$ 62,179 as of December 31, 2009). The operation is subject to interest of 17.5% p.a., plus the annual variation of the IGP-M, and is amortized in monthly installments of amounts corresponding to the purchase of energy.

(9) RECOVERABLE TAXES

	Parent Company		Consolidated	
	March 31, 2010	December 31, 2009	March 31, 2010	December 31, 2009
Current				
Prepayments of social contribution - CSLL	-	-	336	8,189
Prepayments of income tax - IRPJ	-	42	545	19,549
Income tax and social contribution to be offset	42,983	3,023	82,239	15,424
Withholding tax - IRRF	1,737	9,367	25,441	42,959
IRRF on interest on equity	-	31,867	-	33,095
ICMS to be offset	-	-	41,247	48,271
Social integration program - PIS	-	-	4,026	4,545
Contribution for Social Security financing- COFINS	42	-	12,339	12,028
National Social Security Institute - INSS	1	-	1,144	1,115
Other	-	11	7,295	7,103
Total	44,763	44,310	174,612	192,278
Noncurrent				
Social contribution to be offset - CSLL	-	-	30,854	29,999
Income tax to be offset - IRPJ	-	-	1,001	1,001
Social integration program - PIS	2,787	2,787	2,787	2,787
ICMS to be offset	-	-	72,034	74,212
Other	-	-	5,828	5,236
Total	2,787	2,787	112,504	113,235

(10) DEFERRED TAXES**10.1- Composition of the tax credits:**

	Parent Company		Consolidated	
	March 31, 2010	December 31, 2009	March 31, 2010	December 31, 2009
<u>Social contribution credit</u>				
Tax loss carryforwards	42,048	42,048	50,240	52,174
Tax benefit of merged goodwill	-	-	186,485	191,184
Temporarily non-deductible differences	1,169	833	(15,766)	(3,941)
Subtotal	43,217	42,881	220,959	239,417
<u>Income tax credit</u>				
Tax losses	128,552	128,553	132,347	132,471
Tax benefit of merged goodwill	-	-	627,265	641,757
Temporarily non-deductible differences	5,746	4,765	(43,864)	(11,081)
Subtotal	134,298	133,318	715,748	763,147
<u>PIS and COFINS credit</u>				
Temporary non-deductible differences	-	-	(12,851)	2,231
Total	177,515	176,199	923,856	1,004,795
Total tax credit	177,515	176,199	1,203,285	1,286,805
Total tax debit	-	-	(279,429)	(282,010)

10.2 - Tax Benefit on Merged Goodwill:

	Consolidated			
	March 31, 2010		December 31, 2009	
	CSLL	IRPJ	CSLL	IRPJ
CPFL Paulista	101,447	281,798	103,736	288,152
CPFL Piratininga	22,724	77,973	23,207	79,630
RGE	43,563	179,903	44,378	183,269
CPFL Santa Cruz	5,342	17,756	5,862	18,435
CPFL Leste Paulista	3,301	9,133	3,451	9,586
CPFL Sul Paulista	4,813	13,299	5,020	13,943
CPFL Jaguari	2,896	8,013	3,027	8,411
CPFL Mococa	1,884	5,208	1,966	5,461
CPFL Geração	-	32,753	-	33,379
CPFL Serviços	515	1,429	537	1,491
Total	186,485	627,265	191,184	641,757

The tax benefit on merged goodwill refers to the tax credit calculated on the merged goodwill on acquisition and is recorded in accordance with CVM Instructions nº 319/99 and nº 349/01. The benefit is realized in proportion to amortization of the merged goodwill that gave rise to it, in accordance with the projected net income of the subsidiaries during the remaining term of the concession, as shown in Note 14.

10.3 – Accumulated balances on temporary nondeductible differences:

	Consolidated					
	March 31, 2010			December 31, 2009		
	CSLL	IRPJ	PIS/COFINS	CSLL	IRPJ	PIS/COFINS
Temporary non-deductible differences:						
Provision for contingencies	23,817	66,277		21,884	60,454	-
Private pension fund	3,823	11,619		4,097	12,377	-
Allowance for doubtful accounts	6,837	18,994		7,389	20,927	-
Free energy provision	3,351	3,460		2,410	6,694	-
Research and Development and Energy Efficiency Programs	16,759	28,472		16,736	46,477	-
Profit-sharing	2,683	26,277		1,986	6,267	-
Depreciation rate difference - Revaluation	9,679	26,886		9,898	27,494	-
Financial instruments (IFRS / CPC)	2,212	6,145		832	2,255	-
Recognition of the concession - adjustment of intangible assets (IFRS / CPC)	4,050	10,536		(4,025)	(11,183)	-
Reversal of regulatory assets and liabilities (IFRS / CPC)	(12,779)	(35,496)	878	1,561	4,337	1,607
Actuarial losses on the transition of accounting practices (IFRS/CPC)	25,939	72,053		26,042	72,340	-
Other adjustments changes in practices	(844)	(4,439)		13	36	473
Other	3,364	16,065	(13,729)	6,387	15,860	151
Temporarily non-deductible differences - comprehensive income:						
Recognition of the concession - financial adjustment (IFRS / CPC)	(19,451)	(54,030)		(18,019)	(50,051)	-
Property, plant and equipment - deemed cost adjustments (IFRS/CPC)	(85,206)	(236,683)		(81,132)	(225,365)	-
Total	(15,766)	(43,864)	(12,851)	(3,941)	(11,081)	2,231

10.4 - Reconciliation of the amounts of income tax and social contribution reported in the quarters ended March 31, 2010 and 2009:

	Parent Company			
	1st Quarter 10		1st Quarter 09	
	CSLL	IRPJ	CSLL	IRPJ
Income before taxes	481,611	481,611	264,211	264,211
Adjustments to reflect effective rate:				
- Equity in subsidiaries	(523,779)	(523,779)	(313,778)	(313,778)
- Amortization of intangible asset acquired	28,945	35,362	30,330	37,187
- Other permanent additions, net	420	468	452	482
Calculation base	(12,803)	(6,338)	(18,785)	(11,898)
Statutory rate	9%	25%	9%	25%
Tax debit result	1,152	1,585	1,691	2,975
- Tax credit allocated	(816)	(606)	(1,674)	(2,495)
Total	336	979	17	480
Deferred	336	979	17	480

	Consolidated			
	1st Quarter 10		1st Quarter 09	
	CSLL	IRPJ	CSLL	IRPJ
Income before taxes	759,644	759,644	429,642	429,642
Adjustments to reflect effective rate:				
- Amortization of intangible asset acquired	28,945	35,765	30,330	37,586
- Realization CMC	3,190		3,542	-
- Effect of presumed profit system	(6,890)	(7,979)	(9,274)	(10,916)
- Other permanent additions/(eliminations), net	1,922	(2,994)	3,623	4,170
Calculation base	786,811	784,436	457,863	460,482
Statutory rate	9%	25%	9%	25%
Tax credit result	(70,813)	(196,109)	(41,208)	(115,121)
- Tax credit allocated	(1,729)	(3,130)	(1,808)	(2,629)
Total	(72,542)	(199,239)	(43,016)	(117,750)
Current	(56,056)	(156,446)	(37,239)	(100,645)
Deferred	(16,486)	(42,793)	(5,777)	(17,105)

(11) FINANCIAL ASSET OF CONCESSION

	Consolidated
At December 31, 2009	674,029
Additions	12,222
Marked to market	19,352
Disposal	(30)
At March 31, 2010	705,573

The balance refers to the fair value of the financial asset in relation to the right established in the concession agreements of the energy distributors to receive payment on reversal of the assets at the end of the concession.

Under the current tariff model, interest on the asset is recognized in profit or loss on billing of the consumers and realized on receipt of the electric energy bills. The difference in relation to the adjustment to market value is recognized against the revaluation reserve in equity.

(12) OTHER CREDITS

	Consolidated			
	Current		Noncurrent	
	March 31, 2010	December 31, 2009	March 31, 2010	December 31, 2009
Receivables from CESP	-	8,923	-	-
Receivables from BAESA's shareholders	15,777	15,503	11,832	15,503
Advances - Fundação CESP	6,344	6,299	-	-
Advances to suppliers	9,648	6,134	-	-
Pledges, funds and tied deposits	2,868	1,804	55,754	99,762
Fund tied to foreign currency loans	-	-	19,621	19,148
Orders in progress	10,261	4,484	-	-
Services rendered to third parties	46,931	48,845	-	-
Reimbursement RGR	4,817	5,504	1,611	1,611
Advance energy purchase agreements	15,111	13,989	62,698	61,847
Prepaid expenses	34,932	14,351	5,713	6,573
Other	40,205	30,724	82,344	32,585
Total	186,894	156,560	239,573	237,029

(13) INVESTMENTS

	Parent Company	
	March 31, 2010	December 31, 2009
Permanent equity interests - equity method		
By equity method of the subsidiary	5,030,167	4,493,465
Value-added of assets, net	1,473,402	1,508,764
Goodwill	4,048	4,048
Total	6,507,617	6,006,277

13.1 - Permanent Equity Interests – equity method:

The main information on the investments in direct permanent equity interests is as follows:

Investment	Number of shares held (thousands)	Interest - %	March 31, 2010			March 31, 2010	December 31, 2009	1st Quarter 10	1st Quarter 09
			Capital	Shareholders' Equity	Profit or loss for the year	Shareholders Equity Interest	Equity in Subsidiaries		
CPFL Paulista	72,650	100%	72,650	930,994	236,657	930,994	689,479	236,657	74,661
CPFL Piratininga	53,031,259	100%	62,735	379,201	98,874	379,201	278,139	98,874	58,210
RGE	807,168	100%	851,861	1,202,632	53,452	1,202,632	1,147,092	53,452	57,518
CPFL Santa Cruz	371,772	99.99%	45,330	117,888	6,303	117,878	110,228	6,302	5,953
CPFL Leste Paulista	895,373	95.92%	12,217	70,906	3,273	68,923	64,713	3,138	2,227
CPFL Jaguarí	211,844	87.27%	5,716	46,289	2,874	42,817	39,802	2,508	2,119
CPFL Sul Paulista	445,317	86.73%	10,000	61,613	3,749	57,062	53,208	3,256	2,783
CPFL Mococa	116,989	86.73%	9,850	39,320	2,012	35,584	33,566	1,746	1,617
CPFL Geração	205,487,716	100%	1,039,618	1,966,578	52,683	1,966,578	1,913,900	52,683	60,414
CPFL Brasil	2,999	100%	2,999	176,630	62,515	176,630	114,116	62,515	46,618
CPFL Atende (*)	1	100%	-	(1,286)	(27)	(1,286)	(1,259)	(27)	(386)
CPFL Planalto (*)	630	100%	-	7,360	2,578	7,360	4,782	2,578	1,752
CPFL Serviços	1,443,141	87.82%	-	989	(1,335)	1,177	2,351	(1,173)	(786)
CPFL Jaguariuna	189,620	100%	-	2,122	(58)	2,122	2,180	(58)	(231)
CPFL Jaguari Geração	40,072	87.34%	40,108	48,654	1,521	42,495	41,168	1,328	1,309
Total						5,030,167	4,493,465	523,779	313,778

(*) Number of quotes

The capital and shareholders' equity of the subsidiary Chumpitaz is R\$ 100.00 (one hundred reais)

13.2 – Interest on Shareholders' Equity and Dividends Receivable:

In the first quarter of 2010, the Company received R\$ 7,000 in relation to interim dividends declared in 2009.

13.3 – Added value on assets and goodwill

Added value on assets refers mainly to the right to exploit the concession acquired through business combinations. The goodwill relates mainly to the acquisition of investments, based on projections of future income.

The amounts have been reclassified to intangible assets in the consolidated financial statements.

(14) PROPERTY, PLANT AND EQUIPMENT

	Consolidated		
	March 31, 2010		December 31, 2009
	Historic cost	Accumulated depreciation	Net Value
In Service			
- Generation	4,459,145	(621,947)	3,837,198
- Commercialization	19,352	(6,778)	12,574
- Administration	1,890	(949)	941
	4,480,387	(629,674)	3,850,713
In Progress			
- Generation	1,438,862	-	1,438,862
- Commercialization	13,433	-	13,433
- Administration	1,617	-	1,617
	1,453,912	-	1,453,912
Total			5,304,625
			5,213,039

As mentioned in item 3.4, assets not acquired recently were measured at deemed cost at the transition date, while the assets of recently-built plants are recognized at cost, which in Management's opinion, approximates market value. Property, plant and equipment were valued to their market values based on an appraisal carried out by an independent engineering company specializing in equity valuation. Added value of R\$ 1,002,991 was determined at January 1, 2009 and recognized in the revaluation reserve in equity.

There were no changes on depreciation rates for the period presented.

Construction in progress - the consolidated balance mainly refers to work in progress of the operating subsidiaries and/or those under development, particularly the EPASA and Foz do Chapecó generation projects, with total property, plant and equipment of R\$ 2,215,865 e R\$ 382,034, respectively, (R\$ 1,130,091 and R\$ 194,837 in proportion to the participation of the subsidiary CPFL Geração). The greatest additions to property, plant and equipment in progress refer to construction of the EPASA and Foz do Chapecó plants, which contributed to increases of R\$83,629 and R\$ 10,946, respectively. Write-offs during the quarter were not significant.

In conformity with CPC 20, the interest on the loans taken out by the projects to finance the construction is capitalized during the construction phase. For further details of construction assets and fund raising costs, see notes 1, 16 and 17.

(15) INTANGIBLE ASSETS

	Consolidated		
	March 31, 2010		December 31, 2009
	Historic cost	Accumulated amortization	Net value
Goodwill	4,048	-	4,048
Intangible assets - Concession rights:			
Acquired in business combinations	3,693,398	(1,555,125)	2,138,273
Distribution infrastructure - operational	7,558,321	(4,669,627)	2,888,694
Distribution infrastructure - in progress	589,687	-	589,687
Public utility	399,838	(4,596)	395,242
Other intangible assets	131,907	(41,512)	90,395
Total intangible assets	12,377,199	(6,270,860)	6,106,339
Historic cost			12,377,199
Accumulated amortization			(6,270,860)
			6,106,339

The main additions during this quarter refer to construction of distribution infrastructure. Distribution infrastructure in progress increased R\$ 172,910. However, transfers of R\$ 88,778 to the distribution infrastructure in service account and R\$ 12,222 to concession financial assets contributed towards reducing the open balance as at March 31, 2010. The other changes basically refer to amounts for amortization for the quarter, which continues to be consistent with the practices described in Note 3.

(16) INTEREST ON DEBTS, LOANS AND FINANCING

	Consolidated						
	March 31, 2010				December 31, 2009		
	Interest - Current and Noncurrent	Principal		Total	Interest - Current and Noncurrent	Principal	
		Current	Noncurrent			Current	Noncurrent
At cost							
LOCAL CURRENCY							
BNDES - Power Increases	76	6,814	11,959	18,849	86	7,321	13,538
BNDES - Investment	11,504	344,040	2,532,064	2,887,608	11,204	362,902	2,476,242
BNDES - Other	280	5,138	51,218	56,636	49	661	5,628
Furnas Centrais Elétricas S.A.	-	15,769	-	15,769	379	46,028	-
Financial Institutions	9,052	284,089	62,822	355,963	10,408	194,766	164,054
Other	558	22,406	29,056	52,020	554	22,174	30,693
Subtotal	21,470	678,256	2,687,119	3,386,845	22,680	633,852	2,690,155
FOREIGN CURRENCY							
IDB	271	3,814	51,571	55,656	260	3,652	51,379
Financial Institutions	1,215	4,009	47,566	52,790	541	3,920	46,503
Subtotal	1,486	7,823	99,137	108,446	801	7,572	97,882
Total at cost	22,956	686,079	2,786,256	3,495,291	23,481	641,424	2,788,037
At Fair Value							
FOREIGN CURRENCY							
Financial Institutions	77,229	653,835	388,925	1,119,989	66,608	87,490	941,005
Total	77,229	653,835	388,925	1,119,989	66,608	87,490	941,005
Total	100,185	1,339,914	3,175,181	4,615,280	90,089	728,914	3,729,042

At cost	Consolidated		Remuneration	Amortization	Collateral
	March 31, 2010	December 31, 2009			
Local currency					
BNDES - Power Increases					
CPFL Geração	18,793	20,847	TJLP + 3.1% to 4.3% p.a.	36 to 84 monthly installments from February 2003 to December 2008	Guarantee of CPFL Paulista and CPFL Energia
CPFL Geração	56	98	UMBND + 4.0% p.a.	72 monthly installments from September 2004	Guarantee of CPFL Paulista and CPFL Energia
BNDES - Investment					
CPFL Paulista - FINEM II	47,741	63,655	TJLP + 5.4% p.a.	48 monthly installments from January 2007	Guarantee of CPFL Energia and receivables
CPFL Paulista - FINEM III	100,888	107,614	TJLP + 3.3% p.a.	72 monthly installments from January 2008	Guarantee of CPFL Energia and receivables
CPFL Paulista - FINEM IV	234,312	237,325	TJLP + 3.28% to 3.4% p.a.	60 monthly installments from January 2010	Guarantee of CPFL Energia and receivables
CPFL Piratininga - FINEM I	17,777	23,702	TJLP + 5.4%p.a.	48 monthly installments from January 2007	Guarantee of CPFL Energia and receivables
CPFL Piratininga - FINEM II	59,931	63,927	TJLP + 3.3%p.a.	72 monthly installments from January 2008	Guarantee of CPFL Energia and receivables
CPFL Piratininga - FINEM III	99,741	104,990	TJLP + 3.28% to 3.4% p.a.	60 monthly installments from January 2010	Guarantee of CPFL Energia and receivables
RGE - FINEM III	61,678	67,285	TJLP + 5.0% p.a.	60 monthly installments from January 2008	Receivables / Reserve account
RGE - FINEM IV	164,753	173,424	TJLP + 3.28 to 3.40% p.a.	60 monthly installments from January 2010	receivables / Fiança da CPFL Energia
CPFL Santa Cruz	9,320	2,255	TJLP + 2.00% to 2.90% p.a.	54 monthly installments from December 2010	Guarantee of CPFL Energia
CPFL Mococa	3,018	3,018	TJLP + 2.9% p.a.	54 monthly installments from January 2011	Guarantee of CPFL Energia and receivables
CPFL Jaguari	2,497	2,498	TJLP + 2.9% p.a.	54 monthly installments from December 2010	Guarantee of CPFL Energia and receivables
CPFL Leste Paulista	2,022	2,024	TJLP + 2.9% p.a.	54 monthly installments from June 2011	Guarantee of CPFL Energia and receivables
CPFL Sul Paulista	3,347	3,350	TJLP + 2.9% p.a.	54 monthly installments from June 2011	Guarantee of CPFL Energia and receivables
BAESA	132,120	136,045	TJLP + 3.125% to 4.125%p.a.	144 monthly installments from September 2006	Pledge of shares, credit rights and revenue
BAESA	27,882	28,058	UMBND + 3.125% p.a. (1)	144 monthly installments from November 2006	Pledge of shares, credit rights and revenue
ENERCAN	298,901	307,203	TJLP + 4% p.a.	144 monthly installments from April 2007	Letters of Credit
ENERCAN	18,459	18,557	UMBND + 4% p.a.	144 monthly installments from April 2007	Letters of Credit
CERAN	408,765	417,440	TJLP + 5% p.a.	168 monthly installments from December 2005	Guarantee of CPFL Energia
CERAN	61,566	60,981	UMBND + 5% p.a. (1)	168 monthly installments from February 2006	Guarantee of CPFL Energia
CERAN	185,643	189,283	TJLP + 3.69% p.a. (Average of percentage)	168 monthly installments from November 2008	Guarantee of CPFL Energia
Foz do Chapecó	901,115	792,209	TJLP + 2.49% to 2.95% p.a.	192 monthly installments from October 2011	Pledge of Shares, credit rights and those arising from the Concession, blocked income and guarantee of CPFL Energia
CPFL Bioenergia - FINEM	15,540	15,248	TJLP + 1.9% p.a.	144 monthly installments from June 2011	Trust property, credit rights and guarantee of CPFL Energia
CPFL Bioenergia - FINAME	30,593	30,257	4.5% p.a.	102 monthly installments from June 2011	Trust property, credit rights and guarantee of CPFL Energia
BNDES - Other					
CPFL Brasil - Purchase of assets	6,344	6,338	TJLP + from 1.94% to 2.84% p.a.	36 monthly installments from May 2009	Linked to the asset acquired
CPFL Piratininga - Working capital	50,292	-	TJLP + 5.0%	24 monthly installments from February 2011	No guarantee
Furnas Centrais Elétricas S.A.					
CPFL Geração	15,769	46,407	IGP-M + 10% p.a. (2)	24 monthly installments from June 2008	Energy produced by plant
Financial Institution					
CPFL Paulista Banco do Brasil - Law 8727	38,410	39,314	IGP-M + 7.42% p.a.	240 monthly installments from May 1994	Receivables
CPFL Piratininga Banco Alfa	50,000	50,017	105.1% of CDI	1 installment in April 2010	No guarantee
CPFL Santa Cruz HSBC	41,681	40,747	CDI + 1.10% p.a.	1 installment in June 2011	Guarantee of CPFL Energia
Banco Itaú BBA	100,557	102,750	106.0% of CDI	1 installment in March 2011	Guarantee of CPFL Energia

Banco Alfa	99,485	99,485	105.1% of CDI	1 installment in April 2010	Guarantee of CPFL Energia
CERAN					
Banco Bradesco	25,829	36,915	CDI + 2%	24 monthly installments from November 2008	No guarantee
Other					
Eletrobrás					
CPFL Paulista	7,554	8,648	RGR + 6.0% to 9.0% p.a.	Monthly installments until July 2016	Receivables and Notas Promissórias
CPFL Piratininga	1,292	1,415	RGR + 6% p.a.	Monthly installments until July 2016	Receivables and Notas Promissórias
RGE	11,921	12,095	RGR + 6% p.a.	Monthly installments until June 2020	Receivables and Notas Promissórias
CPFL Santa Cruz	4,482	4,660	RGR + 6% p.a.	Monthly installments until April 2018	Receivables and Notas Promissórias
CPFL Leste Paulista		1,011	RGR + 6% p.a.	Monthly installments until February 2022	Receivables and Notas Promissórias
	1,190				
CPFL Sul Paulista	1,730	1,779	RGR + 6% p.a.	Monthly installments until July 2018	Receivables and Notas Promissórias
CPFL Jaguari	30	31	RGR + 6% p.a.	Monthly installments until May 2017	Receivables and Notas Promissórias
		285			
CPFL Mococa	430		RGR + 6% p.a.	Monthly installments until February 2022	Receivables and Notas Promissórias
Other	23,391	23,497			
Local Currency - At cost	3,386,845	3,346,687			
Foreign currency					
BID - Enercan	55,656	55,291	US\$ + Libor + 3.5% p.a.	49 quarterly installments from June 2007	Guarantee of CPFL Energia
Financial Institutions					
CPFL Paulista (5)					
Debt Conversion		5,207	US\$ + Libor	17 semiannual installments from April 2004	Revenue/Government SP guaranteed
Bond	5,363	8,462	6 months + 0.875% p.a.	21 semiannual installments from April 2004	Revenue/Government SP guaranteed
C-Bond	8,830		US\$ + 8% p.a.		
		15,264	US\$ + Libor	1 installment in April 2024	Escrow deposits and revenue/ Gov.SP guarantee
Discount Bond	15,717		6 months+ 0.8125% p.a.		
PAR-Bond	22,880	22,031	US\$ + 6%	1 installment in April 2024	Escrow deposits and revenue/ Gov.SP guarantee
Foreign currency - At cost	108,446	106,255			
Total at cost	3,495,291	3,452,942			
Foreign currency					
At fair Value					
Financial institution					
CPFL Paulista					
Banco do Brasil	103,996	101,233	Yen + 5.7778% p.a. (3)	1 installment in January 2011	No guarantee
Banco ABN AMRO		385,969	Yen +1.49% p.a.(4)	1 installment in January 2012	No guarantee
Real	392,651				
CPFL Geração					
Banco do Brasil	104,141	101,332	Yen + 5.8% p.a. (5)	1 installment in April 2010	Guarantee of CPFL Energia
Banco do Brasil	519,201	506,569	Yen + 2.5% to 5.8% p.a. (6)	1 installment in January 2011	Guarantee of CPFL Energia
Total Foreign Currency - Fair value	1,119,989	1,095,103			
Total Consolidated	4,615,280	4,548,045			

The Company and its subsidiaries hold swaps converting the local cost of currency variation to interest tax variation in reais, corresponding to

(1) 169% of CDI (3) 104.5% of CDI (5) 104.2% of CDI

(2) 106.5% to 107.0% of CDI (4) 104.98% of CDI (6) 104.5% of CDI

(7) As certain assets are dollar indexed, a partial swap of R\$ 32.049 was contracted, converting the currency variation to 113% and 113.7 % of the CDI.

In conformity with CPCs 38 and 39 (Financial Instruments), the Company and its subsidiaries classified their debts, as (i) financial liabilities not measured at fair value (or measured at cost), and (ii) financial liabilities measured at fair value through profit or loss.

The objective of classification of financial liabilities measured at fair value is to compare the effects of recognition of income and expense derived from marking hedge derivatives to market, tied to the debts, in order to obtain more relevant and consistent accounting information.

The following figure provides additional information as to the cost value of the debts and the comparison with the respective fair values:

Foreign currency	March 31, 2010				
	Value at cost				Fair value (accounting balance)
	Interest - Current and noncurrent	Principal		Total	
		Current	Noncurrent		
At fair value					
CPFL Paulista					
Banco do Brasil	11,233	93,196	-	104,429	103,996
Banco ABN AMRO Real	3,726	-	391,420	395,146	392,651
CPFL Geração					
Banco do Brasil	62,270	562,688	-	624,958	623,342
Subtotal Foreign currency - Consolidated	77,229	655,884	391,420	1,124,533	1,119,989

The changes in the fair values of these debts are recognized in the financial income (expense) of the Company and its subsidiaries. The gains of R\$ 4,544 obtained by marking the debts to market are offset by the effects of R\$ 10,725 obtained by marking to market the derivative financial instruments contracted as a hedge against exchange variations (Note 31), resulting in a net accumulated loss of R\$ 6,181.

Main fund-raising in the period:

Brazilian currency

BNDES –FINEM IV Investment (CPFL Paulista) - The subsidiary obtained a financing of R\$ 345,990 from the BNDES in 2008, part of a FINEM credit line, to be invested in the expansion and modernization of the Electricity System. The amount of R\$ 8,837 was received in the quarter and the remaining estimated balance of R\$ 101,025 is scheduled for release by the end of the second quarter of 2010.

BNDES – Working Capital (CPFL Piratininga) – The subsidiary obtained a BNDES financing of R\$ 50,000 in 2010, part of a BNDES pass-through credit line from Banco Bradesco, to reinforce its cash position. The interest will be capitalized monthly during the grace period, which runs until January 15, 2011, and the principal and interest will be amortized in 24 installments from February 15, 2011. There are no restrictive conditions.

BNDES – Investimento (Foz do Chapecó) – in 2007, the subsidiary obtained a BNDES financing of R\$ 1,633,155 (R\$ 832,909 in proportion to the participation of the subsidiary CPFL Geração), for investment in the construction on the Foz do Chapecó Hydropower Plant. The subsidiary received the amount of R\$ 180,927 in the quarter, (R\$ 92,273 in proportion to the participation of CPFL Geração), and the estimated remaining balance of R\$ 70,000 (R\$ 35,700 in proportion to the participation of CPFL Geração) is scheduled for release by the first semester of 2010. The interest and principal will be paid monthly from October 2011.

BNDES – Investment (Santa Cruz) – The Company obtained approval for financing of R\$ 20,985 by Unibanco in 2008, part of a credit line to be used to acquire equipment and expansion and to upgrade the Electricity System. The Company received R\$ 7,063 in the first quarter of 2010 and the estimated balance of R\$ 11,692 is scheduled for release by the end of 2010. The interest is paid quarterly during the grace period, after which it will be amortized on a monthly basis, in until 54 installments, together with the principal.

RESTRICTIVE COVENANTS

The loan and financing agreements are subject to certain restrictive covenants, containing clauses that, among other conditions, require the subsidiaries to maintain certain financial ratios within predefined parameters. Details of these restrictive covenants are presented in the financial statements as of December 31, 2009.

The Management of the Company and its subsidiaries monitor these indices systematically and constantly to ensure that the contractual conditions are complied with. In the opinion of Management of the Company and its subsidiaries, all restrictive covenants and clauses are being adequately complied with.

(17) DEBENTURES

	Issued	Remuneration	Effective rate	Amortization Conditions	Collateral	Consolidated							
						March 31, 2010				December 31, 2009			
						Interest	Current	Noncurrent	Total	Interest	Current	Noncurrent	Total
Parent Company													
3rd Issue													
Single series	45,000	CDI + 0.45% p.a. (1)	CDI + 0.53% p.a.	3 annual installments from September 2012	Unsecured	3,122	-	450,000	453,122	12,788	-	450,000	462,788
CPFL Paulista													
3rd Issue													
1st series	64,000	104.4% of CDI p.a.	104.4% CDI + 0.05% p.a.	3 annual installments from December 2011	CPFL Energia guarantee	18,224	-	640,000	658,224	4,618	-	640,000	644,618
4th Issue													
Single series	175,000	110.3% of CDI p.a.	110.3% CDI + 0.79% p.a.	2 annual installments from July 2010	CPFL Energia guarantee	3,840	64,301	109,774	177,915	8,285	64,303	109,601	182,189
						22,064	64,301	749,774	836,139	12,903	64,303	749,601	826,807
CPFL Piratininga													
1st Issue													
1st series	40,000	104.0% of CDI p.a.	104.0% CDI + 0.16% p.a.	2 annual installments from January 2010	CPFL Energia guarantee	4,136	200,000	-	204,136	17,690	200,000	200,000	417,690
2nd Issue													
Single series	1	106.45% of CDI p.a.	106.45% CDI + 0.3% p.a.	May 2, 2011	Unsecured	4,389	-	100,000	104,389	2,189	-	100,000	102,189
						8,525	200,000	100,000	308,525	19,879	200,000	300,000	519,879
RGE													
2nd Issue													
1st series	2,620	IGP-M + 9.6% p.a.	IGP-M + 9.73% p.a.	April 1st, 2011	Unsecured	2,474	555	26,200	29,229	1,630	-	26,200	27,830
2nd series	20,380	106.0% of CDI p.a.	106.0% CDI + 0.12% p.a.	April 1st, 2011	Unsecured	-	-	-	-	-	-	-	-
3rd Issue													
1st series	1	CDI + 0.60% p.a. (2)	CDI + 0.71% p.a.	3 annual installments from December 2011	CPFL Energia guarantee	2,926	-	100,000	102,926	741	-	100,000	100,741
2nd series	1	CDI + 0.60% p.a. (3)	CDI + 0.71% p.a.	3 annual installments from December 2011	CPFL Energia guarantee	2,986	-	140,000	142,986	6,437	-	140,000	146,437
3rd series	1	CDI + 0.60% p.a. (4)	CDI + 0.71% p.a.	3 annual installments from December 2011	CPFL Energia guarantee	567	-	40,000	40,567	1,491	-	40,000	41,491
4th series	1	CDI + 0.60% p.a. (5)	CDI + 0.84% p.a.	3 annual installments from December 2011	CPFL Energia guarantee	2,211	-	50,000	52,211	1,103	-	50,000	51,103
5th series	1	CDI + 0.60% p.a. (5)	CDI + 0.84% p.a.	3 annual installments from December 2011	CPFL Energia guarantee	2,211	-	50,000	52,211	1,103	-	50,000	51,103
4th Issue													
Single series	185,000	110.30% of CDI p.a.	110.3% CDI + 0.82% p.a.	July 1st, 2011	Unsecured	4,060	-	183,990	188,050	8,758	-	183,804	192,562
						17,435	555	590,190	608,180	21,263	-	590,004	611,267
CPFL Leste Paulista													
1st Issue													
Single series	2,400	111.90% of CDI p.a.	111.9% CDI + 0.65%	July 1st, 2011	CPFL Energia	534	-	23,911	24,445	1,153	-	23,894	25,047

				p.a.	guarantee								
CPFL Sul Paulista 1st Issue													
Single series	1,600	111.00% of CDI p.a.	111% CDI + 0.6% p.a.	July 1st, 2011	CPFL Energia guarantee	353	-	15,946	16,299	762	-	15,936	16,698
CPFL Jaguari 1st Issue													
Single series	1,000	111.90% of CDI p.a.	111.9% CDI + 0.79% p.a.	July 1st, 2011	CPFL Energia guarantee	223	-	9,956	10,179	480	-	9,948	10,428
CPFL Brasil 1st Issue													
Single series	16,500	111% of CDI p.a.	111% CDI + 0.57% p.a.	July 1st, 2011	CPFL Energia guarantee	3,644	-	164,336	167,980	7,862	-	164,221	172,083
CPFL Geração 2nd Issue													
Single series	425,250	109.8% of CDI	109.8% CDI+ 0.58% p.a.	July 1st, 2011	CPFL Energia guarantee	9,289	-	423,600	432,889	20,039	-	423,295	443,334
EPASA 1st Issue													
Single series	450	112.6% of CDI p.a.	116.9% of CDI p.a.	December 1st, 2010	CPFL Energia guarantee	8,812	228,726	-	237,538	3,504	228,473	-	231,977
BAESA													
1st series	9,000	CDI + 0.3% p.a.	CDI + 0.43% p.a.	Quarterly with settlement in August 2016	Letters of Guarantee	289	3,164	17,403	20,856	308	3,164	18,195	21,667
2nd series	9,000	CDI + 0.4% p.a.	106% CDI + 0.12% p.a.	Annually with settlement in August 2016	Letters of Guarantee	548	3,085	6,082	9,715	343	3,085	6,075	9,503
						837	6,249	23,485	30,571	651	6,249	24,270	31,170
						74,838	499,831	2,551,198	3,125,867	101,284	499,025	2,751,169	3,351,478

The Company and its subsidiaries hold swap converting the local cost of currency variation to interest tax variation in reais, corresponding to

(1) 104.4% of CDI	(3) 104.85% of CDI	(5) 104.87% of CDI
(2) 105.07% of CDI	(4) 104.9% of CDI	

The interest on the debentures of subsidiaries will be paid half yearly, except for: (i) the 1st series of the indirect subsidiary BAESA, which will be paid quarterly; (ii) the 1st issue of the subsidiary CPFL Piratininga and 1st series of 2nd issue of the subsidiary RGE, which will be paid annually.

RESTRICTIVE COVENANTS

The debentures are subject to certain restrictive covenants and include clauses that require the Company and its subsidiaries to maintain certain financial ratios within pre-established parameters. The details of these restrictive covenants are set forth in the December 31, 2009 financial statements.

The Management of the Company and its subsidiaries monitor these ratios systematically and constantly to ensure that the conditions are complied with.

In the opinion of the managements of the subsidiaries, these restrictive conditions and clauses are being adequately complied with.

(18) SUPPLIERS

	Consolidated	
	March 31, 2010	December 31, 2009
Current		
System Service Charges	47,851	34,556
Energy Purchased	637,052	658,068
Electricity Network Usage Charges	133,676	121,801
Materials and Services	107,791	143,180
Free energy	66,077	61,341
Other	2,948	2,506
Total	995,395	1,021,452
Noncurrent		
Electricity Network Usage Charges	31,992	42,655
Total	31,992	42,655

(19) TAXES AND CONTRIBUTIONS PAYABLE

	Consolidated			
	Current		Noncurrent	
	March 31, 2010	December 31, 2009	March 31, 2010	December 31, 2009
ICMS (State VAT)	333,334	315,906	-	-
PIS (Tax on Revenue)	12,637	11,762	-	-
COFINS (Tax on Revenue)	59,005	54,978	1,476	1,639
IRPJ (Corporate Income Tax)	77,400	69,480	-	-
CSLL (Social Contribution Tax)	23,912	18,583	-	-
Other	28,217	27,901	-	-
Total	534,505	498,610	1,476	1,639

(20) EMPLOYEE PENSION PLANS

The subsidiaries CPFL Paulista, CPFL Piratininga and CPFL Geração, through Fundação CESP, the subsidiary RGE, through Fundação CEEE de Seguridade Social - ELETROCEEE, the subsidiary CPFL Santa Cruz through BB Previdência – Fundo de Pensão Banco do Brasil and the subsidiary CPFL Jaguariúna through IHPREV Fundo de Pensão, sponsor supplementary retirement and pension plans for their employees. The main characteristics of these plans are as follows:

I – CPFL Paulista

The plans currently in effect for the employees of the subsidiary CPFL Paulista are a “Proportional Paid-Up Supplementary Benefit Plan” and a “Mixed Benefit Plan”.

On modification of the Pension Plan in October 1997, the subsidiary recognized an obligation to pay in respect of the plan deficit determined at the time by the external actuaries of Fundação CESP. This deficit will be liquidated in 240 monthly installments and 20 annual installments, maturing in October 2017, plus interest of 6% p.a. and restatement based on the IGP-DI (FGV). Through the addendum to the agreement with Fundação CESP dated January 17, 2008, the payment terms were changed to 238 monthly payments and 19 annual installments, in relation to the base date of December 31, 2007, with final maturity on October 31, 2027. The balance of the liability as of March 31, 2010 is R\$ 510,858 (R\$ 508,706 as of December 31, 2009). The contract amount differs from the accounting recording of the subsidiary, which is in conformity with CPC 33.

Managers may opt for a Free Benefit Generator Plan – PGBL (Defined Contribution), operated by either Banco do Brasil or Bradesco.

II – CPFL Piratininga

A Proportional Supplementary Defined Benefit (“BSPS”) and a Mixed Benefit Plan are currently in effect for CPFL Piratininga’s employees.

In September 1997, through a contractual instrument of adjustment of reserves to be amortized, Eletropaulo Metropolitana Eletricidade São Paulo S.A. (the predecessor of Bandeirante) recognized an obligation to pay in respect of the plan deficit determined at the time by the external actuaries of Fundação CESP, to be liquidated in 240 monthly installments and 20 annual installments, maturing in October 2017, plus interest of 6% p.a. and restatement based on the IGP-DI (FGV). Under the Contractual Amendment, signed with Fundação CESP on January 17, 2008, the payment terms were amended to 221 monthly payments and 18 annual installments, in relation to the base date of December 31, 2007, with final maturity on May 31, 2026. The balance of the liability as of March 31, 2010 is R\$ 151,034 (R\$ 150,444 as of December 31, 2009). The contract amount differs from the accounting entries made by the subsidiary, which are in conformity with CVM Decision no 371/00.

Managers may opt for a Free Benefit Generator Plan – PGBL (Defined Contribution), operated by either Banco do Brasil or Bradesco.

III – RGE

In the case of employees whose work contracts were transferred from CEEE to RGE, the plan is a defined benefit type plan, with a benefit level equal to 100% of the adjusted average of the most recent salaries, including the presumed Social Security benefit, with a Segregated Net Asset administered by ELETROCEEE.

For employees admitted as from 1997, a defined contribution Benefit Generating Plan (PGBL – defined contribution) private pension plan was set up with Bradesco Vida e Previdência in January 2006. This plan does not generate any actuarial responsibility for the company.

IV – CPFL Santa Cruz

The benefits plan of the subsidiary CPFL Santa Cruz, administered by BB Previdência - Fundo de Pensão do Banco do Brasil, is a defined contribution plan.

V – CPFL Geração

The plans currently in force for the employees of subsidiary CPFL Geração are a Proportional Supplementary Defined Benefit (“BSPS”) and a Mixed Benefit Plan, along the same lines as the CPFL Paulista plan.

With the modification of the Retirement Plan, at that point maintained by CPFL Paulista, in October 1997, a liability was recognized as payable by the subsidiary CPFL Geração, relating to the plan deficit calculated by the external actuaries of Fundação CESP, which is being amortized on a 240 monthly installments and 20 annual installments, maturing in October 2017, plus interest of 6% p.a. and restatement according to the IGP-DI (FGV). Under the Contractual Amendment, signed with Fundação CESP on January 17, 2008, the payment terms were amended to 238 monthly installments and 19 annual installments, in relation to the base date of December 31, 2007, with final maturity on October 31, 2027. The balance of the obligation, as of March 31, 2010, is R\$ 10,278 (R\$ 10,236 as of December 31, 2009). The contract amount differs from the accounting recording of the subsidiary, which is in conformity with CPC 33.

Managers may opt for a Free Benefit Generator Plan – PGBL (Defined Contribution), operated by either Banco do Brasil or Bradesco.

VI – CPFL Jaguariúna

In November 2005, the companies joined the CMSPREV private pension plan, administered by IHPREV Pension Fund. The plan is a defined contribution plan.

VII – Changes in the defined benefit plans

	March 31, 2010				
	CPFL Paulista	CPFL Piratininga	CPFL Geração	Total Liability	RGE
Actuarial liability (asset) at the beginning of the period	591,712	141,964	13,774	747,450	(9,725)
Income (expense) recognized in income statement	(17,692)	(3,518)	(302)	(21,512)	(294)
Sponsor's Contributions during the year	(15,841)	(4,573)	(339)	(20,753)	(398)
Actuarial liability (asset) at the end of the period	558,179	133,873	13,133	705,185	(10,417)
Other contributions	13,312	47	219	13,578	-
Subtotal	571,491	133,920	13,352	718,763	(10,417)
Other contributions RGE	-	-	-	5,691	-
Total Passivo	571,491	133,920	13,352	724,454	
Current				41,954	
Noncurrent				682,500	

Expense and income recognized as operating cost in the actuarial report are shown below:

	1st quarter 2010				
	CPFL Paulista	CPFL Piratinga	CPFL Geração	RGE	Consolidated
Cost of service	275	1,202	36	288	1,801
Interest on actuarial liabilities	73,114	18,883	1,586	4,587	98,170
Expected return on assets	(91,072)	(23,288)	(1,921)	(5,929)	(122,210)
Total Expense (Income)	(17,683)	(3,203)	(299)	(1,054)	(22,239)
Expected contributions from participants	(9)	(314)	-	467	144
Subtotal	(17,692)	(3,517)	(299)	(587)	(22,095)
Other	-	-	-	293	293
Total Income	(17,692)	(3,517)	(299)	(294)	(21,802)

	1st quarter 2009				
	CPFL Paulista	CPFL Piratinga	CPFL Geração	RGE	Consolidated
Cost of service	361	1,367	41	314	2,083
Interest on actuarial liabilities	75,754	19,245	1,633	4,407	101,039
Expected return on assets	(76,088)	(19,389)	(1,617)	(4,597)	(101,691)
Total Expense (Income)	27	1,223	57	124	1,431
Expected contributions from participants	(8)	(324)	-	(274)	(606)
Subtotal	19	899	57	(150)	825
Other	-	-	-	76	76
Total Expense (Income)	19	899	57	(74)	901

The principal assumptions considered in the actuarial calculations were:

	CPFL Paulista, CPFL Piratinga and CPFL Geração		RGE	
	2010	2009	2010	2009
Nominal discount rate for actuarial liabilities:	10.24% p.a.	10.24% p.a.	10.24% p.a.	10.24% p.a.
Nominal Return Rate on Assets:	(*)	(**)	11.28% p.a.	10.24% p.a.
Estimated Rate of nominal salary increase:	6.08% p.a.	6.08% p.a.	6.08% p.a.	6.08% p.a.
Estimated Rate of nominal benefits increase:	0.0% p.a.	6.08% p.a.	0.0% p.a.	0.0% p.a.
Estimated long-term inflation rate (basis for establishing nominal rates above)	4.0% p.a.	4.0% p.a.	4.0% p.a.	4.0% p.a.
General biometric mortality table:	AT-83	AT-83	AT-83	AT-83
Biometric table for the onset of disability:	MERCER TABLE	MERCER TABLE	Light-Average	Light-Average
Expected turnover rate:	0.30 / (Service time + 1)	0.30 / (Service time + 1)	null	null
Likelihood of reaching retirement age:	100% when a beneficiary of the Plan first becomes eligible		100% when a beneficiary of the Plan first becomes eligible	

(*) CPFL Paulista and CPFL Geração 14.36% p.a. and CPFL Piratinga 14.05% p.a.

(**) CPFL Paulista and CPFL Geração 13.05% p.a. and CPFL Piratinga 12.84% p.a.

(21) REGULATORY CHARGES

	Consolidated	
	March 31, 2010	December 31, 2009
Fee for the Use of Water Resources	3,773	4,080
Global Reverse Fund - RGR	10,468	9,876
ANEEL Inspection Fee	1,953	1,945
Fuel Consumption Account - CCC	44,216	9,392
Energy Development Account - CDE	40,230	38,457
Total	100,640	63,750

(22) RESERVE FOR CONTINGENCIES

	Consolidated			
	March 31, 2010		December 31, 2009	
	Reserve for contingencies	Escrow Deposits	Reserve for contingencies	Escrow Deposits
Labor				
Various	42,864	131,832	42,752	127,750
Civil				
General Damages	10,526	83,342	9,897	59,434
Tariff Increase	12,805	9,156	12,249	9,068
Energy Purchased	-	-	-	-
Other	13,399	15,577	11,967	15,674
	36,730	108,075	34,113	84,176
Tax				
FINSOCIAL	18,614	53,034	18,601	52,998
Increase in basis - PIS and COFINS	795	1,149	866	1,022
Interest on Shareholders' Equity - PIS and COFINS	9,987	9,987	9,800	9,800
PIS and COFINS - Non-Cumulative Method	126,129	-	122,792	-
Income Tax	67,184	507,562	63,914	498,347
Other	7,978	16,602	7,806	20,084
	230,687	588,334	223,779	582,251
Total	310,281	828,241	300,644	794,177

The change in the balances related to reserve for contingencies and escrow deposits are shown below:

	Consolidated					March 31, 2010
	December 31, 2009	Addition	Reversal	Payment	Monetary Restatement	
Labor	42,752	2,273	(168)	(1,993)	-	42,864
Civil	34,113	3,408	(355)	(436)	-	36,730
Tax	223,779	3,086	-	-	3,822	230,687
Reserve for Contingencies	300,644	8,767	(523)	(2,429)	3,822	310,281
Escrow Deposits	794,177	36,095	(3,721)	(7,634)	9,324	828,241

The reserves for contingencies were based on appraisal of the risks of losing litigation to which the Company and its subsidiaries are parties, where a loss is probable in the opinion of the legal advisers and the management of the Company and its subsidiaries.

Details of the nature of the provisions for contingencies and judicial deposits are presented in the financial statements as of December 31, 2009.

Possible Losses - The Company and its subsidiaries are parties to other suits processes and risks in which management, supported by its legal advisers, believes that the chances of a successful outcome are possible, due to a solid defensive base in these cases. These questions do not yet indicate a trend in the decisions of the courts or any other decision in similar proceedings considered probable or remote, and therefore no provision has been established for these. As of March 31, 2010, the claims relating to possible losses were as follows: (i) R\$ 306,018 for labor suits (R\$ 294,825 as of December 31, 2009); (ii) R\$ 486,710 for civil suits, mainly for suits for personal injuries, environmental damages and tariff increases (R\$ 472,710 as of December 31, 2009); and (iii) R\$ 700,299 in respect of tax suits, relating basically to Income Tax, ICMS, FINSOCIAL and PIS and COFINS (R\$ 625,369 as of December 31, 2009).

Based on the opinion of their legal advisers, Management of the Company and of its subsidiaries consider that there are no significant contingent risks that are not covered by adequate provisions in the Financial Statements, or that might result in the significant impact on future earnings.

(23) PUBLIC UTILITIES

Consolidated				
			Number of remaining installments	Interest rates
Companies	March 31, 2010	December 31, 2009		
CERAN	66,775	65,904	304	IGP-M + 9.6%p.a.
ENERCAN	9,546	9,434	294	IGP-M + 8%p.a.
BAESA	51,005	50,402	306	IGP-M + 8%p.a.
Foz do Chapecó	299,745	295,794	313	IGP-M / IPC-A + 5.3%p.a.
TOTAL	427,071	421,534		
Current	16,051	15,697		
Noncurrent	411,020	405,837		

(24) OTHER ACCOUNTS PAYABLE

	Consolidated			
	Current		Noncurrent	
	March 31, 2010	December 31, 2009	March 31, 2010	December 31, 2009
Consumers and Concessionaires	55,417	50,250	-	-
Energy Efficiency Program - PEE	63,986	55,889	53,931	56,915
Research & Development - P&D	104,179	100,544	16,569	12,636
National Scientific and Technological Development Fund - FNDCT	4,757	4,705	-	-
Energy Research Company - EPE	2,028	2,008	-	-
Fund for Reversal	-	-	17,750	17,751
Advances	7,359	9,652	62,738	55,987
Provision for environmental expenditure	2,455	2,483	3,859	2,628
Payroll	6,634	8,085	-	-
Profit sharing	40,082	32,490	-	-
TAC ANEEL fine (DEC/FEC and voltage level)	8,812	10,877	-	-
Collections agreement	-	27,138	-	-
Guarantees	-	-	75,026	71,152
Other	59,316	34,740	2,530	9,575
Total	355,025	338,861	232,403	226,644

(25) SHAREHOLDERS' EQUITY

The shareholders' participations in the Company's equity as of March 31, 2010 and December 31, 2009 are distributed as follows:

Shareholders	Number of shares			
	March 31, 2010		December 31, 2009	
	Common Shares	Interest %	Common Shares	Interest %
VBC Energia S.A.	122,948,720	25.62	122,948,720	25.62
BB Carteira Livre I FIA	149,233,727	31.10	149,233,727	31.10
Bonaire Participações S.A.	60,713,511	12.65	60,713,511	12.65
BNDES Participações S.A.	40,526,739	8.44	40,526,739	8.44
Brumado Holdings S.A.	17,251,048	3.59	17,251,048	3.59
Board Members	112	-	112	-
Executive Officers	14,759	-	6,450	-
Other Shareholders	89,222,322	18.60	89,230,631	18.60
Total	479,910,938	100.00	479,910,938	100.00

(26) GROSS SALES AND SERVICES INCOME

	Consolidated					
	Number of Consumers (*)		GWh (*)		R\$ Thousand	
	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009
Revenue from Eletric Energy Operations						
Consumer class						
Residential	5,737,724	5,601,323	3,284	3,138	1,390,914	1,206,906
Industrial	77,785	77,943	3,781	3,468	998,491	878,316
Commercial	496,614	494,599	2,020	1,886	730,678	637,243
Rural	236,137	235,707	555	565	110,091	101,420
Public Administration	44,208	42,949	266	253	91,278	80,837
Public Lighting	8,008	7,311	355	348	75,502	67,414
Public Services	6,974	6,586	423	416	115,353	102,839
Billed	6,607,450	6,466,418	10,684	10,074	3,512,307	3,074,975
Own Consumption	757	646	9	8	-	-
Unbilled (Net)					46,759	27,232
Emergency Charges - ECE/EAAE					3	-
Reclassification to Network Usage Charge - TUSD - Captive Consumers					(1,595,493)	(1,472,433)
Electricity sales to final consumers			10,693	10,082	1,963,576	1,629,774
Furnas Centrais Elébricas S.A.			746	746	85,718	87,218
Other Concessionaires and Licensees			1,667	1,706	142,178	193,182
Current Electric Energy			353	225	2,041	22,731
Electricity sales to wholesaler			2,766	2,677	229,937	303,131
Revenue due to Network Usage Charge - TUSD - Captive Consumers					1,595,493	1,472,433
Revenue due to Network Usage Charge - TUSD - Free Consumers					240,479	180,554
Revenue from construction of concession infrastructure					150,444	106,397
Low Income Consumer's Subsidy					8,592	7,819
Other Revenue and Income					62,260	64,222
Other operating revenues					2,057,268	1,831,425
Total gross revenues					4,250,781	3,764,330
Deductions from operating revenues						
ICMS					(679,463)	(610,623)
PIS					(68,947)	(57,044)
COFINS					(317,629)	(262,766)
ISS					(793)	(902)
Global Reversal Reserve - RGR					(17,229)	(14,484)
Fuel Consumption Account - CCC					(123,066)	(89,013)
Energy Development Account - CDE					(117,656)	(112,382)
Research and Development and Energy Efficiency Programs					(36,372)	(24,332)
PROINFRA					(10,898)	(5,626)
Other					(3)	-
					(1,372,056)	(1,177,172)
Net revenue					2,878,725	2,587,158

(*) Information not examined by the independent auditors.

In compliance with ANEEL Order 4,722 of December 18, 2009, which sets out the basic procedures for preparing financial statements, the subsidiaries reclassified certain revenue amounts posted under the heading "Electric Energy Supplied (a sales operation)", to "Other Operating Revenue" (a distribution operation), under the heading of "Revenue due to Network Usage Revenue – TUSD – Captive Consumer".

The details of tariff adjustments are as follows:

Company	Month	2010		2009	
		Total adjustment	Effect perceived by consumers (*)	Total adjustment	Effect perceived by consumers (*)
CPFL Paulista	April (**)	2.70%	-5.69%	21.22%	21.56%
CPFL Piratininga	October	-	-	5.98%	-2.12%
RGE	June/April	-	-	18.95%	3.43%
CPFL Santa Cruz	February	10.09%	-2.53%	24.09%	11.85%
CPFL Leste Paulista	February	-13.21%	-8.47%	12.94%	10.61%
CPFL Jaguari	February	5.16%	3.67%	11.36%	9.40%
CPFL Sul Paulista	February	5.66%	4.94%	11.64%	10.23%
CPFL Mococa	February	3.98%	3.24%	11.18%	5.59%

(*) Represents the average effect perceived by consumers, as a result of the elimination from the tariff base of financial components added in the annual adjustment for the previous year

(**) The tariff adjustment of CPFL Paulista occurred in April 6, 2010.

(27) COST OF ELECTRIC ENERGY

Cost of Electric Energy	Consolidated			
	GWh (*)		R\$ thousand	
	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009
Electricity Purchased for Resale				
Energy Purchased in Restricted Framework - ACR				
Tractebel Energia S.A.	2,019	1,553	294,664	215,590
Itaipu Binacional	2,733	2,720	260,761	337,623
Petróleo Brasileiro S.A. Petrobrás	418	415	52,368	47,069
CESP - Cia Energética de São Paulo	421	471	41,220	43,459
Furnas Centrais Elétricas S.A.	406	425	36,997	36,908
CEMIG - Cia Energética de Minas Gerais	288	299	35,669	35,870
CHESF - Cia Hidro Elétrica do São Francisco	314	342	28,488	28,541
Termorio S.A.	61	100	20,345	24,050
Copel Geração e Transmissão S.A.	185	85	18,414	16,675
Câmara de Comercialização de Energia Elétrica - CCEE	1,014	996	7,885	52,284
PROINFA	286	123	49,580	46,559
Other	1,235	1,519	147,595	176,501
	9,380	9,048	993,986	1,061,129
Energy Purchased in the Free Market - ACL	3,443	3,353	264,922	293,759
	12,823	12,401	1,258,908	1,354,888
Credit of PIS and COFINS			(132,075)	(120,871)
Subtotal			1,126,833	1,234,017
Electricity Network Usage Charge				
Basic Network Charges			230,219	220,703
Transmission from Itaipu			20,426	19,537
Connection Charges			12,931	11,913
Charges of Use of the Distribution System			6,728	9,947
System Service Charges - ESS			39,045	49,458
Reserve Energy charges			1,680	-
			311,029	311,558
Credit of PIS and COFINS			(30,554)	(24,801)
Subtotal			280,475	286,757
Total			1,407,308	1,520,774

(*) Information not examined by the independent auditors.

In compliance with ANEEL Order nº 4,722/2009, the subsidiaries reclassified amounts relating to the PROINFA quota, in relation to amounts billed to free consumers and own-power producers, from "Cost of the Electric Energy Service, Energy Purchased for Resale" to "Deductions from Operating Income, Consumer Charges – Other – PROINFA", amounting to R\$ 10,898 and R\$ 5,626, respectively, for the first quarter of 2010 and the first quarter of 2009.

(28) OPERATING EXPENSES

	Parent Company					
	Operating expenses				Total	
	General		Other			
	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009
Personnel	870	638	-	-	870	638
Materials	15	8	-	-	15	8
Outside Services	2,802	1,813	-	-	2,802	1,813
Depreciation and Amortization	30	30	-	-	30	30
Other:	1,079	1,323	35,362	37,187	36,441	38,510
Leases and Rentals	23	39	-	-	23	39
Publicity and Advertising	-	35	-	-	-	35
Legal, Judicial and Indemnities	-	372	-	-	-	372
Intangible of concession amortization	-	-	35,362	37,187	35,362	37,187
Other:	1,056	877	-	-	1,056	877
Total	4,796	3,812	35,362	37,187	40,158	40,999

	Consolidated											
	Operating costs		Services Rendered to Third Parties		Operating expenses						Total	
					Sales		General		Other			
	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009
Personnel	87,803	77,931	116	186	17,671	16,252	41,645	34,014	-	-	147,235	128,383
Employee Pension Plans	(21,802)	901	-	-	-	-	-	-	-	-	(21,802)	901
Materials	13,419	12,555	192	316	630	527	2,716	1,588	-	-	16,957	14,986
Outside Services	35,769	34,982	695	677	17,220	16,757	45,193	40,632	-	-	98,877	93,048
Depreciation and Amortization	109,153	110,788	166	165	2,187	2,767	5,613	6,022	-	-	117,119	119,742
Costs related to infrastructure construction	-	-	150,444	106,397	-	-	-	-	-	-	150,444	106,397
Other:	15,944	13,056	-	3	26,202	11,389	24,225	18,730	54,565	54,151	120,936	97,329
Collection charges	-	-	-	-	11,309	11,478	-	-	-	-	11,309	11,478
Allowance for doubtful accounts	-	-	-	-	11,773	(3,109)	-	-	-	-	11,773	(3,109)
Leases and Rentals	(4)	12	-	-	-	-	1,387	1,074	-	-	1,383	1,086
Publicity and Advertising	-	-	-	-	-	-	499	520	-	-	499	520
Legal, Judicial and Indemnities	-	-	-	-	-	-	10,832	6,773	-	-	10,832	6,773
Donations, Contributions and Subsidies	-	-	-	-	-	-	1,131	1,188	-	-	1,131	1,188
Inspection fee	-	-	-	-	-	-	-	-	5,423	6,328	5,423	6,328
Loss (gain) on the write-off of noncurrent assets	-	-	-	-	-	-	-	-	975	839	975	839
Free energy adjustment	-	-	-	-	-	-	-	-	2,527	-	2,527	-
Intangible of concession amortization	-	-	-	-	-	-	-	-	44,688	46,724	44,688	46,724
Other:	15,948	13,044	-	3	3,120	3,020	10,376	9,175	952	260	30,396	25,502
Total	240,286	250,213	151,613	107,744	63,910	47,692	119,392	100,986	54,565	54,151	629,766	560,786

(29) FINANCIAL INCOME AND EXPENSES

	Parent Company		Consolidated	
	1st quarter 2010	1st quarter 2009	1st quarter 2010	1st quarter 2009
Financial Income				
Income from Financial Investments	9,861	4,471	30,362	23,808
Arrears of interest and fines	22	3	32,923	28,773
Restatement of tax credits	169	1,060	1,187	1,270
Restatement of Escrow Deposits	187	-	9,324	12,926
Monetary and Exchange Variations	-	-	6,115	12,930
Discount on purchase of ICMS credit	-	-	2,003	1,029
Guarantees	1,602	1,120	1,602	1,120
Other	2,385	2,696	16,911	22,196
Total	14,226	9,350	100,427	104,052
Financial Expense				
Debt Charges	(9,843)	(13,992)	(154,677)	(150,901)
Monetary and Exchange Variations	(153)	694	(32,911)	(21,119)
(-) Capitalized borrowing costs	-	-	33,391	6,504
Public utilities	-	-	(4,618)	(1,763)
Guarantees	(5,083)	(2,079)	(5,083)	(2,079)
Other	(1,157)	(2,541)	(18,536)	(10,650)
Total	(16,236)	(17,918)	(182,434)	(180,008)
Net financial income (expense)	(2,010)	(8,568)	(82,007)	(75,956)

(30) TRANSACTIONS WITH RELATED PARTIES

The Company is controlled by the following Companies:

- VBC Energia S.A.

Controlled by the Camargo Corrêa group, with operations in a number of segments, such as construction, cement, footwear, textiles, aluminum and highway concessions, among others.

- Bonaire Participações S.A.

Controlled by Energia São Paulo Fundo de Investimento em Participações, which in turn is controlled by the following pension funds: (a) Fundação CESP, (b) Fundação SISTEL de Seguridade Social, (c) Fundação Petrobras de Seguridade Social - PETROS, and (d) Fundação SABESP de Seguridade Social - SABESPREV.

- Fundo BB Carteira Livre I - Fundo de Investimento em Ações ("Fund")

Fund controlled by PREVI - Caixa de Previdência dos Funcionários do Banco do Brasil.

The direct and indirect participations in operating subsidiaries are described in Note 1.

Controlling shareholders, subsidiaries and associated companies, jointly controlled corporations and entities under common control and that in some way exercise significant influence over the Company are regarded as related parties.

The financial statements for March 31, 2010 and December 31, 2009 show the balances and changes that took place in the normal course of operating activities of the Company and its subsidiaries.

The main transactions are described below:

- a) **Bank deposits and short-term investments** – refer mainly to bank deposits and short-term financial investments, as mentioned in Note 6.
- b) **Loans and Financing, Debentures and Derivatives** – relate to funds raised in accordance with Notes 16 and 17, contracted under the normal market conditions at the time. In addition, the Company is guarantor of some of the loans obtained by its subsidiaries, as described in Notes 16 and 17.
- c) **Other Financial Transactions** – the amounts in relation to Banco do Brasil are bank costs and collection expenses. The balance recorded in liabilities comprises basically the rights over the payroll processing of certain subsidiaries, negotiated with Banco do Brasil, which are appropriated as an income in the statement of operations over the term of the contract. The Company also has an Exclusive Investment Fund managed by BB DTVM, which charges management fees under normal market conditions for such management.
- d) **Property, plant and equipment, Materials and Service Provision** – refers to the acquisition of equipment, cables and other materials for use in distribution and generation, and contracting of services such as construction and information technology consultancy. These operations were contracted under normal market conditions.
- e) **Energy sales to the free market** – refers basically to energy sales to free consumers, through short or long-term contracts made under conditions regarded by the Company as being market conditions at the time of the negotiation, in accordance with internal policies established in advance by Company management.
- f) **Energy purchased in the free market** – refers basically to energy purchased by the trading companies in accordance with short or long-term agreements made under conditions regarded by the Company as being market conditions at the time of the negotiation, in accordance with policies established in advance by Company management.
- g) **Other revenue** – refers basically to revenue from rental of use of the distribution system for telephony services.
- h) **Purchase and sale of energy in the regulated market** - The subsidiaries that are public distribution service concessionaires charge tariffs for the use of the distribution system (TUSD) and sell energy to related parties in their respective concession areas (captive consumers). The amounts charged are established in accordance with prices regulated by the regulatory agency. These distributors also purchase energy from related parties, mainly involving long-term agreements, in conformity with the rules established by the sector (principally by auction); these prices are also regulated and approved by ANEEL.

Additionally, certain subsidiaries have supplementary retirement plan maintained with Fundação CESP and offered to the employees of the subsidiaries, as mentioned in Note 20.

To ensure that commercial transactions with related parties are conducted under normal market conditions, the Company set up a Related Parties Committee, comprising representatives of the controlling shareholders, responsible for analyzing the main transactions with related parties.

During the quarter, there were no unusual transactions, which nature differs from those listed above or significant transactions that should be disclosed.

(31) FINANCIAL INSTRUMENTS AND OPERATING RISKS

a) Risk Considerations:

The business of the Company and its subsidiaries comprises principally generation, commercialization and distribution of electric energy. As public service concessionaires, the operations and/or tariffs of its principal subsidiaries are regulated by ANEEL.
The main market risk factors affecting the businesses are as follows:

Exchange rate risk: This risk derives from the possibility of the subsidiaries incurring losses and cash constraints on account of fluctuations in exchange rates, increasing the balances of foreign currency denominated liabilities. The exposure in relation to raising funds in foreign currency is largely covered by contracting swap operations, which allow the Company and its subsidiaries to exchange the original risks of the operation for the cost of the variation in the CDI. The operations of the Company's subsidiaries are also exposed to exchange variations on the purchase of electric energy from Itaipu. The compensation mechanism - CVA protects the companies against possible losses.

Interest Rate Risk: This risk derives from the possibility of the Company and its subsidiaries incurring losses due to fluctuations in interest rates that increase financial expenses on loans, financing and debentures. The subsidiaries have tried to increase the proportion of pre-indexed loans or loans tied to indexes with lower rates and little fluctuation in the short and long term.

Credit Risk: This risk arises from the possibility of the subsidiaries incurring losses resulting from difficulties in receiving amounts billed to customers. This risk is evaluated by the subsidiaries as low, as it is spread over the number of customers and in view of the collection policy and cancellation of supply to defaulting consumers.

Risk of Energy Shortages: The energy sold by the subsidiaries is basically generated by hydropower plants. A prolonged period of low rainfall, together with an unforeseen increase in demand, could result in a reduction in the volume of water in the power plants' reservoirs, compromising the recovery of their volume, and resulting in losses due to the increase in the cost of purchasing energy or a reduction in revenue due to the introduction of another rationing program, as in 2001. According to the Annual Energy Operation Plan – PEN 2009, drawn up by the National Electricity System Operator, the risk of any energy deficit is very low for 2010, and the likelihood of another energy rationing program is remote.

Risk of Acceleration of Debts: The subsidiaries have loan agreements, financing and debentures with restrictive clauses (covenants) normally applicable to these kinds of operation, related to compliance with economic and financial ratios, cash generation, etc. These covenants are monitored appropriately and do not restrict the capacity to operate normally.

Risk Management for Financial Instruments

The Company and its subsidiaries maintain operating and financial policies and strategies to protect the liquidity, safety and profitability of their assets. They accordingly control and follow-up procedures are in place on the transactions and balances of financial instruments, for the purpose of monitoring the risks and current rates in relation to market conditions.

Risk management controls: In order to manage the risks inherent to the financial instruments and to monitor the procedures established by management, the Company and its subsidiaries use the MAPS software system to calculate the Mark to Market, Stress Testing and Duration of the instruments, and assess the risks to which the Company and its subsidiaries are exposed. Historically, the financial instruments contracted by the Company and its subsidiaries supported by these tools have produced adequate risk mitigation results. It must be stressed that the Company and its subsidiaries have a formal policy of contracting derivatives, always with the appropriate levels of approval, only in the event of exposure that management regards as a risk. The Company and its subsidiaries do not enter into transactions involving exotic or speculative derivatives. Furthermore, the Company and its subsidiaries meet the requirements of the Sarbanes-Oxley Law, and accordingly have internal control policies that aim for a strict control environment to minimize the exposure to risks.

c) Valuation of Financial Instruments

The estimates of the market value of the financial instruments were based on pricing models, applied individually for each transaction, taking into consideration the future payment flows, based on the conditions contracted, discounted to present value at market interest rates, based on information obtained from the BM&F, BOVESPA and ANDIMA websites.

Accordingly, the market value of a security corresponds to its maturity value (redemption value) marked to present value by the discount factor (relating to the maturity date of the security) obtained from the market interest graph.

In the case of specific electricity sector operations, where there are no similar transactions in the market and with low liquidity, mainly related to regulatory aspects, the subsidiaries assumed that the market value is represented by the respective book value. This is due to the uncertainties reflected in the variables which have to be taken into consideration in creating a pricing model.

In addition to the assets and financial liabilities calculated at fair value through profit or loss, the Company and its subsidiaries have other financial liabilities not calculated at fair value. The market values of these financial instruments as of March 31, 2010 and December 31, 2009, applying the above methodology, are shown below:

	Parent Company			
	March 31, 2010		December 31, 2009	
	Accounting balance	Fair value	Accounting balance	Fair value
Debentures (note 17)	(453,122)	(458,997)	(462,788)	(468,993)
Total	(453,122)	(458,997)	(462,788)	(468,993)

	Consolidated			
	March 31, 2010		December 31, 2009	
	Accounting balance	Fair value	Accounting balance	Fair value
Loans and financing (note 16)	(3,495,291)	(2,803,325)	(3,452,942)	(3,194,735)
Debentures (note 17)	(3,125,867)	(3,164,007)	(3,351,478)	(3,392,071)
Total	(6,621,158)	(5,967,332)	(6,804,420)	(6,586,806)

d) Derivatives

As previously mentioned, the Company and its subsidiaries use derivatives as a hedge against the risks of variations in exchange and interest rates, without any speculative purposes. The Company and its subsidiaries have an exchange hedge compatible with the net exposure to exchange risks, including all the assets and liabilities tied to exchange variation.

The hedge instruments contracted by the Company and its subsidiaries are currency or interest rate swaps with no leverage component, margin call requirements or daily or periodical adjustments. As terms of the majority of the derivatives contracted by the Company and its subsidiaries are fully aligned with the debts protected, and in order to obtain more relevant and consistent accounting information through the recognition of income and expenses, the respective debts were denominated, for accounting purposes, at fair value. Other debts with different terms from the derivatives contracted as a hedge continue to be recorded at cost. Furthermore, the Company and its subsidiaries do not use hedge accounting for derivative operations.

As of March 31, 2010, the Company and its subsidiaries had the following swap operations:

Company / strategy / Counterparts	Market values (book values)			Values at cost, net	Gain (Loss) on marking to market	Currency / index	Maturity range	Notional	Trading market
	Asset	(Liability)	Market values, net						
<u>Derivatives for protection of debts designated at fair value</u>									
Exchange variation hedge									
CPFL Paulista									
ABN	-	(9,326)	(9,326)	(2,783)	(6,543)	yen	Jan 2012	376,983	Over-the-counter
Banco do Brasil	4,539	-	4,539	5,317	(778)	yen	Jan 2011	79,466	Over-the-counter
CPFL Geração									
Banco do Brasil	4,591	-	4,591	7,995	(3,404)	yen	Apr 2010 to Jan 2011	486,760	Over-the-counter
Subtotal	9,130	(9,326)	(196)	10,529	(10,725)				
<u>Derivatives for protection of debts not designated at fair value</u>									
Exchange variation hedge									
CPFL Paulista									
HSBC	(42)	-	(42)	(46)	4	dollar	Apr 2010	22,474	Over-the-counter
Santander	56	-	56	54	2	dollar	Apr 2010	8,646	Over-the-counter
CPFL Geração									
HSBC	(525)	-	(525)	(541)	16	dollar	Apr 2010 to Sep 2010	68,436	Over-the-counter
Hedge interest rate variation (1)									
CPFL Energia									
Citibank	278	(1,430)	(1,152)	31	(1,183)	CDI + spread	Mar 2010 to Sep 2014	450,000	Over-the-counter
RGE									
Santander	493	-	493	159	334	CDI	Jan 2010 to Dec 2013	280,000	Over-the-counter
Citibank	136	(11)	125	60	65	CDI	Jun 2010 to Dec 2013	100,000	Over-the-counter
Hedge interest rate variation (2)									
CPFL Geração									
Unibanco	139	-	139	91	48	IGP-M	Jun 2010	25,701	Over-the-counter
Santander	137	-	137	88	49	IGP-M	Jun 2010	25,701	Over-the-counter
HSBC	137	-	137	89	48	IGP-M	Jun 2010	25,701	Over-the-counter
Subtotal	809	(1,441)	(632)	(15)	(617)				
Total	9,939	(10,767)	(828)	10,514	(11,342)				
Current	9,839	-							
Noncurrent	100	(10,767)							
Total	9,939	(10,767)							

For further details of terms and information about debts and debentures, see Notes 15 and 16

(1) The interest rate hedge swaps have half-yearly validity, so the notional value reduces in accordance with amortization of the debt.

(2) The interest rate hedge swaps have monthly validity, so the notional value reduces in accordance with amortization of the debt.

In spite of the net losses determined by marking the derivatives shown above to market, the effects were minimized by the option exercised by the Company and

its subsidiaries also to mark to market the debts tied to hedge instruments (note 16).

The Company and its subsidiaries have recorded gains and losses on their derivatives. However, as these derivatives are used as a hedge, these gains and losses minimized the impact of variations in exchange and interest rates on the protected indebtedness. For the quarter ended in March 31, 2010 and 2009, the derivatives resulted in the following impacts on the consolidated result:

Company	Hedged risk / Operation	Account	Gain (loss)	
			March 31, 2010	March 31, 2009
CPFL Energia	Interest rate variation	Financial expense - Swap transactions	98	(84)
CPFL Energia	Mark to market	Financial expense - Adjustment to fair value	(251)	778
CPFL Paulista	Exchange variation	Financial expense - Swap transactions	(789)	(76,453)
CPFL Paulista	Mark to market	Financial expense - Adjustment to fair value	685	30,758
CPFL Piratininga	Exchange variation	Financial expense - Swap transactions	-	(218)
CPFL Piratininga	Mark to market	Financial expense - Adjustment to fair value	-	(126)
CPFL Geração	Exchange variation	Financial expense - Swap transactions	2,793	(85,427)
CPFL Geração	Interest rate variation	Financial expense - Swap transactions	458	(1,088)
CPFL Geração	Mark to market	Financial expense - Adjustment to fair value	832	9,365
RGE	Exchange variation	Financial expense - Other financial exp	-	(4,820)
RGE	Interest rate variation	Financial expense - Other financial exp	182	17
RGE	Mark to market	Financial expense - Derivatives adjust fair value	106	732
			4,114	(126,566)

Other exchange exposure

It should be noted that the indirect subsidiary ENERCAN has no swaps, as an exchange hedge, in relation to the debt of R\$ 152,115 (R\$ 74,115 in proportion to the participation of the subsidiary CPFL Geração) to the BID and BNDES of the portion tied to the basket of currencies, since a percentage of its tariff adjustments covers the exchange variation in the tariff period. In spite of the existence of a natural hedge against this exposure, the effect of exchange variations on these debts generated a loss of R\$ 3,559 (R\$ 1,734 in proportion to the participation of CPFL Geração) in the first quarter of 2010 and a loss of R\$ 2,469 (R\$ 1,203 in proportion to the participation of CPFL Geração) in the same period of 2009.

The subsidiary CPFL Paulista also has a total indebtedness in foreign currency of R\$ 549,437. As a hedge against exchange exposure, it contracted derivatives used as a hedge directly tied to the indebtedness of R\$ 496,647. To minimize the exchange exposure, the subsidiary also contracted a non tied derivative of R\$ 32,049 and also has sufficient assets indexed in dollars (fund tied to foreign currency loans – Note 11) to offset any exchange impact.

d) Sensitivity Analysis

In compliance with CVM Instruction n° 475/08, the Company and its subsidiaries performed sensitivity analyses of the main risks to which their financial instruments (including derivatives) are exposed, mainly comprising variations in exchange and interest rates, as shown below:

Exchange variation

If the level of exchange exposure at March 31, 2010 were maintained, the simulation of the consolidated effects by type of financial instrument for three different scenarios would be:

Instruments	Consolidated				
	Exposure	Risk	Exchange depreciation of 9%*	Exchange depreciation of 25%**	Exchange depreciation of 50%**
Financial asset instruments	19,621	apprec.dollar	1,807	4,905	9,811
Financial liability instruments	(216,409)	apprec.dollar	(19,927)	(54,108)	(108,205)
Derivatives - Plain Vanilla Swap	102,122	apprec.dollar	9,404	25,532	51,062
	(94,666)		(8,716)	(23,671)	(47,332)
Financial liability instruments	(1,119,989)	apprec.yen	(103,132)	(280,015)	(559,995)
Derivatives - Plain Vanilla Swap	1,119,989	apprec.yen	103,132	280,015	559,995
	-		-	-	-
	(94,666)		(8,716)	(23,671)	(47,332)

* In accordance with exchange graphs contained in information provided by the BM&F

**In compliance with CVM Instruction 475/08

Variation in interest rates

Supposing that (i) the scenario of exposure of the financial instruments indexed to variable interest rates as of March 31, 2010 were to be maintained, and (ii) the respective accumulated annual indexes as of that date were to remain stable (CDI of 8.96% p.a.; IGP-M of 1.94% p.a.; TJLP of 6.06% p.a.), the effects on the consolidated financial statements for the next 12 months would be a net financial expense of R\$ 401,844. In the event of fluctuations in the indexes in accordance with the three scenarios described, the effect on the net financial expense would as follows:

Instruments	Consolidated				
	Exposure	Risk	Scenario I*	Raising index by 25%**	Raising index by 50%**
Financial asset instruments	2,127,572	variação CDI	47,417	55,903	111,803
Financial liability instruments	(3,418,714)	variação CDI	(75,449)	(88,951)	(177,904)
Derivatives - Plain Vanilla Swap	(1,235,011)	variação CDI	(23,465)	(27,665)	(55,328)
	(2,526,153)		(51,497)	(60,713)	(121,429)
Financial asset instruments	96,953	variação IGP-M	5,972	470	940
Financial liability instruments	(291,451)	variação IGP-M	(4,743)	(3,557)	(7,114)
Derivatives - Plain Vanilla Swap	12,073	variação IGP-M	744	59	117
	(182,425)		1,973	(3,028)	(6,057)
Financial liability instruments	(2,615,775)	variação TJLP	4,970	(39,628)	(79,258)
Financial liability instruments	(30,596)	Juros Pré-Fixados	(1,377)	(1,377)	(1,377)
	(2,646,371)		3,593	(41,005)	(80,635)
Total increase	(5,354,949)		(45,931)	(104,746)	(208,121)

* The CDI, IGP-M and TJLP indexes considered of 10.86%, 8.10% and 5.87%, respectively, were obtained from information available in the market

**In compliance with CVM Instruction 475/08

(32) REGULATORY ASSETS AND LIABILITIES

The Company accounts for the following assets and liabilities for regulatory purposes, which are not recognized in the consolidated financial statements, as mentioned in Note 3.13.

	Consolidated	
	March 31, 2010	December 31, 2009
Assets		
Consumers, Concessionaires and Licensees		
Discounts TUSD (*) and Irrigation	16,828	12,753
Other financial components	-	199
	16,828	12,952
Deferred Costs Variations		
Parcel "A"	1,333	1,290
CVA (**)	366,741	374,336
	368,074	375,626
Prepaid Expenses		
Increase in PIS and COFINS	-	259
Overcontracting	70,752	100,326
Low income consumers' subsidy - Losses	48,445	55,506
Other financial components	36,208	11,297
	155,405	167,388
Liabilities		
Deferred Gains Variations		
Parcel "A"	(45,772)	(44,419)
CVA	(506,543)	(377,735)
	(552,315)	(422,154)
Other Accounts Payable		
Tariff review	(49,315)	(89,261)
Discounts TUSD and Irrigation	(3,273)	(991)
Tariff adjustment	(14,528)	-
Overcontracting	(46,119)	(17,541)
Low income consumers' subsidy - Gains	(5,890)	(6,011)
Other financial components	(25,334)	(12,138)
	(144,459)	(125,942)
Total net	(156,467)	7,870
(*) Network Usage Charge - TUSD		
(**) Deferred Tariff Costs and Gains Variations from Parcel "A" itens - ("CVA")		

(33) RELEVANT FACT

CPFL Bio Buriti, CPFL Bio Ipê and CPFL Bio Pedra

The subsidiaries CPFL Bio Buriti, CPFL Bio Ipê and CPFL Bio Pedra were set up in March, 2010, in the State of São Paulo, to develop three thermal power plants powered by sugarcane waste and straw (biomass), through a partnership agreement with Grupo Pedra Agroindustrial. The aggregate potential installed capacity is 145 MW, of which 88.63 MW will be exported to CPFL in the harvest period.

The investments in the three projects are estimated at approximately R\$ 366 million. The operations are scheduled to commence in June 2011 for the UTEs Bio Buriti and Bio Ipê, and April 2012 for the UTE Bio Pedra. The subsidiary CPFL Brasil holds 100% of the total capital of these subsidiaries.

(34) SUBSEQUENT EVENT

34.1 Capital Increase

The EGM/AGM held on April 8, 2010, approved capital increases of R\$ 37,160, R\$ 7,852 and R\$ 15,743, respectively, for the subsidiaries CPFL Paulista, CPFL Piratininga and RGE in relation to capitalization of the tax benefit of the premium determined in 2009. Issue of 13,785,137 new common shares and 23,374,669 preferred shares was approved for CPFL Paulista.

The EGM/AGM of CPFL Energia held on April 26, 2010, approved the merger of all the shares held by the minority shareholders of the subsidiaries CPFL Leste Paulista, CPFL Jaguari, CPFL Sul Paulista, CPFL Mococa, Jaguari Geração, CPFL Serviços and CPFL Santa Cruz with the equity of CPFL Energia and conversion of these companies into wholly-owned subsidiaries. Accordingly, the CPFL Energia capital increased by R\$ 52,249, from R\$ 4,741,175 to R\$ 4,793,424 with the issue of 1,226,192 new common shares.

The Share Merger provides for the possibility for shareholders of the Companies that disagree with the decision to exercise the right to withdraw, provided this intention is stated by May 26, 2010.

34.2 Distribution of Dividend and Interest on Capital

The EGM/AGM held on April 26, 2010 approved the allocation of net income for 2009, by (i) recording a statutory reserve of R\$ 64,323; (ii) declaration of an interim dividend of R\$ 571,671, already paid to the shareholders on September 30, 2009, and (iii) declaration of an additional dividend of R\$ 655,017. The additional dividend was paid in full on April 30.

34.3 Public Distribution of Debentures

As agreed in a Meeting of the Board of Directors held on April 1, 2010, the subsidiary CPFL Piratininga issued in April, 2010, 260 simple subordinated debentures, not convertible into shares, in a single series, for public distribution, with restricted placement efforts and underwritten by the Company. The debentures, with a unit par value of R\$ 1,000, amounting a total of R\$ 260,000, will bear interest at 107% of the CDI and will mature in full on April 1, 2015. The funds raised will be distributed as follows:

- i) Approximately 60% (sixty percent) to reinforce the subsidiary's working capital; and
- ii) Approximately 40% (forty percent) for early redemption of the subsidiary's second public issue of simple subordinated debentures, issued on October 1, 2008, with a debit balance at March 31, 2009 of R\$104,389.

As approved in a Meeting of the Board of Directors held on April 1, 2010, the subsidiary CPFL Geração issued, in April 2010, 264 simple unsecured debentures, not convertible into shares, in a single series for public distribution, with restricted placement efforts and underwritten by the Company. The debentures, with a unit par value of R\$ 1,000, amounting to a total of R\$ 264,000, will bear interest at 107% of the CDI and will mature in full on April 1, 2015. The funds raised will be used to reinforce the subsidiary's working capital.

Interest payments on the two debentures above will be half-yearly from October 1, 2010.

07.01 – COMMENTS ON PERFORMANCE IN THE QUARTER

The comments on performance are expressed in thousands of Brazilian reais, unless otherwise indicated.

Analysis of Results – CPFL Energia (parent company)

Net income was R\$ 482,926 in the quarter, a increase of 82.4% (R\$ 218,218) compared to the same quarter of the previous year, due mainly to results of equity in subsidiaries, as shown below:

	<u>1st quarter 2010</u>	<u>1st quarter 2009</u>
CPFL Paulista	236,657	74,661
CPFL Piratininga	98,874	58,210
RGE	53,452	57,518
CPFL Santa Cruz	6,302	5,953
CPFL Leste Paulista	3,138	2,227
CPFL Jaguari	2,508	2,119
CPFL Sul Paulista	3,256	2,783
CPFL Mococa	1,746	1,617
CPFL Geração	52,683	60,414
CPFL Brasil	62,515	46,618
CPFL Atende	(27)	(386)
CPFL Planalto	2,578	1,752
CPFL Serviços	(1,173)	(786)
CPFL Jaguariuna	(58)	(231)
CPFL Jaguari Geração	1,328	1,309
Total	<u>523,779</u>	<u>313,778</u>

12.01 – COMMENTS ON CONSOLIDATED PERFORMANCE IN THE QUARTER

Analysis of Results – CPFL Energia Consolidated

The comments on performance are expressed in thousands of Brazilian reais, unless otherwise indicated.

Information	Consolidated		
	1st quarter 2010	1st quarter 2009	Variation
GROSS REVENUE	4,250,781	3,764,330	12.9%
Electricity sales to final consumers ⁽¹⁾	3,559,069	3,102,207	14.7%
Electricity sales to wholesaler	229,937	303,131	-24.1%
Revenue from concession infrastructure construction	150,444	106,397	41.4%
Other operating revenues ⁽¹⁾	311,331	252,595	23.3%
DEDUCTION FROM OPERATING REVENUE	(1,372,056)	(1,177,172)	16.6%
NET OPERATING REVENUE	2,878,725	2,587,158	11.3%
ENERGY COST	(1,407,308)	(1,520,774)	-7.5%
Electricity purchased for resale	(1,126,833)	(1,234,017)	-8.7%
Electricity network usage charges	(280,475)	(286,757)	-2.2%
OPERATING COST/EXPENSE	(629,766)	(560,786)	12.3%
Personnel	(147,235)	(128,383)	14.7%
Employee pension plan	21,802	(901)	-2519.8%
Material	(16,957)	(14,986)	13.2%
Outsourced Services	(98,877)	(93,048)	63.7%
Infrastructure construction costs	(150,444)	(106,397)	41.4%
Depreciation and Amortization	(117,119)	(119,742)	-2.2%
Amortization of intangible asset of concession	(44,688)	(46,724)	-4.4%
Other	(76,248)	(50,605)	50.7%
OPERATING INCOME	841,651	505,598	66.5%
FINANCIAL INCOME (EXPENSE)	(82,007)	(75,956)	8.0%
Income	100,427	104,052	-3.5%
Expense	(182,434)	(180,008)	1.3%
Net income / (expense)	(82,007)	(75,956)	8.0%
INCOME BEFORE TAX	759,644	429,642	76.8%
Social Contribution	(72,542)	(43,016)	68.6%
Income Tax	(199,239)	(117,750)	69.2%
NET INCOME FOR THE PERIOD	487,863	268,876	81.4%
EBITDA	981,656	672,965	45.9%

Net Income for the Period and EBITDA Reconciliation ⁽²⁾

NET INCOME FOR THE PERIOD	487,863	268,876
Employee Pension Plan	(21,802)	901
Depreciation and Amortization	161,807	166,466
Financial Income (Expense)	82,007	75,956
Social Contribution	72,542	43,016
Income Tax	199,239	117,750
EBITDA	981,656	672,965

⁽¹⁾ The reclassification of revenue from the Network Usage Charge - TUSD was not taken into account in presentation of the Comments on Consolidated Performance (note 26)

⁽²⁾ Information not reviewed by the independent accountants

Gross Operating Revenue

The Gross Operating Revenue in the first quarter of 2010 was R\$ 4,250,781, up 12.9% (R\$ 486,451) on the same period of the previous year.

The main factors that contributed to this change were:

- An increase of 14.7% (R\$ 456,862) in the electric energy supply billed, as a result of the increase of 6.1% in the amount of energy billed to final consumers and of 7.7% in the average tariffs charged, mainly due to the adjustment to the distributors' tariffs;
- A decrease of 24.1% (R\$ 73,194) in the energy supplied, mainly due to the reduction of 26.6% in the average tariff charged.
- An increase of R\$ 58,736 in Other Operating Revenue, particularly due to the increase of R\$ 59,925 in income from the Tariff for the Use of the Distribution System – TUSD for free customers, due to the revival of industrial activity and the effects of the tariff adjustment.

➤ Quantity of Energy Sold

An increase of 6.1% was recorded in the quantity of energy billed to final consumers in the first quarter of 2010.

The residential, commercial and industrial classes, which account for 85.0% of the energy sold to end users in the quarter and have the highest average tariffs, registered growth of 4.7%, 7.1% and 9.0% respectively, compared with the same quarter of the previous year. The categories residential and commercial classes benefit from the accumulated effect of the expansion of total payroll and credit availability in recent years, which has resulted in increased purchases of household electrical goods and a dynamic retail trade. Additionally, higher temperatures than those of the previous year boosted consumption. The amount sold to the industrial class shows that this category is overcoming the negative effects of the international crisis that affected the industry in our concession area until mid-2009, and resuming its industrial operations.

➤ Tariffs

In the first quarter of 2010, the energy supply tariffs applied increased by an average of 7.7%, mainly due to the impacts of the tariff adjustments of the distribution subsidiaries:

- CPFL Paulista and RGE: 21.56% and 3.43%, respectively, from April 2009;
- CPFL Santa Cruz: 11.85%, CPFL Jaguarí: 9.40%, CPFL Mococa: 5.59%, CPFL Leste Paulista: 10.61% and CPFL Sul Paulista: 10.23%, all from February 2009; and -2.53%, 3.67%, 3.24%, -8.47% and 4.94%, respectively, from February 2010;
- CPFL Piratininga: -2.12% from October 2009.

Deductions from Operating Revenue

Deductions from Operating Income in the first quarter of 2010 amounted to R\$ 1,372,056, an increase of 16.6% (R\$ 194,884) in relation to the same quarter of 2009, mainly as a result of the increase of 14.6% (R\$ 135,606) on PIS, COFINS and ICMS, due to an increase in the supply billed.

Cost of Electric energy

Cost of Electric Energy in the quarter totaled R\$ 1,407,308, a decrease of 7.5% (R\$ 113,466) in relation to the same period of the previous year:

➤ **Electric energy purchased for Resale**

The balance of electric energy purchased for resale was R\$ 1,126,833, a decrease of 8.7% (R\$ 107,184), mainly due to the reduction in the cost of electric energy purchased for resale caused by the purchase of energy from Itaipu (in dollars) and acquisitions in the CCEE.

➤ **Tariff for the Use of the Distribution System**

Decrease of 2.2% (R\$ 6,282) in the charges for use of the transmission and distribution system.

Operating Costs and Expense

Operating costs and expenses in the quarter amounted to R\$ 479,322, an increase of 5.5% (R\$ 24,933) compared to the same period of the previous year, not considering the revenue from concession infrastructure. This variation is mainly due to:

➤ **Manageable Operating Expenses**

Comprising costs for Personnel, Pension, Material, Third-party Services and Others, these expenses totaled R\$ 317,515 in the quarter, an increase of 10.3% (R\$ 29,592), mainly as a result of:

- Increase of 14.7% (R\$ 18,852) in Personnel, due mainly to the increase in the number of employees, the effects of the Collective Agreement (average of 6.4%), an increase in the cost of SAT (Work-related accident insurance), terminations and reduction of capitalized expenses in the subsidiary RGE;
- Employee Pension Plan: recorded income of R\$ 21,802 in the quarter and expense of R\$ 901 in the first quarter of 2009, largely as a result of the nominal earnings expected on the plan assets, based on an Actuarial Report;
- Increase of 7.2% (R\$ 7,800) in Material and Outsourced Services;
- Increase of 50.7% (R\$ 25,643) in Other Expense, due to: (i) the increase in the expense for Allowance for Doubtful Accounts (R\$ 14,882) compared with the first quarter of 2009, when the subsidiary RGE recorded a reversal of R\$ 16,774 and (ii) by the increase in Legal, Court and Indemnity expense (R\$ 4,059).

Financial Income (Expense)

The net Financial Income (Expense) in the quarter was an expense of R\$ 82,007, compared with R\$ 75,956 in the same period of 2009, an increase of 8.0% (R\$ 6,051):

➤ **The financial income decreased R\$ 3,625 (3.5%), mainly due to:**

- A decrease in monetary and exchange restatement (R\$ 10,208), largely due to the amount of R\$ 18,226 recorded in the first quarter of 2009 in relation to the recovery of overdue credits by the subsidiary RGE; and

- Partially offset by the increase in the yield on investments (R\$ 6,554) and an increase in arrears charges (R\$ 4,150).

➤ **The financial expense increased R\$ 2,426 (1.3%), mainly due to:**

- The reduction of R\$ 17,686 in interest on debt charges due to the drop in the CDI;
- An increase of R\$ 5,629 in monetary restatement, exchange variations and derivatives expense, largely due to the subsidiary ENERCAN's loan from BID and BNDES basket of currency of R\$ 2,937;
- A rise of R\$ 7,886 in Other Financial Expense, in particular in relation to the issuance of bank guarantee.

Social Contribution and Income Tax

Taxes on income in the first quarter of 2010 totaled R\$ 271,781, an increase of 69.1% (R\$ 111,015) in relation to the same quarter of 2009, mainly as a result of the increase in pre-tax income (76.8%).

Net income and EBITDA

As a result of the above factors, the net income for the quarter was R\$ 487,863, 81.4% (R\$ 218,987) higher than in the same period of 2009.

The adjusted EBITDA (net income for the quarter, eliminating the effects of the private pension plan, depreciation, amortization, financial income (expense), equity accounting, social contribution and income tax) for the first quarter of 2010 was R\$ 981,656, 45.9% (R\$ 308,691) higher than the EBITDA for the same period of 2009.

13.01 INVESTMENTS IN SUBSIDIARIES AND/OR ASSOCIATED COMPANIES

1 - ITEM	2 - NAME OF SUBSIDIARY/ASSOCIATED COMPANY	3 - CNPJ (Federal Tax ID)	4 - CLASSIFICATION	5 - EQUITY IN CAPITAL OF INVESTEE - %	6 - SHAREHOLDERS' EQUITY - %
7 - TYPE OF COMPANY	8 - NUMBER OF SHARES HELD IN CURRENT QUARTER (in units)			9 - NUMBER OF SHARES HELD IN PREVIOUS QUARTER (in units)	

01	COMPANHIA PAULISTA DE FORÇA E LUZ - CPFL	33.050.196/0001-88	PUBLIC SUBSIDIARY	100.00	28.30
COMMERCIAL, INDUSTRIAL AND OTHER		72,650,091			72,650,091

02	CPFL GERAÇÃO DE ENERGIA S/A	03.953.509/0001-47	PUBLIC SUBSIDIARY	100.00	20.69
COMMERCIAL, INDUSTRIAL AND OTHER		205,487,715,790			205,487,715,790

03	CPFL COMERCIALIZAÇÃO BRASIL S/A	04.973.790/0001-42	PRIVATE SUBSIDIARY	100.00	2.60
COMMERCIAL, INDUSTRIAL AND OTHER		2,998,565			2,998,565

04	COMPANHIA PIRATININGA DE FORÇA E LUZ	04.172.213/0001-51	PUBLIC SUBSIDIARY	100.00	9.22
COMMERCIAL, INDUSTRIAL AND OTHER		53,031,258,896			53,031,258,896

05	RIO GRANDE ENERGIA S/A	02.016.439/0001-38	PUBLIC SUBSIDIARY	100.00	22.78
COMMERCIAL, INDUSTRIAL AND OTHER		807,168,578			807,168,578

14.01 CHARACTERISTICS OF PUBLIC OR PRIVATE ISSUE OF DEBENTURES

1 - ITEM	01
2 - ISSUE ORDER NUMBER	3
3 - REGISTRATION NUMBER WITH CVM	CVM/SRE/DEB/2007/042
4 - DATE OF REGISTRATION WITH CVM	10/25/2007
5 - ISSUED SERIES	UN
6 - TYPE	SIMPLE
7 - NATURE	PUBLIC
8 - ISSUE DATE	09/03/2007
9 - DUE DATE	09/03/2014
10 - TYPE OF DEBENTURE	NO PREFERENCE
11 - REMUNERATION CONDITIONS PREVAILING	CDI + 0.45%
12 - PREMIUM/DISCOUNT	
13 - NOMINAL VALUE (Reais)	10,000.00
14 - ISSUED AMOUNT (Thousands of Reais)	450,000
15 - NUMBER OF DEBENTURES ISSUED (UNIT)	45,000
16 - OUTSTANDING DEBENTURES (UNIT)	45,000
17 - TREASURY DEBENTURES (UNIT)	0
18 - REDEEMED DEBENTURES (UNIT)	0
19 - CONVERTED DEBENTURES (UNIT)	0
20 - DEBENTURES TO BE PLACED (UNIT)	0
21 - DATE OF THE LAST RENEGOTIATION	
22 - DATE OF NEXT EVENT	09/03/2012

19.01 – CAPITAL EXPENDITURE

(Not reviewed by independent auditors)

Our principal capital expenditure in recent years has been on maintaining and upgrading our distribution network and generation projects. The following table sets forth our capital expenditure for the three month-period ended March 31, 2010, as well as the three years ended December 31, 2009, 2008 and 2007.

	In million of R\$			
	1st quarter 2010	Year ended December 31,		
		2009	2008	2007
Distribution				
CPFL Paulista	93	344	279	291
CPFL Piratininga	35	132	123	144
RGE	41	215	226	221
CPFL Santa Cruz	5	20	18	11
Other	5	34	19	9
	179	745	665	676
Generation	117	570	502	445
Commercialization	2	10	8	9
Other	-	2	3	2
Total	298	1,327	1,178	1,132

We plan to effect capital expenditure totaling approximately R\$ 1,724 million in 2010 and approximately R\$ 1,454 million in 2011. Of the total budgeted capital expenditure over this period, R\$ 2,018 million is for distribution and R\$ 1,160 million is for generation.

20.01 – OTHER IMPORTANT INFORMATION ON THE COMPANY

Shareholders of CPFL Energia S/A holding more than 5% of the shares of the same type and class, as of March 31, 2010:

Shareholders	Common shares	Interest - %
VBC Energia S.A.	122,948,720	25.62
BB Carteira Livre I FIA	149,233,727	31.10
Bonaire Participações S.A.	60,713,511	12.65
BNDES Participações S.A.	40,526,739	8.44
Board of Directors	112	-
Executive officers	14,759	-
Other shareholders	106,473,370	22.19
Total	479,910,938	100.00

Quantity and characteristic of securities held by the Controlling Shareholders, Executive Officers, Board of Directors, Fiscal Council and Free Float, as of March 31, 2010 and 2009:

Shareholders	March 31, 2010		March 31, 2009	
	Common shares	Interest - %	Common shares	Interest - %
Controlling shareholders	333,314,879	69.45	333,314,881	69.45
Administrator				
Executive officers	14,759	-	31,152	0.01
Board of Directors	112	-	3,110	-
Fiscal Council Members	-	-	-	-
Other shareholders	146,581,188	30.54	146,561,795	30.54
Total	479,910,938	100.00	479,910,938	100.00
Outstanding shares	146,581,188	30.54	146,561,795	30.54

Shareholders of VBC Energia S/A holding more than 5% of the shares of the same type and class, up to the individuals level, as of March 31, 2010.

	Shareholders	Common Shares	%	Preferred Shares	%	TOTAL	%
(a)	Áttila Holdings S.A.	1,815,927	50.00	70,530	50.00	1,886,457	50.00
(b)	Camargo Corrêa Energia S.A.	1,100,652	30.31	47,018	33.33	1,147,670	30.42
(c)	Camargo Corrêa S.A.	550,324	15.15	23,512	16.67	573,836	15.21
	Other Shareholders	164,951	4.54	-	-	164,951	4.37
	Total	3,631,854	100.00%	141,060	100.00	3,772,914	100.00

(a) Áttila Holdings S/A

	Shareholders	Common Shares	%
(d)	Construções e Comércio Camargo Corrêa S.A.	280,767,655	38.91
	Camargo Corrêa S.A.	440,877,607	61.09
	Total	721,645,262	100.00

(b) Camargo Corrêa Energia S.A.

	Shareholders	Common Shares	%	Preferred Shares	%	TOTAL	%
(e)	Camargo Corrêa Investimento em Infra-Estrutura S.A.	518,860	100.00	518,854	100.00	1,037,714	100.00
	Other Shareholders	-	-	6	-	6	-
	Total	518,860	100.00	518,860	100.00	1,037,720	100.00

(c) Camargo Corrêa S.A.

	Shareholders	Common Shares	%	Preferred Shares	%	TOTAL	%
(f)	Participações Morro Vermelho S.A.	48,941	99.99	93,099	100.00	142,040	100.00
	Other Shareholders	5	0.01	1	-	6	-
	Total	48,946	100.00	93,100	100.00	142,046	100.00

(d) Construções e Comércio Camargo Corrêa S.A.

	Shareholders	Common Shares	%	Preferred Shares	%	TOTAL	%
(c)	Camargo Corrêa S.A.	290,108	100.00	87,772	99.99	377,880	99.99
	Other Shareholders	5	-	8	0.01	13	0.01
	Total	290,113	100.00	87,780	100.00	377,893	100.00

(e) Camargo Corrêa Investimento em Infra- Estrutura S.A.

Shareholders	Common Shares	%
(c) Camargo Corrêa S.A.	685,162,736	100.0
Other Shareholders	6	0.0
Total	685,162,742	100.0

(f) Participações Morro Vermelho S.A.

Shareholders	Common Shares	%	Preferred Shares	%	TOTAL	%
(g) RCABON Empreendimentos e Participações S.A	749,998	33.33	-	-	749,998	11.11
(h) RCNON Empreendimentos e Participações S.A	749,998	33.33	-	-	749,998	11.11
(i) RCPODON Empreendimentos e Participações S.A	749,998	33.34	-	-	749,998	11.12
(j) RCABPN Empreendimentos e Participações S.A	-	-	1,498,080	33.29	1,498,080	22.19
(k) RCNPN Empreendimentos e Participações S.A	-	-	1,498,080	33.29	1,498,080	22.19
(l) RCPODPN Empreendimentos e Participações S.A	-	-	1,498,080	33.29	1,498,080	22.19
(m) RRRPN Empreendimentos e Participações S.A	-	-	5,760	0.13	5,760	0.09
Other Shareholders	6	-	-	-	6	-
Total	2,250,000	100.00	4,500,000	100.00	6,750,000	100.00

(g) RCABON Empreendimentos e Participações S.A

Shareholders	Common Shares	%	Preferred Shares	%	TOTAL	%
Rosana Camargo Arruda Botelho	749,850	100.00	-	-	749,850	99.98
Other Shareholders	-	-	150	100.00	150	0.02
Total	749,850	100.00	150	100.00	750,000	100.00

(h) RCNON Empreendimentos e Participações S.A

Shareholders	Common Shares	%	Preferred Shares	%	TOTAL	%
Renata Camargo Nascimento	749,850	100.00	-	-	749,850	99.98
Other Shareholders	-	-	150	100.00	150	0.02
Total	749,850	100.00	150	100.00	750,000	100.00

(i) RCPODON Empreendimentos e Participações S.A

Shareholders	Common Shares	%	Preferred Shares	%	TOTAL	%
Regina Camargo Pires Oliveira Dias	749,850	100.00	-	-	749,850	99.98
Other Shareholders	-	-	150	100.00	150	0.02
Total	749,850	100.00	150	100.00	750,000	100.00

(j) RCABPN Empreendimentos e Participações S.A

Shareholders	Common Shares	%
Rosana Camargo Arruda Botelho	1,499,890	99.99
Other Shareholders	110	0.01
Total	1,500,000	100.00

(k) RCNPN Empreendimentos e Participações S.A

Shareholders	Common Shares	%
Renata Camargo Nascimento	1,499,890	99.99
Other Shareholders	110	0.01
Total	1,500,000	100.00

(l) RCPODPN Empreendimentos e Participações S.A

Shareholders	Common Shares	%
Regina Camargo Pires Oliveira Dias	1,499,850	99.99

Other Shareholders	150	0.01
Total	1,500,000	100.00

(m) RRRPN Empreendimentos e Participações S.A

Shareholders	Common Shares	%
Rosana Camargo Arruda Botelho	1,980	33.33
Renata Camargo Nascimento	1,980	33.33
Regina Camargo Pires Oliveira Dias	1,980	33.34
Total	5,940	100.00

Shareholder's composition of Fundo Mútuo de Investimentos em Ações - BB Carteira Livre I holding more than 5% of the shares of the same type and class, up to the individuals level, as of March 31, 2010.

Fundo Mútuo de Investimentos em Ações - BB Carteira Livre I

Shareholders	Quotes	%
Caixa de Previdência dos Funcionários do Banco do Brasil - PREVI	130,163,542	100.00
Total	130,163,542	100.00

Shareholders of Bonaire Participações S.A. holding more than 5% of the shares of the same type and class, up to the individual level, as of March 31, 2010.

	Shareholders	Common Shares	%
(a)	Energia São Paulo Fundo de Investimento em Participações	66,728,872	100.00
	Other Shareholders	6	-
	Total	66,728,878	100.00

(a) Energia São Paulo Fundo de Investimento em Participações

	Shareholders	Quotes	%
(b)	Fundo de Investimento em Cotas de Fundos de Investimento em Participações 114	353,528,507	44.39
	Fundação Petrobrás de Seguridade Social - Petros	181,405,069	22.78
	Fundação Sabesp de Seguridade Social – Sabesprev	4,823,881	0.61
	Fundação Sistel de Seguridade Social	256,722,311	32.22
	Total	796.479.768	100.00

(b) Fundo de Investimento em Cotas de Fundos de Investimento em Participações 114

	Shareholders	Common Shares	%
	Fundação CESP	353,528,507	100.00
	Total	353,528,507	100.00

Shareholders of BNDES Participações S.A. holding more than 5% of the shares of the same type and class, up to the individuals level, as of March 31, 2010.

	Shareholders	Common Shares	%
	Banco Nacional de Desenv. Econômico e Social (*)	1	100.00
	Total	1	100.00

(*) State agency – Brazilian Federal.

The quantity of shares are expressed in units.

Commitment to arbitrage

The Company is committed to arbitration in the Market Arbitration Chamber, in accordance with the Arbitration Clause in Article 44 of the Company's By-Laws.

(Free Translation of the original in Portuguese)

FEDERAL GOVERNMENT

BRAZILIAN SECURITIES COMMISSION (CVM)

STANDARD FINANCIAL STATEMENTS – DFP

COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES

Brazilian Corporation Law

Date: March 31, 2010

Quarterly Social Report / 2010 / 2009 *

Company: CPFL ENERGIA S.A.

1 - Basis for Calculation	1st quarter 2010 Value (R\$ 000)			1st quarter 2009 Value (R\$ 000)		
Net Revenues (NR)	2,878,725			2,587,158		
Operating Result (OR)	759,644			429,642		
Gross Payroll (GP)	126,378			112,656		
2 - Internal Social Indicators	Value (000)	% of GP	% of NR	Value (000)	% of GP	% of NR
Food	10,179	8.05%	0.35%	9,551	8.48%	0.37%
Mandatory payroll taxes	34,328	27.16%	1.19%	29,490	26.18%	1.14%
Private pension plan	6,278	4.97%	0.22%	6,461	5.74%	0.25%
Health	7,422	5.87%	0.26%	6,166	5.47%	0.24%
Occupational safety and health	428	0.34%	0.01%	336	0.30%	0.01%
Education	522	0.41%	0.02%	427	0.38%	0.02%
Culture	0	0.00%	0.00%	0	0.00%	0.00%
Training and professional development	1,924	1.52%	0.07%	583	0.52%	0.02%
Day-care / allowance	367	0.29%	0.01%	361	0.32%	0.01%
Profit / income sharing	10,679	8.45%	0.37%	7,794	6.92%	0.30%
Others	1,565	1.24%	0.05%	982	0.87%	0.04%
Total - internal social indicators	73,692	58.31%	2.56%	62,151	55.17%	2.40%
3 - External Social Indicators	Value (000)	% of OR	% of NR	Value (000)	% of OR	% of NR
Education	53	0.01%	0.00%	407	0.09%	0.02%
Culture	3,038	0.40%	0.11%	1,578	0.37%	0.06%
Health and sanitation	62	0.01%	0.00%	36	0.01%	0.00%
Sport	0	0.00%	0.00%	10	0.00%	0.00%
War on hunger and malnutrition	0	0.00%	0.00%	0	0.00%	0.00%
Others	147	0.02%	0.01%	273	0.06%	0.01%
Total contributions to society	3,300	0.43%	0.11%	2,304	0.54%	0.09%
Taxes (excluding payroll taxes)	1,348,858	177.56%	46.86%	1,177,539	274.07%	45.51%
Total - external social indicators	1,352,157	178.00%	46.97%	1,179,843	274.61%	45.60%
4 - Environmental Indicators	Value (000)	% of OR	% of NR	Value (000)	% of OR	% of NR
Investments related to company production / operation	24,157	3.18%	0.84%	20,523	4.78%	0.79%
Investments in external programs and/or projects	11,167	1.47%	0.39%	13,602	3.17%	0.53%
Total environmental investments	35,324	5.75%	1.23%	34,125	7.94%	1.32%
Regarding the establishment of "annual targets" to minimize residues, the consumption in production / operation and increase efficiency in the use of natural resources, the company:	() do not have targets () fulfill from 51 to 75% () fulfill from 0 to 50% (X) fulfill from 76 to 100%			() do not have targets () fulfill from 51 to 75% () fulfill from 0 to 50% (X) fulfill from 76 to 100%		
5 - Staff Indicators	1st quarter 2010			1st quarter 2009		
Nº of employees at the end of period	7,376			7,206		
Nº of employees hired during the period	293			165		
Nº of outsourced employees	NA			6,260		
Nº of interns	212			199		
Nº of employees above 45 years age	2,074			1,737		
Nº of women working at the company	1,479			1,266		
% of management position occupied by women	10.21%			12.04%		
Nº of Afro-Brazilian employees working at the company	754			681		
% of management position occupied by Afro-Brazilian employees	1.32%			1.98%		
Nº of employees with disabilities	289			291		
6 - Relevant information regarding the exercise of corporate citizenship	1st quarter 2010			1st quarter 2009		
Ratio of the highest to the lowest compensation at company	74.49			71.48		
Total number of work-related accidents	5			5		
Social and environmental projects developed by the company were decided upon by:	() directors	(X) directors and managers	() all employees	() directors	(X) directors and managers	() all employees
Health and safety standards at the workplace were decided upon by:	() directors and managers	() all employees	(X) all + Cipa	() directors and managers	() all employees	(X) all + Cipa
Regarding the liberty to join a union, the right to a collective negotiation and the internal representation of the employees, the company:	() does not get involved	() follows the OIT rules	(X) motivates and follows OIT	() does not get involved	() follows the OIT rules	(X) motivates and follows OIT
The private pension plan contemplates:	() directors	() directors and managers	(X) all employees	() directors	() directors and managers	(X) all employees
The profit / income sharing contemplates:	() directors	() directors and managers	(X) all employees	() directors	() directors and managers	(X) all employees
In the selection of suppliers, the same ethical standards and social / environmental responsibilities adopted by the company:	() are not considered	(X) are suggested	() are required	() are not considered	(X) are suggested	() are required
Regarding the participation of employees in voluntary work programs, the company:	() does not get involved	() supports	(X) organizes and motivates	() does not get involved	() supports	(X) organizes and motivates
Total number of customer complaints and criticisms:	in the company 276,462	in Procon 342	in the Courts 443	in the company 208,075	in Procon 429	in the Courts 411
% of complaints and criticisms attended to or resolved:	in the company 100%	in Procon 100%	in the Courts 39.80%	in the company 100%	in Procon 100%	in the Courts 50.45%
Total value-added to distribute (R\$ 000):	1st quarter 2010 * : 2,282,014 65% government 5% employees 0% shareholders 9% third parties 21% retained			1st quarter 2009 * : 1,773,982 67% government 7% employees 0% shareholders 11% third parties 15% retained		

Value-Added Distribution (VAD):

7 - Other Information

Consolidated information

* Adjusted to adequate to IFRS

In the financial items were utilized the percentage of stock paticipation. For the other information, as number of employees and legal lawsuits, the informations were available in full numbers.

Responsible: Antônio Carlos Bassalo, phone: 55-19-3756-8018, bassalo@cpfl.com.br

(*) Information not reviewed by the independent auditors

21.01 – REPORT ON SPECIAL REVIEW-UNQUALIFIED

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Independent auditors' review report

To
The Shareholders and Management of
CPFL Energia S.A.
São Paulo - SP

1. We have reviewed the accompanying individual quarterly financial information of CPFL Energia S.A. ("The Company") comprising the balance sheets, the statements of income, comprehensive income, shareholders' equity and cash flows and the consolidated quarterly financial information of this Company and its subsidiaries, comprising the consolidated balance sheets, the consolidated statements of income, comprehensive income, shareholders' equity and cash flows, both related to the quarter ended as of March 31, 2010, which include the footnotes and performance report, prepared under the responsibility of the Management.
2. Our review was conducted in accordance with specific standards established by the IBRACON - Brazilian Institute of Independent Auditors and the Federal Accounting Council (CFC), which consisted mainly of (a) inquiries of and discussions with persons responsible for the accounting, financial and operating areas of the Company and its subsidiaries about the main criteria adopted in preparing the quarterly financial information, and (b) review of the information and subsequent events that have or may have material effects on the financial position and operations of the Company and its subsidiaries.
3. Based on our special review, we are not aware of any material modifications that should be made to the individual quarterly financial information of CPFL Energia S.A. aforementioned, for it to be in conformity with accounting practices adopted in Brazil and the regulations issued by the Brazilian Securities Commission - CVM, applicable to the preparation of quarterly financial information.
4. Based on our special review, we are not aware of any material modifications that should be made to the consolidated quarterly financial information of CPFL Energia S.A. and its subsidiaries aforementioned, for it to be in conformity with International Financial Reporting Standards (IFRS) and the regulations issued by the Brazilian Securities Commission - CVM, applicable to the preparation of quarterly financial information.
5. As mentioned in footnote nº 5, during 2009 and 2010, were approved by CVM, several pronouncements, interpretations and technical guidance issued by the Committee for Accounting Pronouncements (CPC) in effect for 2010, which changed the accounting practices adopted in Brazil. These changes were adopted by the Company and its subsidiaries to the preparation of individual quarterly financial information of the Company of the quarter ended March 31, 2010 and disclosed in footnote nº 5. This individual quarterly financial information has been restated, and thus, were different of the individual quarterly information presented in May 11, 2010, including our independent auditors' review report dated by April 30, 2010. The individual quarterly financial information of the year and period ended on 2009 and 2010, prepared and restated to for comparative purpose, were adjusted to include the changes in account practices adopted in Brazil effective for 2010.

6. As mentioned in footnote nº 5, the Company and its subsidiaries since the fiscal year ended 2010, start to present their consolidated quarterly financial information in accordance with International Financial Reporting Standards (IFRS). The consolidated quarterly financial information of the Company and its subsidiaries for the year and periods ended 2009, prepared in accordance with aforementioned international accounting standards, are being presented for the comparison purpose.
7. Our review was conducted with the purpose to issue a review report on accounting information of quarterly financial information of this Company and its subsidiaries, referred in the first paragraph, as a whole. The statements of additional value, prepared under the responsibility of the Management, is not required by international accounting practices issued by IASB and is presented as additional information. Those additional information were subject to the same review procedures applied to the accounting information included in the individual and consolidated quarterly financial information of CPFL Energia S.A. and its subsidiaries and, based on our review, we are not aware of any material modifications that should be made in this additional information to be presented in accordance with the accounting information included in the quarterly information referred in the first paragraph, as a whole.

Campinas, March 25, 2011

KPMG Auditores Independentes
CRC 2SP014428/O-6

Jarib Brisola Duarte Fogaça
Contador CRC 1SP125991/O-0

22.01 COMMENTS ON PERFORMANCE OF SUBSIDIARIES

Subsidiary: COMPANHIA PAULISTA DE FORÇA E LUZ - CPFL

The subsidiary Companhia Paulista de Força e Luz - CPFL is a public company and its Comments on the performance in this quarter are attached to the Interim Financial Statements as of March 31, 2010, filed with the CVM (Brazilian Securities Commission).

22.01 COMMENTS ON PERFORMANCE OF SUBSIDIARIES

Subsidiary: CPFL GERAÇÃO DE ENERGIA S.A.

The subsidiary CPFL Geração de Energia S.A. is a public company and its Comments on the performance in this quarter (the Company and Consolidated) are attached to the Interim Financial Statements as of March 31, 2010, filed with the CVM (Brazilian Securities Commission).

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
01866-0	CPFL ENERGIA S.A.	02.429.144/0001-93

SUBSIDIARY / ASSOCIATED

COMPANY NAME
CPFL COMERCIALIZAÇÃO BRASIL S/A

22.01 – STATEMENT INCOME OF SUBSIDIARY (in thousands of Brazilian reais – R\$)

1 – Code	2 – Description	3 - 01/01/2010 to 03/31/2010	4 - 01/01/2010 to 03/31/2010	5 - 01/01/2009 to 03/31/2009	6 - 01/01/2009 to 03/31/2009
3.01	Operating revenues	384,318	384,318	410,161	410,161
3.02	Deductions from operating revenues	(41,432)	(41,432)	(60,705)	(60,705)
3.03	Net operating revenues	342,886	342,886	349,456	349,456
3.04	Cost of sales and/or services	(243,464)	(243,464)	(281,632)	(281,632)
3.04.01	Electric energy purchased for resale	(238,943)	(238,943)	(274,916)	(274,916)
3.04.02	Electric energy network usage charges	(17)	(17)	426	426
3.04.03	Material	(48)	(48)	(202)	(202)
3.04.04	Outsourced services	(4,456)	(4,456)	(6,940)	(6,940)
3.05	Gross operating income	99,422	99,422	67,824	67,824
3.06	Operating expenses/income	(6,217)	(6,217)	(652)	(652)
3.06.01	Sales and Marketing	(6,566)	(6,566)	(5,831)	(5,831)
3.06.02	General and administrative	(186)	(186)	(752)	(752)
3.06.03	Financial	535	535	5,931	5,931
3.06.03.01	Financial income	5,474	5,474	4,489	4,489
3.06.03.02	Financial expenses	(4,939)	(4,939)	1,442	1,442
3.06.04	Other operating income	0	0	0	0
3.06.05	Other operating expense	0	0	0	0
3.06.06	Equity in subsidiaries	0	0	0	0
3.07	Income from operations	93,205	93,205	67,172	67,172
3.08	Nonoperating income (expense)	0	0	0	0
3.08.01	Income	0	0	0	0
3.08.02	Expenses	0	0	0	0
3.09	Income before taxes on income and noncontrolling interest	93,205	93,205	67,172	67,172
3.10	Income tax and social contribution	(30,789)	(30,789)	(19,019)	(19,019)
3.10.01	Social contribution	(8,165)	(8,165)	(5,100)	(5,100)
3.10.02	Income tax	(22,624)	(22,624)	(13,919)	(13,919)
3.11	Deferred income tax and social contribution	98	98	(1,535)	(1, 535)
3.11.01	Social contribution	26	26	(407)	(407)
3.11.02	Income tax	72	72	(1,128)	(1,128)
3.12	Statutory profit sharing/contributions	0	0	0	0
3.12.01	Profit sharing	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of interest on shareholders' equity	0	0	0	0
3.15	Net income (loss) for the period	62,514	62,514	46,618	46,618
	SHARES OUTSTANDING EX-TREASURY STOCK (in units)	2,998,565	2,998,565	2,998,565	2,998,565
	EARNINGS PER SHARE (Reais)	20.84797	20.84797	15.54677	15.54677
	LOSS PER SHARE (Reais)				

22.01 COMMENTS ON PERFORMANCE OF SUBSIDIARIES

Subsidiary: CPFL COMERCIALIZAÇÃO BRASIL S.A.

Net Operation Revenue

Net Operating Revenue for the first quarter of 2010, which includes the operations of the subsidiaries CLION, Sul Geradora and Cone Sul, was R\$ 342,886, a decrease of R\$ 6,570 (1.9%) in relation to the same quarter of 2009. This decrease is basically explained by: i) the decrease of 6.2% in the volume of energy sales (R\$ 23,354); ii) the decrease of R\$6,536 in services income; and iii) recording in the first quarter of 2010 of additional income of R\$ 21,486 in relation to compensation for cancellation of energy contracts.

Net Income and EBITDA

Net income of R\$ 62,514 was recorded in the first quarter of 2010, an increase of R\$ 15,896 (34.1%), compared with the same quarter of 2009.

EBITDA (net income before Financial Income (Expense), income tax and social contribution, depreciation and amortization) for the first quarter of 2010 was R\$ 93,261, 51.1% higher than the R\$ 61,713 recorded in the same quarter of 2009 (information not reviewed by the Independent Auditors).

22.01 COMMENTS ON PERFORMANCE OF SUBSIDIARIES

Subsidiary: CPFL PIRATININGA DE FORÇA E LUZ

The subsidiary CPFL Piratininga de Força e Luz is a public company and its Comments on the performance in this quarter are attached to the Interim Financial Statements as of March 31, 2010, filed with the CVM (Brazilian Securities Commission).

22.01 COMMENTS ON PERFORMANCE OF SUBSIDIARIES

Subsidiary: RIO GRANDE ENERGIA S.A.

The subsidiary Rio Grande Energia S.A. is a public company and its Comments on the performance in this quarter are attached to the Interim Financial Statements as of March 31, 2010, filed with the CVM (Brazilian Securities Commission).

(Free Translation of the original in Portuguese)

FEDERAL GOVERNMENT

BRAZILIAN SECURITIES COMMISSION (CVM)

STANDARD FINANCIAL STATEMENTS – DFP

COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES

Brazilian Corporation Law

Date: March 31, 2010

23.01 – DESCRIPTION OF CHANGED INFORMATION

Restatement due to CVM Decision 656 of January 25, 2011.

(Free Translation of the original in Portuguese)

FEDERAL GOVERNMENT

BRAZILIAN SECURITIES COMMISSION (CVM)

STANDARD FINANCIAL STATEMENTS – DFP

COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES

Brazilian Corporation Law

Date: March 31, 2010

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 13, 2011

CPFL ENERGIA S.A.

By: _____ /s/ WILSON P. FERREIRA JUNIOR

Name: Wilson P. Ferreira Junior

Title: Chief Financial Officer and Head of Investor Relations

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.
