CPFL ENERGIA

CPFE3 NOVO MERCADO BOVESPA BRASIL

3Q08

CPL LISTED NYSE

CPFL Energia – 3Q08 Highlights

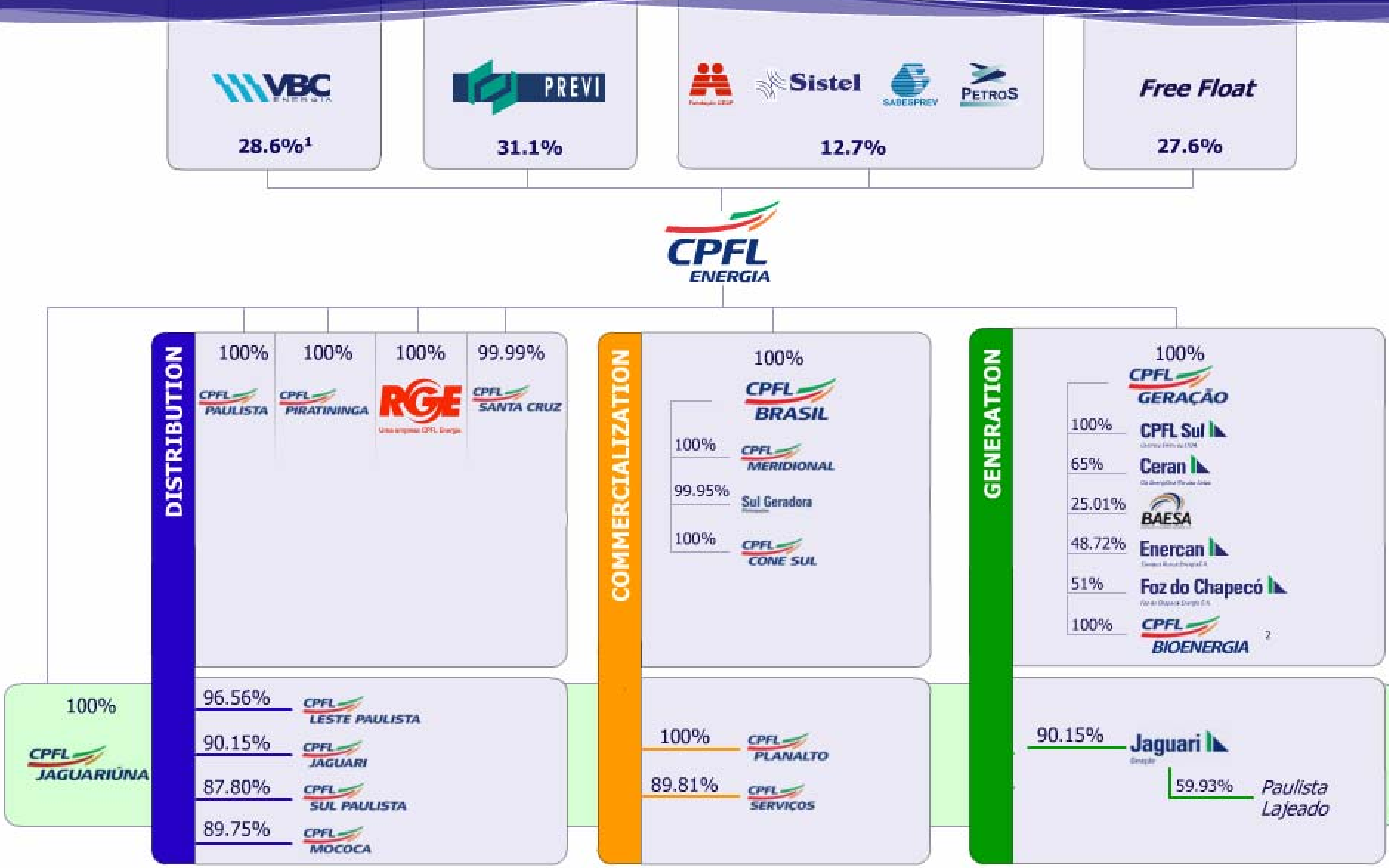
- Growth of 6.8% in sales volume in the concession area, above the Brazilian average of 5.9%
- Net debt of R$5.7 billion without FX exposure
- Financing for Distribution and Generation CAPEX already signed up with BNDES

Net Revenue	EBITDA	Net Income
-0.6%	-15.4%	-21.0%
R$ 2,389 million (3Q08)	R$ 745 million (3Q08)	R$ 339 million (3Q08)
R$ 2,404 million (3Q07)	R$ 880 million (3Q07)	R$ 428 million (3Q07)

- 16.54% annual tariff readjustment granted CPFL Piratininga on Oct/23rd. Oct/2007 tariff review adjusted, raising the percentage of unrecoverable revenues from 0.5% to 0.6%, resulting in a R$3.5 million gain in the 2008 IRT.
- CPFL Bioenergia signed its first biomass-fuelled energy generation contract, involving investments of R$98 million
- 14 de Julho HPP reservoir completed. Operations scheduled to commence in Dec/2008
- Monte Claro HPP trades carbon credits, with revenues of R$ 6 million

CPFL Energia becomes the first Brazilian company to receive the IFC's Client Leadership Award and the only Brazilian Electric Sector company to receive the PNQ (National Quality Award), for the second consecutive time

CPFL Energia's - Corporate Structure



1) Include 0.2% of ohters

2) Logo CPFL Bioenergia's (proforma)

9M08 and 3Q08 market in CPFL's concession areas

Distribution Southeast

Residential and Commercial

Rising employment, income, credit and consumption
- 10% increase in total São Paulo salaries[1]
- 23% increase in SP furniture and home appliance sales[1]
- 14% increase in retail sales in SP[1]

Higher 3Q08 temperatures
- Most affected: S.J. do Rio Preto (+6%) and Santos (+12%)

Industrial

Strong performance from São Paulo industry
- 9% increase in SP industrial output[1]
- 3Q08 Sector's highlights: Metallurgy (+8%), Food products (+6%), Transportation equipment (+11%), Non-metallic minerals (+8%) and Rubber (+8%)

Distribution South

Residential and Commercial

Rising employment, income, credit and consumption
- 10% increase in total Rio Grande do Sul salaries[1]
- 16% increase in furniture and home appliance sales[1]
- 9% increase in RS retail sales[1]

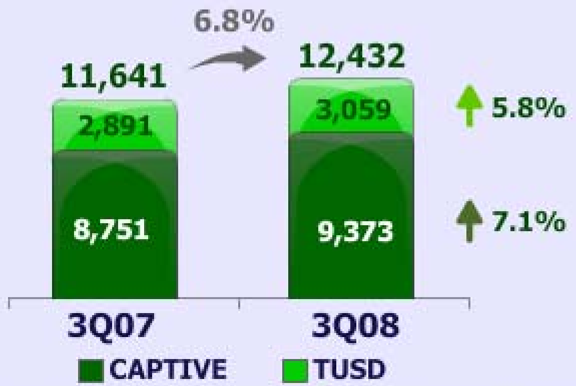
Industrial

Strong performance from RS industry
- 5% increase in RS industrial output[1]
- 3Q08 Sector's highlights: Metallurgy (+9%) and Rubber (+17%)

(1) Source: IBGE. Accumulated from January to August 2008 and compared with the same period of the previous year

3Q08 CPFL Energia's Sales

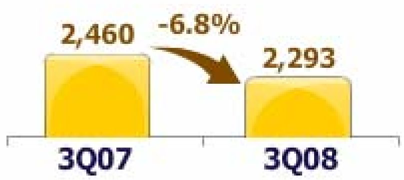
Concession Area Sales (GWh)



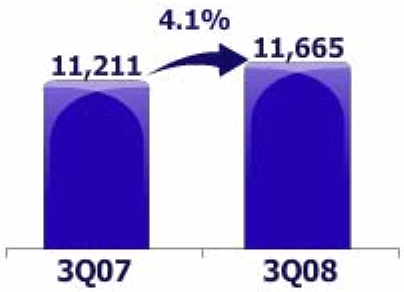
- 9.2% Residential
- 10.0% Commercial
- 6.3% Industrial
- 2.6% Others
- 5.8% TUSD

3Q08 CPFL Energia's market growth was higher than Brazil, Southeast and South regions

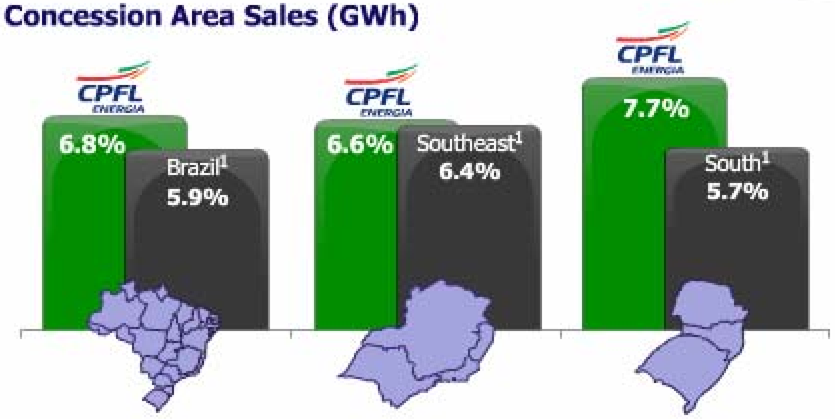
Free Market Sales (GWh)



Total Energy Sales (GWh)



Concession Area Sales (GWh)



Note: Excludes intercompany transactions (consolidation accounting basis), CCEE and generation sales (except to the free market

(1) Source: EPE (3Q08)

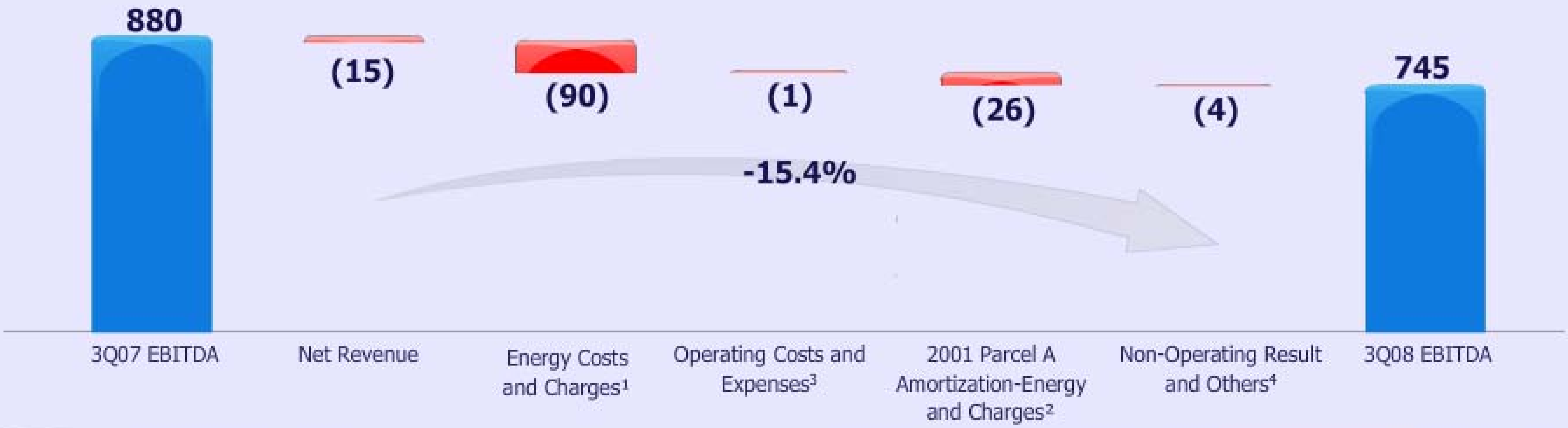
Net Revenue – R$ million

0.6% Net Revenue Decrease (R$ 15 million)

- Reduction of 4.1% in Gross Revenue from Energy Sales (R$ 138 million)[1]
  - 4.1% Increase in physical sales of energy and gains from sales mix (R$ 193 million)[2]
  - Reduction in distribution tariffs, partially compensated for increase in the commercialization and generation prices (R$ 331 million)[3]
- Reduction of 8.4% in TUSD Revenue (R$ 18 million)
- Increase of 30.7% in Other Revenues (R$ 12 million)
  - Monte Claro HPP carbon credit sale (R$ 6 million)
  - Revenues from Value Added Services and CPFL Total (R$ 2 million)
- Reduction of 8.6% in Deductions from Revenues (R$ 103 million)
  - Reduction in ICMS, PIS and COFINS taxes on sales (R$ 53 million)
  - Amortization of asset for 3Q07 PIS/COFINS increase (R$ 33 million)
  - Reduction in the CCC amounts (R$ 20 million)
- Net revenue from the Amortization of 2001 Parcel A[5] (R$ 26 million)

1) Includes subsidy for low-income consumers and excludes Amortization of Part A 2001
2) Includes CCEE sales
3) Includes Revenues for Parcel A Variations Account (CVA) amortization
4) Regulatory asset to offset the exclusion of PIS/COFINS credits on CCC and CDE
5) Zero impact on EBITDA

EBITDA – R$ million



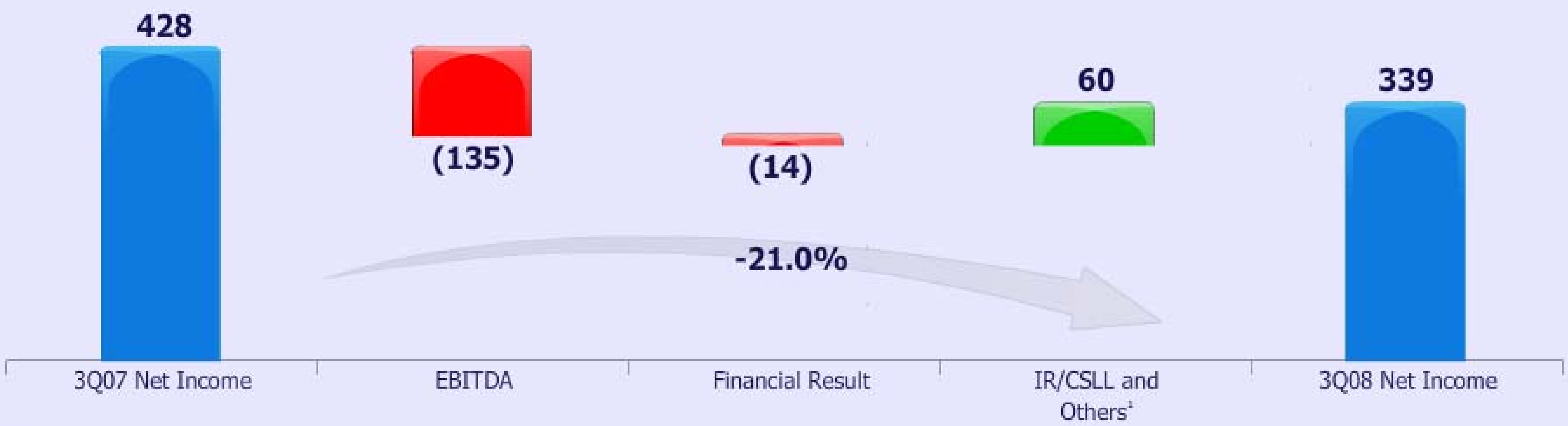
15.4% EBITDA Decrease (R$ 135 million)

- Decrease of 0.6% in Net Revenues (R$ 15 million)
- Increase of 7.4% in Energy Costs and Charges[1] (R$ 90 million)
- Increase of 0.5% in Costs and Operating Expenses[3] (R$ 1 million)
  - + Allowance for Doubtitul Accounts Reversal (R$ 6 million)
  - Add-on of Castro Alves HPP (R$ 1 million)
- Amortization of 2001 Parcel A in Energy Costs and Charges and ANEEL Inspection Fee[2] (R$ 26 million)
- Non-operating Result and Others[4] (R$ 4 million)

1) Excluding values related to 2001 Parcel A Amortization
3) Personnel, Material, Third Party Services and Others – excluding 2001 Parcel A Amortization
2) Zero impact on EBITDA - includes ANEEL Inspection Fee
4) Minority participation

CPFL Energia – 3Q08 Results

Net Income – R$ million



21.0% Net Income Decrease (R$ 90 million)

- Decrease of 15.4% in EBITDA (R$ 135 million)
- Decrease of 11.6% in Financial Result (R$ 14 million)
  - Increase of 31.7% in Financial Income (R$ 31 million)
    - Income from Financial Investments (R$ 10 million)
  - Increase of 20.6% in Financial Expenses (R$ 4 million)
    - HPP Castro Alves financing (R$ 9 million)
    - BNDES-FINEM disbursements for the distributors' CAPEX in Jun-Jul
- Decrease in Income Tax, Social Contribution and Others[1] (R$ 60 million)

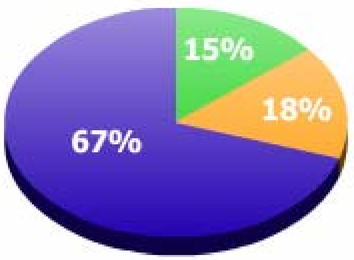
Selic	
3Q08	3Q07
3.2%	2.8%

1) Depreciation, amortization and Pension Plan

Growth of the Generation Business stake in Group's results

EBITDA Breakdown[1]

Net Income Breakdown - 3Q08[1]



Margin Evolution[2]

1) Business segment participation in the sum of D+G+C

2) Results without 1Q08 non-recurring effect

CPFL Piratininga's Annual Tariff Readjustment in October 23th, 2008

CPFL Piratininga's Annual Tariff Readjustment parameters as of October 23th, 2008:

IGP-M[1]	12.31%
IPCA[1]	6.25%
Exchange rate	R$ 2.054/US$

Indexes approved by ANEEL

Parcel A variation	**11.37%**
Parcel B variation	**9.76%**
Annual Tariff Readjustment	10.92%
Financial Components	5.62%
Total Annual Tariff Readjustment	**16.54%**
Xe Factor	0.73%
Xa Factor	1.75%
Total X Factor	**2.55%**

Adjustments in the provisional CPFL Piratininga's 2007 Periodic Tariff Revision index:

1st

Incorporation of a provisional methodological improvements subject to the Public Hearing process – AP 52/2007:

- **Increase in the irrecoverable revenue percentage from 0.5% to 0.6%**

Positive impact

2nd

Changes in the Verified Revenue, with the use of tariffs without discounts, with the objective of alignment to the methodology used by ANEEL for the 2nd Perodic Tariff Revision cycle

- **Only methodological change**

Without economic impact

-10.94%

-11.76%

Addition of R$ 3.5 million in the 2008 TRI[2]

1) Brazilian inflation indexes

2) Tariff Readjustment Index

Increasing scale gains through CPFL Energia’s management expertise

DISTRIBUTION

Delinquency[1] (%)

3Q08 Delinquency Recovery[2]: R$ 81 million

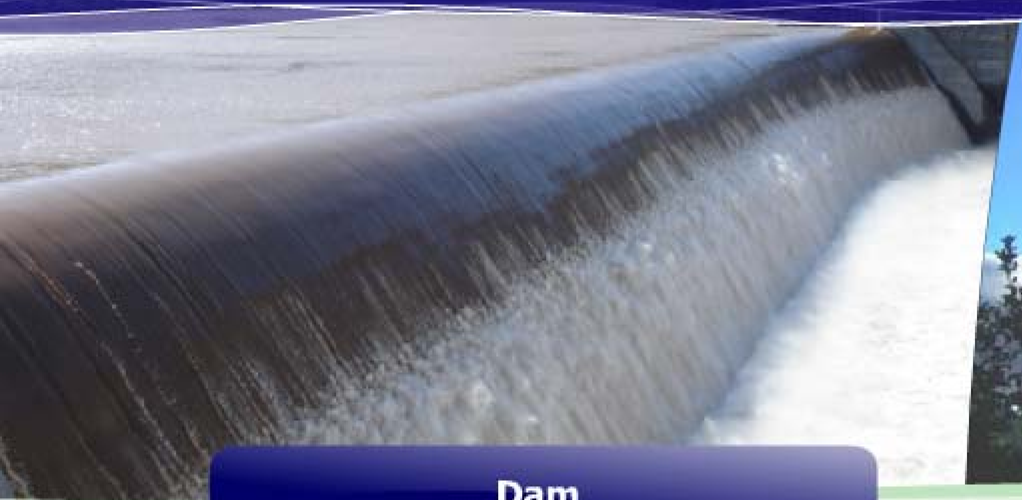
Public Administration's Delinquency - balance
R$ millions

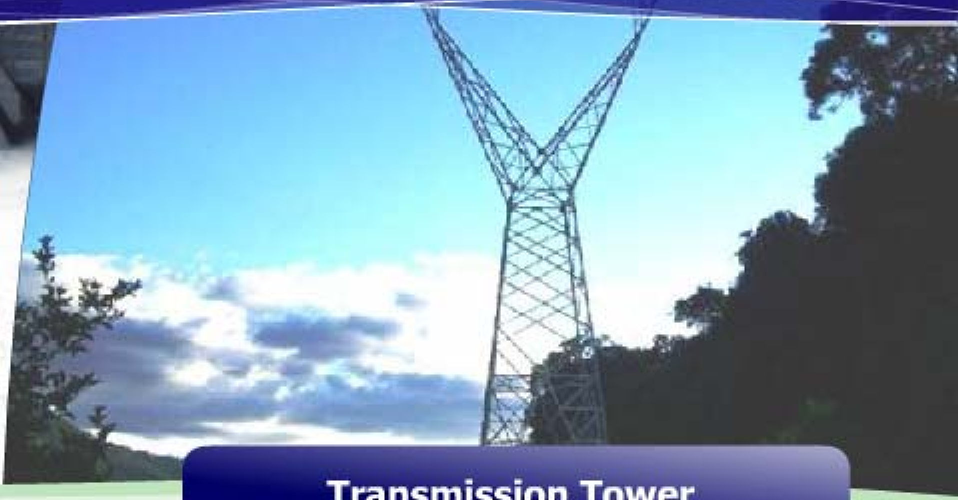
Actions taken

- Improved relationship with public administration
- Refinancing of debt in installments
- Financing/payment terms for public works
- New contracts with ICMS tax receipts as collateral

1) Receivables past due > 30 days - % of Total Revenues – Balance as of Sep 30 2008 divided by annualized total revenue
2) 3Q08 not considering CPFL Jaguariuna's subsidiaries. All Distributors will be covered by Dec/2008.

Commercial start-up of 14 de Julho HPP: Dec/08





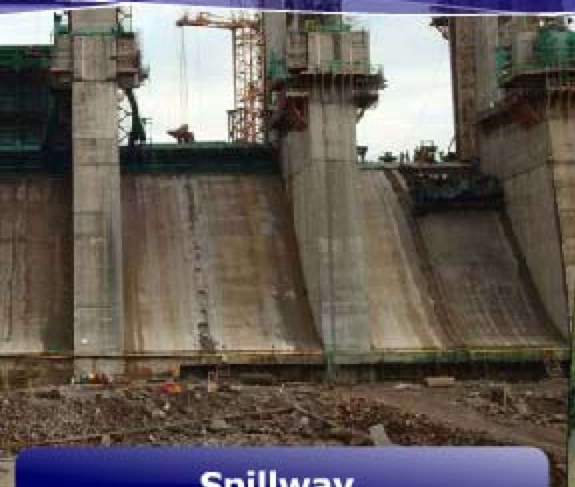
73% of electromechanical construction

98% of the civil works

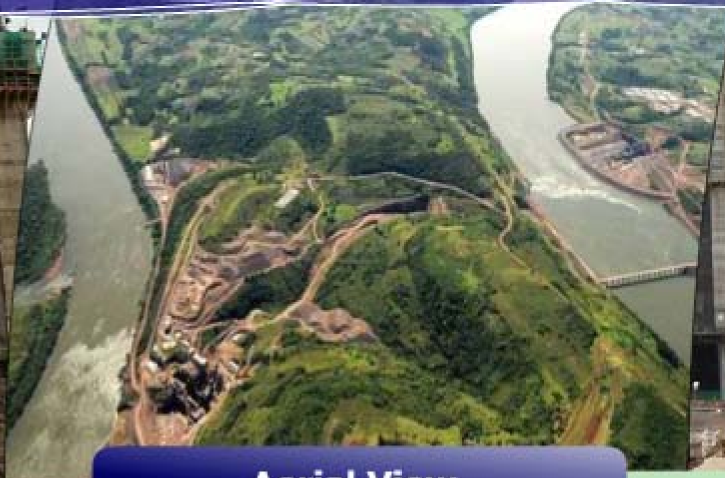
81% of the transmission system

- **Operating License (Oct/08)** ✓
- **Reservoir filled (Oct/08)** ✓
- **Commissioned (Nov-Dec/08)**
- **Commercial Start-up (Dec/08)**

Foz do Chapeco HPP



Spillway



Aerial View

Power House

13% of electromechanical construction
55% of the civil works
45% of the equipment supply

Installation License (2006)[1] → **Beginning Construction (Dec/06)** → **Work Progress 3Q08 – 52%** → **Commercial Start-up (3Q10)**

1) Installation license (IL) renewal, for another 4 years

Carbon Credits commercialization

Highlight

CPFL GERAÇÃO

Monte Claro HPP
Volume trade: 254,000 CERs[1]
CPFL Gross Revenue: R$ 5.8 million

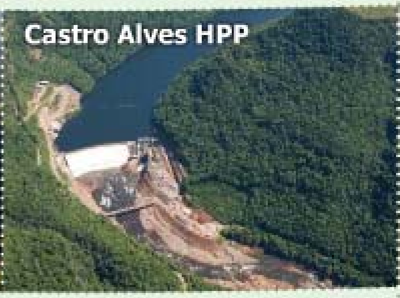
Buyer

TEPCO

Tokyo Electric Power Company

Ongoing Projects

Ceran
Cia Energética Rio das Antas



Annual Volume = 0.6 million CERs

Registration approval by CDM[2] in process

Foz do Chapecó
Foz do Chapecó Energia S.A.

Annual Volume = 0.9 million CERs

PDD[3] being finalized

Baesa
Energética Barra Grande S.A.

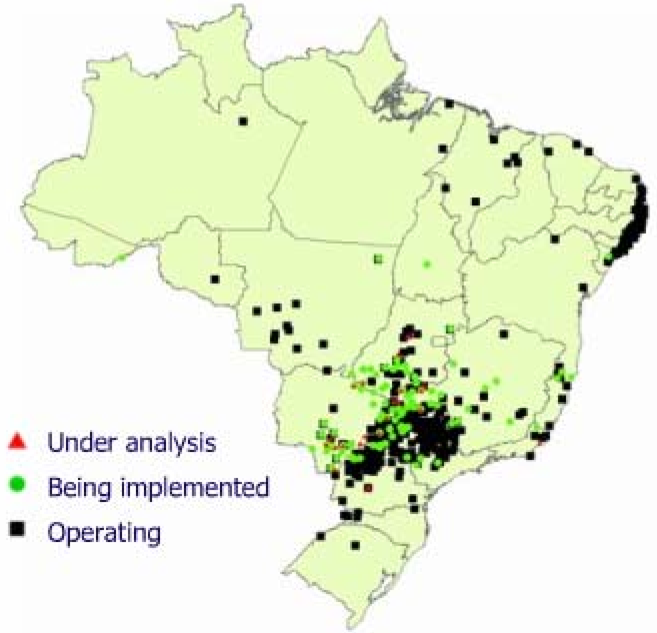
Annual Volume = 0.6 million CERs

Validation of credits expected in 4Q08

(*) 113 thousand CERs (2006) and 141 thousand CERs (2007 to Feb/2008)   1) Certified Emission Reduction   2) Clean Development Mechanism – UNO   3) Project Design Document

Expansion into biomass; CPFL Bioenergia's first deal

Expansion of ethanol plants



151 new plants expected to be built in the state of São Paulo by 2011[1]

Share of bioeletricity in total energy matrix expected to double by 2010 (6%)[2]

Baldin Project – CPFL Bioenergia's 1st project

- Contract signed: Aug 2008
- Construction of a sugar cane bagasse-fired thermoelectric generation plant
- Location: Pirassununga – SP
- (Expected) operations: April/2010

CPFL Investment: R$ 98 million

CPFL will have the right to excess energy

- 25 MW of energy exported during harvest season: 112 GWh/year

1) 2nd primary source of energy, according to EPE 2) COGEN/SP

Value-added Services

54 installations sold in 3Q08: R$ 14 million

Self-production systems
Installation of generators (13,200 MVA): R$ 11 million

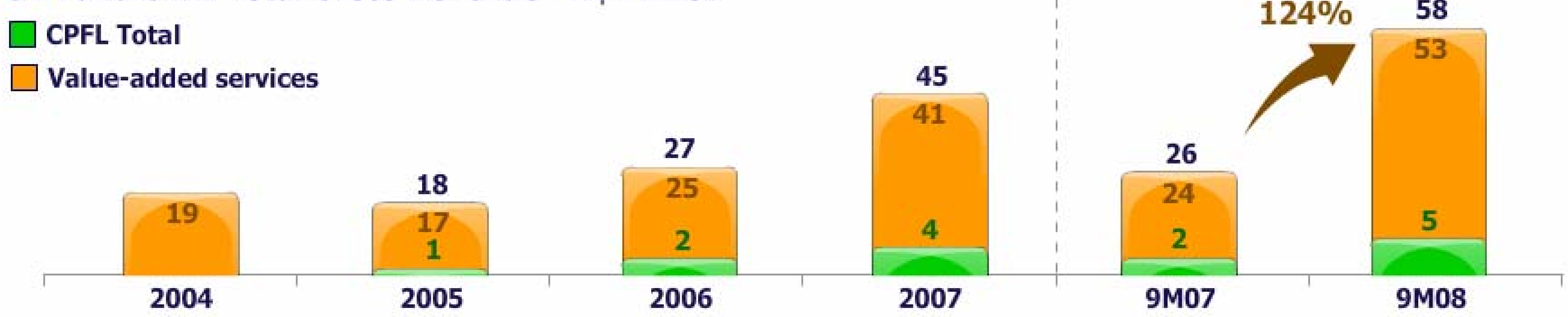
Asset Management
Contracts in the amount of R$ 2 million

Distribution systems
Contracts in the amount of R$ 1 million

CPFL TOTAL pagamentos e serviços

	Customer Service Points²	Transactions (thousand units)	Gross Revenue (R$ thousand)
3Q08	1,070	2,980	2,018
	105%	240%	111%
3Q07	520	875	956

SVA and CPFL Total Gross Revenue - R$ Million



1) CPFL Brasil and CPFL Serviços (CPFL Jaguariúna)

2) Total customer service points at the end of the period

Decreasing costs in Supply Chain through Administrative Vice-Presidency actions

Main Actions

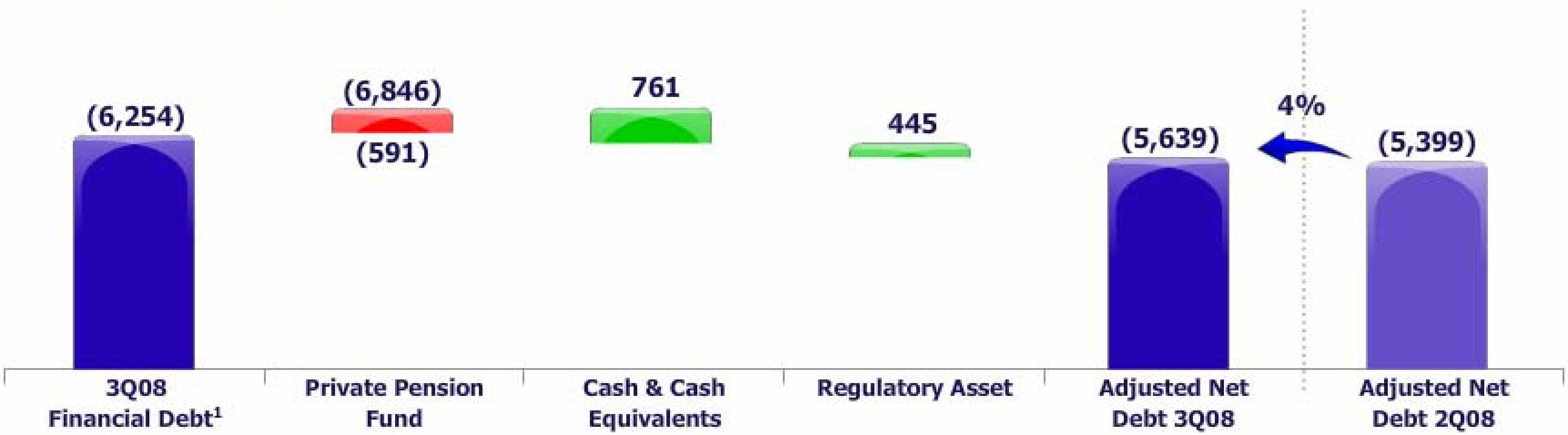
- Purchasing processes integration
- Supply base review
- New suppliers development
- *Strategic Sourcing*
- Develop long term agreements with key suppliers
- Supplier Relationship Program (SRP) development
- Materials logistics flow reenginering

Executed agreements – medium term[1]
R$ million

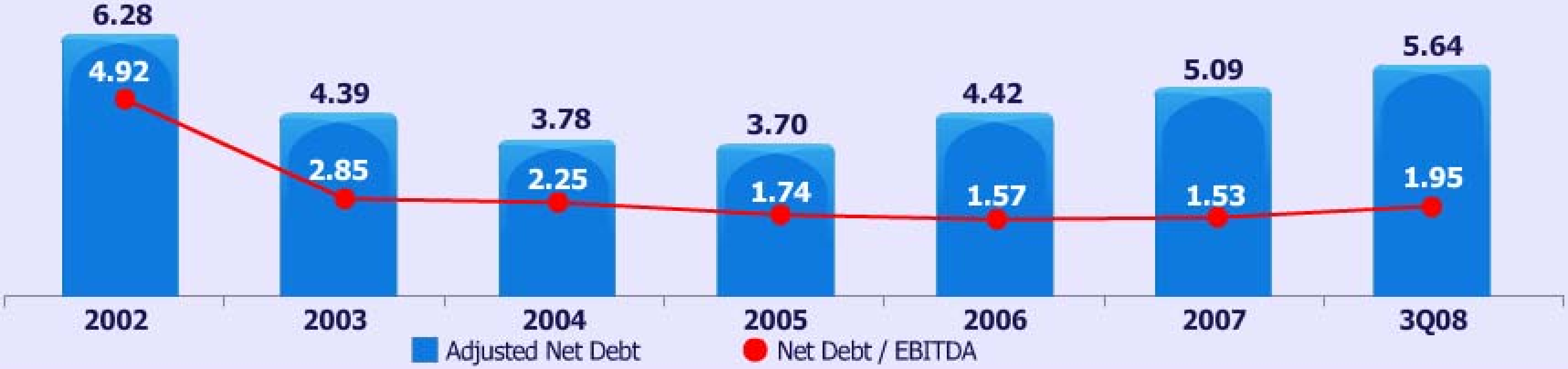
Savings of R$ 61 millions between market price and contracted price

1) Duration – 2 years

Adjusted Net Debt (R$ million)



Adjusted Net Debt /EBITDA[2] (R$ billion)



1) Excludes judicial deposit of R$ 403 million and includes derivatives (Ative/Passive)

2) LTM EBITDA

3Q08 Debt Profile

CPFL Energia's Capital Structure[1]

Equity 46%

Debt 54%

CAPEX already signed up with BNDES

Capex 2008-2009

Distribution Companies

BNDES financing

- 60% to 70% of the funded items
- Amortization: until 6 years
- Cost: TJLP + 2.90% to 3.34%

Total Capex

Foz do Chapecó HPP

BNDES financing

- 70% of Capex
- Amortization: 16 years
- Cost: TJLP + 2.64% p.y.

CPFL Energia Ratings

National scale

STANDARD & POOR'S

Since July, 2008

Rating brAA+

FitchRatings

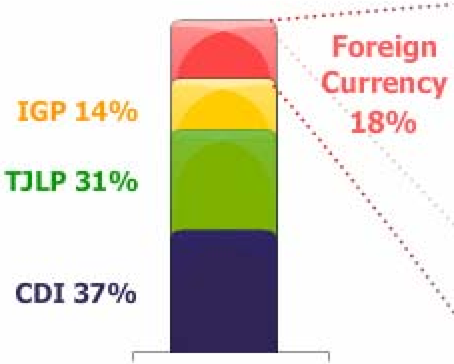
KNOW YOUR RISK

Rating AA(bra)

1) Adjusted Net Debt + Shareholder's Equity

3Q08 Debt Profile

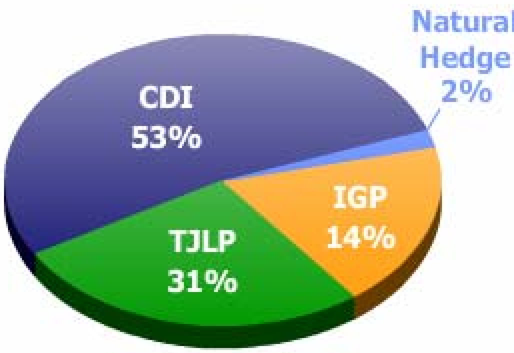
Original Indexation



	R$ million	SWAP
Bank hedge 16%	550	104.2% to 104.5% of CDI
	375	102.9% of CDI
	91	104.5% of CDI
Natural hedge 2%	137	Currency variation revenue

=

Indexation after hedge



CPFL don´t have debt with foreign exchange variation

Nominal and Real Cost of Debt Evolution

1) 9M08 accumulated - annualized

Note: Real cost deflated by IPCA

Balance of 4 years after the IPO

Performance by Business Segment

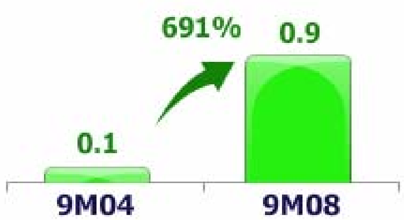
	Distribution	Generation[1]	Commercialization
IPO	• 2 distribution companies + 67.07% of RGE • sales in concession area: 27,122 GWh (9M04) • 5.4 million customers	• Installed capacity of 812 MW • 19 SHPs + Semesa HPP and 6 plants under construction	• commercialization of 2,210 GWh (9M04) • market share of 19% • 42 customers
3Q08	• 8 distribution companies • sales in concession area: 36,549 GWh (9M08) **+35%** • 6.4 million customers **+19%**	• Installed capacity of 1,672 MW **+106%** • 33 SHPs + 6 HPPs and 2 plants under construction	• commercialization of 6,569 GWh (9M08) **+197%** • market share of 22% • 77 customers **+ 83%**

CPFL Energia Consolidated Results - R$ billion

Net Revenue

EBITDA

Net Income



Investments

R$ 5.1 billion since IPO
- Capex: R$ 4.0 billion
- Acquisitions: R$ 1.1 billion

Net Debt / EBITDA

Dividends

R$ 4.5 billion paid out since IPO

(1) Considers CPFL's stake in HPPs

Since the IPO, CPFL presents an excellent performance in the capital market

Share performance – Since the IPO[1]

Free Float

IPO 13.6% → 3Q08 27.6%

Share performance – 3Q08[1]

Performance CPFL[1] vs. main indexes - 9M08

Good support of the share price during the crisis:

- Defensive share
- Predominance of readjustments indexed by IGP-M, making the share attractive in times of inflation acceleration
- Financial crisis has limited impact on the company's performance (energy consumption is inelastic)
- Without currency exposure (Debt with hedge; CVA)
- Dividends

1) Adjusted per dividends – until June 30th,2008 (ON = R$ 36.30 and ADR = US$ 68.36)

Presence in the main indexes and market proximity consolidates CPFL's participation in the capital market

Transparency and market proximity since the IPO

- **43** APIMEC meetings
- **42** conferences – 22 national and 20 international
- **22** Webcasts and Teleconferences
- **25** Roadshows – 9 national and 16 international
- **09** Expomoney (Curitiba. Porto Alegre and São Paulo)
- **13** Chats with investors
- **20** Thousand retail investors[1]

750 one-on-one meetings

23 sell side institutions covering CPFL

Daily Average Volume – R$ thousand

1) Above 10 shares
2) Ref. 4Q04

Sustainability – quarterly highlights

KNOWLEDGE MANAGEMENT

1st CPFL Energia International Forum

- 650 participants
- Focus on the international financial crisis
- Presence of important formulators of opinion: Paul Krugman and Luiz Gonzaga Beluzzo

VALUE CHAIN

4th Regional TEAR Seminar

- 250 companies attended
- Acknowledgement of the small and medium-sized companies participating in the TEAR Program

RELATIONS WITH STAKEHOLDERS

10th meeting of the Consumer Councils of the Group's distribution companies

- Participation of 20 representatives of the consumer councils
- Discussion and promotion of sustainable practices
- Exchange of ideas between councils

CPFL Energia is elected, for the 7th consecutive year, one of "The Best Companies to Work At"

Elected the best company in the Strategy & Management category

CPFL Energia receives the IFC's Client Leadership Award in Washington, during the World Bank and the International Monetary Fund annual meeting

CPFL Energia is internationally recognized by the IFC as a model-client, selected from hundreds of private companies around the world:

IFC International Finance Corporation World Bank Group

- Management quality
- Transparency
- Social Responsibility
- High levels of Corporate Governance

The IFC's Client Leadership Award rewards companies that stand out for fulfilling the strategies, innovation, operational excellence and commitment to sustainable development

CPFL is the 1st Brazilian company to receive this prize

For the 2nd time, CPFL Paulista receives the National Quality Award - PNQ

CPFL Energia is the winner of the National Quality Award – PNQ 2008

- Certification of maturity and excellence in the management of corporate and operational processes
- The PNQ is among the world's largest awards for quality, such as Malcolm Baldrige National Quality Award (USA), European Quality Award and Deming Prize (Japan)
- The PNQ was created 17 years ago and in that period only 31 organizations were rewarded

CPFL PAULISTA

PRÊMIO NACIONAL DA QUALIDADE 2008 PREMIADA

Only company in the energy sector to receive this award

52 → **3** → **2**

COMPANIES COMPETED TO WIN

FINALISTS

WINNERS IN THE NATIONAL QUALITY AWARD

CPFL ENERGIA

3Q08

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