

Operator: Good morning ladies and gentlemen. We would like to welcome everyone to CPFL ENERGIA 4Q12 Earnings Results conference call.

Today we have here with us the executives **Mr. Wilson Ferreira Júnior**, CEO of CPFL Energia and other officers of the company.

This call is being broadcasted simultaneously through the Internet in the website: www.cpfl.com.br/ir. In that address you can also find a banner through which the presentation will be available for download. We inform that all participants will only be able to listen to the conference call during the company's presentation. After the presentation, there will be a question and answer session. At that time further instructions will be given. Should any participant need assistance during this conference, please press *0 for an operator. It is important to mention that this teleconference is being recorded.

Before proceeding, let me mention that forward-looking statements are being made under the Safe Harbor of the Securities Litigation Reform Act of 1996. Forward-looking statements are based on the beliefs and assumptions of CPFL ENERGIA management, and on information currently available to the company. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties, and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur in the future. Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results of CPFL ENERGIA and could cause results to differ materially from those expressed in such forward-looking statements.

Now, I'll turn the conference over to **Mr. Wilson Ferreira Junior**.

Mr. Wilson, you may proceed.

Sr. Wilson Ferreira Jr.: Good morning to all of the investors and analysts of CPFL Energia that are here with us today. We are here to present the results of the fourth quarter and full-year 2012. I feel that it is important, beginning on page 3, to touch on the sector environment before going into the results, in an effort to resolve some doubts.

I feel that sometimes investors and analysts that have a given doubt regarding recent developments in the sector and here at CPFL feel – like most of it in the sector – that they must clarify their doubts to lay the groundwork for more robust forecasts and a more strategic vision of the current outlook. It is for this reason that we will begin on page 3, in the most transparent of manners, with news regarding these developments and other recent developments in the sector.

You are all well aware of the overall fall in shares in companies that were affected by Provisional Measure 579 and companies, like ours, that weren't, with behavior on the exchange that was the same, but similar. The conditions at hand: less attractive generation after the PM – and this has come up a lot, particularly for companies with concessions that have matured, or are practically amortized and depreciated.

Just like the exchange rate, when saying that the exchange rate floats, the same is true for the PLD. The PLD must represent the current state of reservoirs, or more correctly, consumption. So this news about the PLD values can sometimes scare investors and analysts.

The so-called risk of rationing has recently come up. The use of thermoelectric plants, evidently their dispatching and payment, in addition to the impact on spending that this naturally causes.

In short, I feel that it is very important to cover these three themes that somewhat summarize concerns, namely: the theme of concession renewal, the impacts thereof on companies and the hidden risks of eventual losses with this PM (which we understand to be zero); the so-called risk of rationing that has also been very difficult to understand; and doubts regarding the liquidity and working capital of distributors, which will obviously have impacts during times of greater use, and that were the focus of both direct action by the company and the actions of associations, particularly Abradee.

Moving on to page 4, we will now begin to look specifically at the case of CPFL and the results of the application of the Provisional Measure and its conversion law. On January 24 of last year, we saw the complete application of the PM and we are all aware of this, with the adherence of 100% of the companies with transmission concessions to the renewal thereof. With regards to generators, of the 11,000 average MW up for renewal, we had nearly 9, or 2,000 average MW that did not accept the offer or the proposal for public appeal of the price presented by the government.

In the case of distributors, there was no impact on the parcel B – just as expected – only the pure and simple application of proposals for reduction that involved the

reduction of generation tariffs in the amounts they were willing to renew; a nearly R\$95 decrease for around R\$32, leading to a decrease in tariffs; the adherence of 100% of the transmission system, with a decrease in transmission costs for all Brazilian companies in an amount of around 60%.

In the case of distributors, we also saw an important decrease in charges that are shared throughout the consumption chain of the industrial, residential, etc. segments, leading to a reduction in average tariff for distributors, as presented in the first table: an 18% decrease in the tariff for Paulista, 18.4% for Piratininga, 22% for RGE, 19.7% for Santa Cruz, 23% for Leste Paulista, 18% for Sul Paulista, Jaguari and something of nearly 21% at Mococa.

And with this the PM eliminated, ended all of the tariff reduction effects for consumers. So, how did this impact the sector and the country? Below is an overview of the outlook for this tariff reduction on a permanent basis, based on real future factors according to consultants that provide macroeconomic scenario services.

So what we can see very clearly... there is a real outlook for an increase in competitiveness in the industry – which I will provide more detail on later – and this will have a positive result with regards to competitiveness and, therefore, the exportation agenda. We imagine that this tariff reduction will lead to more competitive Brazilian industries and, not only because of this measure but as a result of others to be touched on later, more competitiveness on the international market, thereby increasing the outlook for exports, while imports will see a resulting reduction. Therefore, there is less need, less demand for imports.

In the blocks of 0.2 and 0.1, we saw an increase in industrial production in 2013. There was an impact of this reduction in tariff and industrial production and, therefore, an impact on wages, given that all Brazilian companies will see lower spending with electrical energy – often a quite relevant decrease.

So the bottom line of 579: an average reduction in the tariff for all consumers of approximately 20%, with no impact on distribution companies or the parcel B of distribution companies; a reduction, naturally, of spending on generation and transmission and greater competitiveness in Brazilian industry.

This provisional measure – moving on to page 5 – through the adherence of companies, led to certain opportunities, the most important of which has already been touched on: more than 2,000 average MW did not adhere to this proposal or this presented public appeal price.

These concessions will be the target of new public auctions at the end of the period, which is 2015. This will give operators, like us, that are very efficient in their operations, the opportunity to compete for the possibility to provide operation and maintenance services for these concessions. I must point out something that we are all well aware of: we are a large hydroelectric plant operator – and we are also present in plants where we hold interest in the control or operation of plants – and wherever we provide services, we charge less than the values presented as proposals for the current concessions, some of which have been accepted and others that have yet to be accepted.

I feel this is an important point: we will see opportunities – which we have not seen up to this point - for operation and maintenance of plants with concessions ending in the next two years.

Even so, it is important to point out that these measures affected the periods of contracts for the purchase and sale of electric energy – this has already occurred with large consumers in Group A, which were prohibited from returning to the concessionaire for 5 years – and this was not something that happened with special consumers, which were those that, in the last few years – particularly in the last 2 – posted elevated migration to the free market, even though they were free to return to the concessionaire after 6 months.

These consumers, which are the future of the free market, will now receive special rules (known as A4 or special consumers), quite similar to the A2 consumers. They will have to establish long-term contracts and may not return for 5 years after making the move to the free market.

This will obviously be a challenge for commercialization companies, with regards to more technical sales, longer-term energy supply under more competitive conditions. This will certainly be an advantage for the commercialization companies in our group, because, first and foremost, they are large: CPFL Comercialização Brasil is the largest operator in the segment at the moment and has, as you may know, long-term ties, mainly given the supply of PPA's to CPFL Renováveis.

We also understand that small commercialization operations will be consolidated. We have seen a boom in recent years, with impressive growth in the number of commercialization operations, and we feel that the market has become more professional as a result of these measures. This market demands credible operators, with the financial and technical capability to provide service options to free consumers – both current and potential – in much more sophisticated

conditions than currently seen, which will provide advantages to large companies, similar to the companies in CPFL Brasil.

With this we have come to the end of my opening comments regarding 579, pointing out that with relation to CPFL Energia, aside from the adherence to the renewal of 2 Small Hydros in the amount of 20 MW (negligible in relation to our total operations, in the amount of 3,000 MW), there was no impact on reduction, parcel B or the revenue of our generators and commercialization companies.

Moving onto page 6, we are now on the second theme, which is certainly quite concerning to the market. This theme is exactly the system's electrical conditions. We have made an effort to include the most important tables for clarification of the system's electrical conditions at this time.

The table on the top-left presents the level of reservoirs in the National Interconnected System (the SIN), covering the Northern, North-Eastern, Southern, Southeastern and Midwestern regions, and as you can see, we ended the year at a little over 30% of capacity, indicating a delayed arrival of the rainy season, which may have had certain repercussions and led to doubts that we were facing different, more dangerous supply conditions.

I had the opportunity to speak with the press and stated that in fact the sector's main rainy season – affecting the Northeast, Southeast and Midwest, was delayed at that point in time, but that in the rainy season of January, February and March we began to see a real perspective for rains filling these reservoirs, in accordance with information at hand at the time from our own reservoirs or climate institutes that support us in our operations.

As we can see here, the downward curve is the period of rationing. In fact, that time period was an absolutely atypical year, proven by the fact that the curve is practically flat, which can be seen in comparison with other curves above that show that in this period of January, February and March, there was a positive curve, filling our reservoirs.

This is the same curve that we have seen since December, meaning that we ended January with reservoirs having been filled by over 7%, reaching 37.8%; we ended February with 46%, well over the atypical year of 2011; we are now worked under the expectation that – we are here on the 12th, yesterday, at practically 48% of capacity – looking towards the end of March with an expectation for greater than or equal to 52%-53%, according to outlook that has been presented and has been proven since the beginning of the month with 46%, reaching 48% two weeks later.

On the right – we sought to find a company, a consultant, that is widely recognized as the most relevant in this sector: PSR. In January, PSR published a risk index based on the current situation putting the risk of a rationing decree at a fairly high 9%. The outlook for February had already fallen by half, while in March, at the very beginning of the month, the risk of rationing stood at 0%.

And why did this happen? The answer can be found below: in 2001, to deal with the practically flat curve, we had thermoelectric plants running nearly 3,600 MW, out of a total Brazilian system of nearly 90,000 MW, for 4% in thermoelectric plants, most of which were quite old and highly inefficient.

To this date, this situation changed tremendously: we practically quadrupled that capacity and we began last year with more than 13,000 MW. In this year alone, we will add another 3,000 MW, to close the year with approximately 15,700 in thermoelectric plants, all of which running the most cutting-edge equipment and using less polluting fuel, such as gas, fuel oil, etc., and this obviously provides greater security for the sector. In addition to the rain reservoir storage problem – which, as shown by the graph above, is not the case – we have much more thermoelectric capacity, which will allow us to bring them online to ensure greater electrical security in the hydrothermal system.

The decision to use the thermoelectric plants in the conditions at hand was absolutely rational and correct, in our understanding, and aids in creating the greatest possible level of electrical security in the sector, which is an obligation inherent to the operational planning of this system. So it was important to express this disclaimer with regards to energy conditions.

Moving on to page 7, in May we will see a group of measures that are currently being discussed at this moment: the first of which has already been resolved, the A-0 bid (the first time we have been involved), in an effort to bring in part of the supply that did not adhere to the renewal of concessions with an option of two-year contracting for 2,000 average MW.

Furthermore, we are looking at the experimental adoption of “tariff flags” during this year. This will allow a larger number of consumers (particularly low voltage consumers) to determine their consumption hours or consumption during time periods with lower tariffs or during higher-tariff periods... paying for the real cost of consumption in a defined period.

These so-called “tariff flags”, to be applied as of 2014, and that will be presented in 2013, are already being prepared in light bills and systems to ensure that each consumer receives the most real cost of generation possible.

I feel that, furthermore, these discussions on the regional energy auctions or auctions by source will maximize production capacity and rationalize transmission costs to allow for sources closer to charges, thereby minimizing the impact of transmission lines. This is the very objective of the regional auctions.

We have had discussions, which I feel have been quite important, with regards to the theme of thermoelectric plants and run-of-the-river hydroelectric plants (without reservoirs), which will determine processes for hiring thermal electricity based not only on the criteria of availability – as it stands today – but also based on quantity, to allow for the use of thermoelectric plants as a basis for the system, functioning throughout the year in a different manner than the thermoelectric plants we have. Our plants are mainly used based on availability, only run when hydrological outlook is less favorable.

Moving on top age 8, I feel that it is important to discuss how this dispatch occurs and how it places a burden on concessionaires. The first table above shows the so-called CCEARs by availability, which is exactly the contract for energy purchase in thermoelectric contracts by availability.

How does this work? Aneel, on the yearly anniversary of each distribution concessionaire, the fixed cost or cost of availability of plants is incorporated in the cost of the tariff, and Aneel establishes an expectation of what the price for settling this difference or spot market price that should occur during the year based on these forecasts, or rather, the systems that it has available in the system at the moment.

And how does this dispatch work? With regards to the PLD, theoretically if the PLD is established by Aneel throughout the course of the year, two things may occur: the PLD may be lower – and this occurs in the second block of our presentation – and when it is lower, given that we are charging a lower PLD to the consumer, the volume that was not dispatched begins to create a liability at the distributor with regards to the consumer, meaning that the tariff serves as an amount that was greater to the consumer, given that there was no dispatch for all of the energy volume simply because the PLD is lower. So in this case, at CVA, we have a liability, an account that cancels out, meaning that the consumer paid too much.

In comparison – and that is what happened in the second half of last year – the PLD may be higher, with a spot price higher than the fixed price or the price established by the agency for most distribution concessionaires, clearly revealing the uncommon situation of rains and reservoirs last year.

What occurs – just as the exchange rate floats – when hydrological conditions are less favorable, the spot price tends to be higher, which will determine a dispatch of

a greater volume of energy from thermoelectric plant. The plants are dispatched by the so-called variable unit cost (CVU, plant generation cost) and may be dispatched at a price higher than that established by Aneel during annual price adjustments for concessionaires.

In this case, this additional value paid by the concessionaire corresponds to an asset that will be added into the account for parcel A variations (in the CVA), to allow for the tariff to be charged to the consumer in the next tariff adjustment. In this case, the concessionaire forwarded funds to the consumer and will receive the funds in return after the next tariff adjustment. This explanation is important because there are a number of different availability contracts, just as I have stated, and the 13,700 fall under this characteristic.

Furthermore, in addition to this – and now we are talking about a second cost – so-called system service charges. Some people refer to this charge using the acronym SE, for energy security – in addition to the dispatch called by order of merit. The PLD serves as a reference for the dispatch based on order of merit for all plants, up to the reference price, but the CNPE (National Energy Policy Council) may determine dispatches out of the order of merit, using the following argument: energy insecurity.

With this, the dispatch is sent... for example, last week's PLD was at around R\$370, and dispatches should have been sent by order of merit to all thermoelectric plants up to the limit of R\$370. Ok, but we now have a dispatch over this amount, for plants with a CVU of over 370. This dispatch was sent due to energy security and adds an additional cost.

Below is an explanation of what this meant in the month of January with regards to the concessionaires in the CPFL Energia Group. Beginning at the bottom, 164 million was exactly the cost to the eight distributors of the CCEARs for availability. The 38 million (the second green block) corresponds to all dispatches over merit, therefore over the PLD price that corresponds to a dispatch based solely on the argument of energy security.

Two components then appeared in January that had not appeared within the distribution concessionaires up to that point. What are they, the yellow and red lines? The yellow is exactly... remember, I said in the beginning of our presentation that 2,000 MW did not adhere to the proposal for renewal of concessions. These amounts were projected as distributor quotas and, without the adherence, the distributors were undercontracted, and were left open to exposure (exposure to the market price, the PLD) and naturally, this exposure is involuntary.

The concessionaire would have contracted 100% of the quotas if the generators had offered 100% of the quotas, and as some of them did not adhere the number of quotas or the volume of quotas was lower than the projected amount, and this generated costs of 27 million. The subcontracted volume, below, of concessionaire sales and valued at the PLD price corresponded to a cost, or an involuntary exposure of 27 million.

I would like to make it clear that in addition to the quotas – this is quite important – our offer to generation operators completely eliminated hydrological risk. If the plant fails to generate what it needed to, what was projected for generation, this risk is passed on to the consumers, and is known as hydrological risk.

Let's say for example that there were 100 units of energy, of which only 97 were produced, with the remaining three corresponding to the hydrological risk. The operators that were willing to operate the plants for R\$32 do not face this risk, which is passed on to consumers and corresponds to the 36.

It is also important to note that the four rates mentioned herein include the result of interactions between the majority of groups and representatives of the government, our company and our associations.

So, what is important to point out at this point? The involuntary exposure that occurred for the first time, but that will occur over time because all of the quotas were not filled; the hydrological risk that had not been a component for distributors and become a component once we converted the volume of energy in quotas; and the dispatch of thermoelectric plants by order of merit.

These three factors, which were the result of the so-called decree 7945, released last Friday – and without the decree, the values would be absorbed by the CDE. This is the point, here. So practically 100 million of this total, which came to 260, are covered by the CDE.

In comparison, we have the CCEARs. A part of the CCEARs may also be assumed by the CDE... this is up to our criteria ... in the annual adjustments, to allow for a mitigation or reduction of the amount to be passed on to the consumer, depending on the decision of the concessionaire, given that exposure to CCEARs is not the same among all concessionaires; some face greater exposure, some less. So upon executing the annual adjustments (for concessionaires), Aneel will take this into consideration and may directly fund the mitigation of this pass-through to consumers.

Once again, we have come to a very important point, which I think can be found on the right, that was incorporated in this decree: there was an alteration in the pass-

through limit for overcontracting. It was originally 3%, the so-called 100 to 103%, and now we are looking at 5%. This leads to excess capacity for the sector and further strengthens the Brazilian energy system, which is an important achievement.

Furthermore, with regards to the theme of pricing CCEARs - the question of arbitrary pricing for each concessionaire – the method for pricing the PLD will also be strengthened. We have transition criteria, but I feel it is important to mention that we are looking for a CCEAR or PLD to be incorporated in each concessionaire at the most real rate possible. This methodology, this sophistication in PLD pricing systems, will be incorporated, leading to a lower value over time.

Closing this subject, I am now on page 18, and I just wanted to quickly mention our positive vision regarding assets that we operate and their performance over the years.

I will now begin with distribution, which is our main business segment. Energy volumes have been increasing over the last five years at a rate of nearly 4% per year, but our operating income measured by EBITDA has grown by 8.8% per year, which is obviously a result of greater operational efficiency thanks to measures that we have been sharing with the market for quite a while, ending the year with a recurring EBITDA, in accordance with IFRS, of 2.678 billion.

Below you will find our generation strategy, which has been growing even more quickly. The CAGR of EBITDA increased by 27% p.a., closing last year at 1.671 in EBITDA. This was partly a result of the important contribution of the Company's most recent strategy for investment in renewable energy, which already represented one-third of income from generation, accounting for 50% of all growth in the generation sector. Installed capacity has also increased, at a rate of 15% per year, as you can see in the graph on the right.

On page 19, you can also see another breakdown of commercialization and service activities. As I said at the beginning, CPFL's commercialization has reached the point where it is the largest operation in the sector, with an EBITDA of between R\$250 to R\$300 million per year.

The most recent event at this moment is the focus of CPFL Brasil and CPFL Serviços on separating their administration. Since last year, we have been working within a strategy to focus on commercialization as a single unit and service provision as a group of activities, which has allowed us to guarantee this total of nearly R\$300 million.

It is important to note that we are planting the seeds for commercialization – as you can see to the right, our number of customers – and this has already led to the regional office strategy, with offices in the Northeast, South and two operations in the Southeast.

We have been expanding our platform and we understand that this business, whether through the seeds we have planted among our customers or through the consolidation that we believe will occur in the sector – and the need for ballast, particularly for special energy – will provide us with advantages.

As a result of all of this, you can see a summary of the Company's growth in the lower graph. Consolidated EBITDA has increased by 7.4% per year, and the Company ended the year as the largest distribution company, with a market share of 13%, in addition to ending the year as the largest commercialization agent, with a market share of slightly over 10%, and the second largest private generator, with a market share of 2.3%.

Moving onto page 20, I will now try to quickly touch on the highlights of the fourth quarter. I will cover this very quickly, but I must point out the following: sales growth in the concession area; the operational start-up of two plants (one solar and one Small Hydro); investments of over R\$500 million in the fourth quarter; 2.5 billion in 2012 – and that is growth; payment of dividends in the amount of nearly 1.1 billion in 2012; the acquisition, together with Equatorial, of assets from the Rede group, which will be the target of judicial recover and should be completely acquired by the end of the first half of the year; tariff revisions and extraordinary revisions that I had already mentioned, with no impact on distributors' remuneration; the increase in liquidity of shares by nearly 30% last year; and a number of prizes, particularly in the area of sustainability, innovation and the Company's continuation on the ISE and inclusion in the Emerging Markets section of the Dow Jones Sustainability Index.

We will now quickly cover pages 21 and 22, with regards to energy. Sales in the fourth quarter may give us a sign of what is to come in 2013. We saw very vibrant sales in the captive market, of over 3%. Please pay attention to the TUSD, because this is the trend of large consumers, of large industries, posting growth of 12.2%, leading to growth of 5.6% in concession areas.

The graph to the right also shows the same trend. We posted growth in the Southeast, practically double in the region, with less growth in the South, which we understand to be the impact of industries in the South tied to Argentina, etc., which will most likely change in the near future. Our Company however, posted growth much greater than that of Brazil, particularly in the Southeastern region.

Total energy sales increased by 12.1%. We have already touched on the distributors, and we saw growth of 30% in energy commercialization – the free market for conventional commercialization outside of the group – and 117% in the operations of CPFL Renováveis.

I have to point out segments, here below, at 10%. I have worked in this sector for quite a while and I have rarely seen such strong growth in the residential and commercial areas, all of which greater than 10%, and an industrial recovery – as I have already mentioned – of 1.6%.

Page 22 shows the exact same theme, only for 2012. Total sales were up 3.8, driven by 9% in TUSD; direct sales to consumers came to 8.1; 14% greater for commercialization and services; practically 5x for renewables and what happened in the year, with the commercial and residential segments at nearly 7%; industry recovering in the third quarter, growing 0.7 in the year and other segments at 5.8%, with the growth of our operations outpacing that of Brazil.

The next three graphs are here to provide a bit of perspective: the graph on page 23 is for the residential segment. The important information here is the migratory movement in the state of São Paulo. You can see that people are leaving the metropolitan region, where growth was quite low (0.98), with negative migration, meaning that people are leaving. Where are they going? They are headed to the countryside of the state of São Paulo, and this includes two regions that we serve: the Santos Coastal Area and the region of Campinas. You can see that population growth in these areas is more vibrant (double that of the metropolitan region) and migratory movements are quite larger: 3% in the Santos Coastal Area – increasing even more with the pre-salt matter – and the metropolitan region of Campinas, the second largest city in the state of São Paulo, at 9%.

You can also see on the right, with nearly perfect alignment and correlating quite highly: an increase in salaries, uniform residential consumption and we... we included the theme of real estate credit, which may be a challenge for Brazil, in expanding housing for the population, and credit is already quite widespread, but have a look: in comparison with GDP, this factor stands at 4.8%, while other countries like China post numbers nearly 3 times as large, at 15%; the European Union and the United States post nearly 50 to 70%. In short, there is a lot to do here, with a lot of room for growth in this segment.

Next we will move on to page 24: sales volume and the commercial portion. We have information here from 2007, and we can see that commercial sales volume has grown 60% in the period (over 10% per year), with commercial activity indicators increased by 75% in the same period (over 15% per year).

Below you can see shopping mall inaugurations. Nearly 16% of shopping malls in Brazil are located within CPFL's concession area (in the states of São Paulo and Rio Grande do Sul), and once again we can see a nearly perfect alignment of consumption, retail sales and commercial consumption.

Finally, we move on to page 25, with industrial production. The same thing: industrial production from last year on the side (this is clear given the graph above). We saw a great loss of competitiveness in the sector: higher costs; infrastructure problems; an appreciation in exchange rates. I will not stop here, we have already touched on this in earlier meetings.

We have seen a number of stimulus measures from the government: electric energy, the exchange question, removal of tax burdens – and information on that can be found on the right – but I see two important symptoms: first, monthly consults and disbursements by the BNDES, up nearly 50% between the second and third quarters and up another 50% between the third and fourth quarters with corresponding payments.

To the right you will see what I had mentioned earlier, the reason why we believe in greater industrial competitiveness: we have a comparison between data in 2012 (year-end data from 2012) and forecasts for 2013 for a number of elements that may determine the index of total cost for our industry.

You can see reductions in the unit cost of labor, measures to remove burdens from payroll; the cost of electric energy (down nearly 20%), resulting from the decrease in January; stability in commercialized domestic input, slight growth in non-commercialized products; an increase in imports, but I see that the total cost index, in reais, is practically stable, while the total cost index, in dollars and considering the exchange rate, was down 18%. As a result, we have come to believe in greater competitiveness of our industry on the international market, driven by exports.

Let's move on to page 26, to cover our results in the fourth quarter. As always, the values reported above are in IFRS – and I am referencing IFRS because of the increased dispatch in the last quarter – which incorporates expenses and does not recognize regulatory assets and liabilities. We understand that these volumes of regulatory assets and liabilities resulting from the decree will decrease significantly in the future, but until then, we are faced with a fourth quarter under these conditions.

There was an increase in revenue, resulting from the beginning of operations, tariff adjustments, etc. We saw a 27% increase in revenue, with a 16% decrease in EBITDA and a 42% decrease in net income – all of which within IFRS. If we were to consider regulatory assets and liabilities, a group of non-recurring events and

the pension fund, our recurring management result comes to a 35% increase in EBITDA and a 15% increase in net income.

What hurt the Company's results in the last quarter? The main factor – and we are talking about 310 million, that can be seen under EBITDA in the fourth quarter of the year (from 30 last year to 310 this year), leading to the final line of more than R\$200 million... or R\$200 million less regarding regulatory assets and liabilities that are results that will be seen over the course of the next twelve months, as these charges are incorporated.

We also have a group of regulatory assets and liabilities and the financial restatement of the financial assets of distributors. This corresponds to the application, the new application of IFRIC 12, which was applied to concessionaires. This has a theoretically positive result for concessionaire, in accounting terms, without the generation of cash. I would like to make it clear that given the fact that this is not an economic-financial result, we obviously, out of prudence and procedures, do not distribute this as dividends, but rather create a reserve.

But this is just a quick note. Today, I saw a few reports in which analysts reported a decrease in payout, but we maintained the same amount of distribution, at 95% of distributable income, not accounting results. So I feel that this is quite important to note.

With an increase in the Company's conservatism, resulting from the increase in legal contingencies for suits, we have also strengthened our Allowance for Loan Losses (ALL). We saw an increase in delinquency at the end of year, mainly due to the city councils, with the end of the terms of mayors, etc., so we moved to strengthen our provisions.

We have also continued to increase our efficiency. For purposes of comparison we have excluded the cost of personnel termination at concessionaires. You can see that under EBITDA, this set of items – regulatory assets and liabilities and non-recurring items – impacted our EBITDA-based result in the amount of nearly R\$493 million, while impacting net income in the amount of 232 in the quarter.

Page 27 provides an explanation of results in the fourth quarter. Looking at this critically, you will see two trends: the recurring management trend and the reported IFRS trend. I will stop here at reported IFRS, at this 16% decrease. We saw a 27% increase in revenue (3% increase in physical sales; 6% increase in the average tariff resulting from adjustments; an increase in TUSD revenue; and interest resulting from growth in CPFL Renováveis, conventional generation and commercialization of energy and services). This all led to a 27% increase in revenue.

Nonetheless, we saw much greater growth in the percentage of the cost of energy, not only driven by the cost of energy purchased for resale, but because of what we touched on earlier today: thermal dispatches. Of the 470 million, 250 are related to the dispatch of thermoelectric plants (the so-called CCEAR), offset by an increase in charges (40% increase in charges), while the cost of system charges (which is the proxy of dispatches for energy security) alone came to 122 million. So you can see that more than half of the increase in energy costs were exclusively related to the dispatch of thermoelectric plants, whether under the CCEE or within System Service Charges.

In comparison, we saw an increase in PMSO expenses. This was a large group of items and later I will show that the recurring result is quite positive, with a decrease in the recurring result of our operations, but right now I have to state: we also have a thermoelectric plant, and EPASA fuel oil came to over R\$100 million. CPFL Renováveis, in this case, is much more by consolidation, remembering that in 2011 we began operations in the second half of the year and had a greater set of operations at CPFL Renováveis with the operational start-up of assets, etc.

The increase in personnel costs is because of the collective bargaining agreement, personnel terminations, etc., and this amount is negative. Legal and judicial expenses and other contingencies were touched on earlier (140 million), with the write-off of distributor assets (28 million) and the final ALL adjustment (22 million). I also referenced the exchange rate, which increased by 10% year-to-year, and the PLD, which increased by 800% year to year, from 42 to 306.

On page 28 we have net income, which fell 42%, while posting a 15% increase under recurring result. It is quite clear that the decrease was the result of lower EBITDA, which, as I have stated, was affected by IFRS criteria prohibiting the recognition of regulatory assets, reducing EBITDA by 16%, or 160 million.

Net financial income was down 27%, as a result of the non-recurring effect of the financial restatement of the asset of distributors, in the amount of R\$96 million, as well as a decrease in debt charges, given the improved macro-economic scenario (57 million), a decrease in monetary and exchange restatements (another 26); a decrease in income from financial investments, lower remuneration of cash because we did not take risks (77 million), the consolidation of the debt of CPFL Renováveis (57 million) as the main elements leading to a decrease in financial result.

We also saw an increase in depreciation and amortization, resulting from the beginning of more severe operations by assets in the renewable area. There was

an alteration in PIS and Cofins credits, offset by income tax and social contribution credits because of the difference in results.

On page 29, I will be quite brief, just to show 2012 results – mostly to provide analysts and investors with more information on the Company's recurring bases – we saw a slight increase of 1.2 in EBITDA under IFRS, with a 22% decrease in net income.

Under recurring income, excluding regulatory assets and liabilities, credits that we hold for next year... for 2013, excuse me, because Paulista... most of recorded regulatory assets correspond to Companhia Paulista de Força e Luz, our distributor and the largest in the group, which has a tariff adjustment slated for April 8, a month from now, most of this account of regulatory assets and most of this thermal dispatch will be incorporated into our tariff.

It is important to point out the Company's EBTIDA growth of 22.7% year-over-year, for a recurring basis of 4.625 billion, with the same trend in income, reaching 1.676 billion.

The breakdown here is quite similar to what I have just explained, the only highlight being regulatory assets and liabilities in the amount of R\$670 million, which would impact net income in the amount of 439. After measures taken to strengthen our balance sheet, the remaining value came to approximately R\$700 million.

As I have said, I feel that it is important to provide an explanation because we have seen several trends here, but we have a commitment with our analysts and investors to be quite strict and efficient regarding costs and operations.

That said, this is merely a reconciliation of results. The result would be adjusted "personnel, material, services and other," for a nominal decrease of 1.9% or a real decrease of 7.2% after the incorporation of indexes for inflation in personnel, material, services and other.

Here you will only see a few reconciliations, considering terminations last year, the growth of operations at CPFL Renováveis and CPFL Serviços. After this reconciliation, we saw a 2.9% increase in personnel expenses in nominal terms and a 2.7% decrease in real terms, which can be found to the left.

Under material, services and other, we have one more consideration: the reported MSO and the nominal adjusted MSO fell 5.4% and the real adjusted factor fell by 10.6%. This led to the incorporation in the Company's recurring base, naturally indexed to the IGPM, of a reduction of R\$108 million – we were talking about nearly R\$100 million – and we compromised at R\$108 million. This is mostly here

because of the MSO: it is the Company's improved capacity for management of costs and the implementation of a zero-base budget.

Page 31 presents the Company's dividend yield, with the Shareholders' Meeting proposing the distribution of R\$456 million in dividends in the second half of the year. This corresponds to a payout of 95% of distributable result. With this payment, the Company has paid over 10 billion in dividends since its IPO.

On page 32, we have the outlook for future investment. We are planning nearly R\$8.7 billion in investments over the course of the next five years. We invested a total of R\$2.5 billion last year and are planning to invest R\$2.3 billion this year in distribution operations alone, completing the basis for compensation of the so-called third-cycle, with the maintenance of an accelerated rhythm for generation construction, particularly renewable generation construction.

On the following page, 33, we have leverage. The Company has net debt of 12.6 billion, a ratio with covenants – which were all adjusted at the beginning of the second half of last year, so we did not see anything unexpected here – and that considered the so-called regulatory balance, which is the effective recognition of potential inflows due to regulatory assets. You can see that the IFRS value came to 3.6, while the effective value for our covenants came to 2.89.

I think the highlight here was the breakdown... you can see that 60% of the Company's debt is indexed to the CDI. I feel that it is important to highlight the importance of BNDES financing: nearly 30% is indexed to the TJ, 8% is pre-fixed, which is PSI, always lower than Brazilian inflation. This obviously leads to a decrease in the nominal and real cost of debt. We are actually looking at the lowest levels we have ever seen since we began measuring these levels, at 9% of nominal cost and 3% of real cost.

This leads to, given the level of cash of nearly R\$2.5 billion at the end of the year, as you can see on page 34, a cash coverage of short-term debt of 1.3x. We have been increasing – as a result of our refinancing strategy – the average term of our debt to 4.5 years, as you can see, within this balanced profile (in the amount of nearly R\$2 billion per year), with only 12.8% of this amount in the short term.

I would also like to take this time to point out the group's financial prudence. At the beginning of January, we approved a debenture issue for Paulista, Piratininga and RGE. This debenture provides greater flexibility in the company's working capital and allows us to face additional commitments, for example, those regarding oil dispatches. We know that we will be using this less, but it was a positive issue coordinated by Banco do Brasil, for working capital, at the CDI rate plus 0.83, with

the re-inauguration of debentures for a period of eight years. I think that this is the group's first issue of debentures with this maturity.

We maintained our ratings with Standard & Poor's and Fitch at AA+, thanks to the Company's flexibility, diverse generation and distribution efficiency. In the end, these ratings reflect the Company's solid foundations.

With this incoming cash in February, our cash position at the end of February comes to 3.4 billion, nearly twice the value of short-term amortization. The average period has increased slightly, to 4.6 years, with 12% of debt in the short term.

Closing on page 37, we have a report of assets that are currently under construction in the Renewable energy segment, and I would like to call your attention to the first four, which will begin operating at the end of this half-year or at the beginning of the second half of 2013. We are talking about 582 MW for the first half of the year, up to the third quarter, plus another 330 MW, all hired, bringing CPFL Renováveis to a total of nearly 1,500 MW by the end of the year with all operating assets 100% contracted.

On page 38, I was somewhat disappointed by share performance, as I said earlier this year, after shares dropped. We fell along side the electric energy index in both the fourth quarter and the year – which, in our opinion, is not a reflection of the Company's solid foundations – in addition to a nearly 21% decrease in our New York ADRs, driven down by the exchange rate. The good news is that there was an increase in the average volume of operations involving the Company's shares.

To close, page 39 highlights the Company's continuation as a member of the ISE portfolio. We are one of the twelve companies that have been a part of the ISE portfolio since its creation in December 2005, making this the eighth consecutive year, and we are also very happy to be included in the Emerging Markets segment of the Dow Jones Sustainability Index portfolio for the first time.

That is all we have for today. I would like to apologize for taking your time, but my team and I are open for questions. I would also like to mention something that I forgot, which is the nomination, our indication of Gustavo Estrella to the position of CFO, to replace Lorival Luz, who did excellent work for the Company and is now moving on to bigger challenges.

We are very happy to be able to use our succession plan, which is one of our human resources practices that has been in place since we worked with the international consultant five years ago, and it is great to have Gustavo with us, who was trained here in house, who has been with the CPFL Energia Group for over 13 years, in the financial area, and is known by many of you.

He has seen some challenges in IR, in the last two years he faced the challenge of focusing on planning and control, controllership and implementing ZBB. The majority of results have been the result of his actions and those of his team, working with the Company as a whole. In the end, we are happy to share our nomination of Gustavo Estrella as Chief Financial Officer with the market.

So, we will now open the floor to questions.

Q&A Session

Operator: Ladies and gentlemen, we will now begin the question and answer session. To ask a question, dial asterisk one, and to remove your question from the list, dial asterisk two.

Our first question is from Mr. Marcio Prado, from Santander.

Mr. Marcio Prado: Good afternoon, I would like to thank Wilson for the call, which was quite detailed, both with regards to the sector and CPFL. Congratulations to Gustavo on his nomination, and I wish him all the best.

I have two quick questions, one on the sector and another about CPFL. With regards to the sector, Wilson, you mentioned under commercialization your expectation for consolidation in the sector. In our reading last week's public decree, we understand that commercialization companies will have to pay a part of the ESS for energy security. In our calculations, we came to a total of R\$4/MWh per transaction.

When we look at CPFL Brasil, we see one of the largest companies in the sector, which is a low-margin sector. We see the net margin at CPFL Brasil as somewhere around 5%. So, without a doubt there is an expectation for consolidation, but also certain concern on our part regarding the sustainability of the commercialization sector if commercialization companies will have to pay ESS on each volume transaction, rather than being charged by net exposure. I would like see if CPFL also understands it this way and if you are concerned... particularly from a commercialization standpoint... with regards to the public decree.

Secondly, concerning CPFL, I just have a quick comment on the non-recurring legal expenses, at about R\$150 million. I would like to see if you could give us information on which subsidiary incurred these expenses and what was the subject. Thank you.

Mr. Wilson: Marcio, thank you for your question. We understand the commercialization company issue in the same light as you. But let me be a little more specific: first of all, commercialization is truly a low-margin operation; it is a

characteristic of the business. Ours is actually the largest margin in the business, which could be the result of our attributes, skills, which are clearly recognized by the market.

We are also concerned by the idea, the theory of commercialization companies paying these charges. This will, I have no doubt, and we have even been following this, I think what is going on is quite public, meaning that both commercialization associations and generators have publicly questioned this transition process and have demanded meetings with the government, ministers, and Aneel.

I would not say that this matter is completely resolved, but one of two things may happen: either we will see a recognition that this charge does not make any sense for generators or commercialization companies; or this will end up, particularly for commercialization companies, being passed on to consumers.

The truth is, our small margins cannot handle this type of payment. That is why we say: commercialization operations, just like we have said about distribution, tend to acquire or incorporate the theme of scale in operations in order to become competitive.

I have no doubt that the market – the free market – not only in Brazil, but worldwide, is the market that will grow. The potential for migration of A4 consumers is quite large, and may even double the free market over the coming years, but will require more efficient agents. We see ourselves as one of these agents, not only because we are larger, but because of the distinct skills we have been able to incorporate into our market forecasting systems, our price forecasting systems, our governance practices regarding risks and the quality of our operations with regards to credit.

So we have a fairly large set of differentials that will strengthen commercialization operations, and to be quite honest, I also believe that this discussion of the charges on CPFL will join this front, and is already questioning this charge.

With regards to legal provisions we identified two types, right? The first is the allowance for loan losses (ALL), in which we recognized credits from city halls and some consumers that resulted from the incorporation of our billing systems, in which we identified the need for strengthening our provisions, particularly in the second half of the year.

So here we came to incorporate 75 million in provisions, one-third of which in the last half-year, and we understand that this amount is sufficient to cover current charges. We incorporated stricter provision criteria than we had previously used.

The other half, you can see there, nearly 150 million, 75 of which regarding the ALL and 75 regarding legal items. R\$50 million was used to strengthen our provisions. We also conducted a comparison with companies in the sector and identified that given our success rate of around 75% of all operations or suits, it would be reasonable to strengthen these provisions.

We did this together with the audit, so we see this as a measure to strengthen the Company's capacity for legal management. This also incorporates the knowledge of the Company's new Vice-President, Ricardo Zangirolami, who has experience in this area and with our studies and evaluations, we came to the understanding that this was an important effort.

We continue to be the company with the lowest provision index by revenue or by consumer in the sector, which is proof of the Company's efficiency; but we feel that it was not as efficient when applied as it was. So that is that.

Mr. Marcio: Thank you, Wilson.

Operator: Our next call is from Mrs. Maria Fernanda Lorenzi, from JP Morgan. Mrs. Maria Fernanda, the floor is yours.

I would like to remind you all that to ask a question, please dial asterisk one.

The next question comes from Mr. Sergio Meira, Una Capital.

Mr. Sergio Meira: Hello, Wilson, thank you for holding this conference call. I have a quick question about CDE funds. Is it already clear how these will be recorded? Will it be booked under debt or result, as true income?

Mr. Wilson: We have not yet – Sergio, thank you for your question – we have not laid this out yet. We have already gone to the agency to talk about these regulations. We are working to ensure that this is booked as an inflow into the Company, to prevent it as being recorded as debt.

This will then, to a certain extent, determine recognition under IFRS as an asset, so the tendency is for this item not to be seen as a loan, but rather as revenue, so much so that it will have a positive impact under IFRS. So, that is what we see happening.

This explanation was lacking, but these discussions also work to strengthen the Company's balance sheet and obviously decrease... did you know that under IFRS, when a regulatory asset is not recognized, it ends up providing a relationship to market effects... given that this item is not an inflow of either revenue or

expenses, you have to recognize it at the moment it occurs under the cash regime, which leads to the impression of high levels of indebtedness.

So the tendency, when we were doing this work, was to ensure that exclusive priority was not given to cost coverage within the cash question, but also – and this is what we have been doing and we are directly involved in this – to ensure that this is recognized under IFRS as revenue.

Mr. Sergio: Perfect, thank you.

Operator: Our next question is from Mrs. Maria Fernanda Lorenzi, JP Morgan.

Mrs. Maria Fernanda Lorenzi: Good afternoon, and thank you for holding this call. My line had some problems earlier, but now it is working well. I actually have two questions, the first regarding assets that have reached maturity. Which of these would you prefer to take to auction and what would be... which of them would you be able to operate the most efficiently, and if you have an estimate of EBITDA margin to operate these assets?

My second question is with regards to the Rede Group: I would like to know what the current status of the business is. Basically, is there already a defined structure, will each company keep certain assets or will a holding be created? Thank you.

Mr. Wilson: Excellent. With regards to the assets, we have already created a group within the Company to evaluate each of the assets that will be up for bidding. Given our system of operating assets based on the use of automation, etc., we do not have any regional preference for assets. Any hydroelectric generation asset may be operated using the skills that CPFL has, independent of its location.

Obviously, we would prefer to operate larger assets, similar to those that we already hold. This would also work given the fact that we already have established cost references for this type of asset. If we were to look at the forecasted or implicit cost of O&M added to generation tariffs at this moment, which, depending on the size of the plant, sits at around 10 to R\$15 per MWh, operations where CPFL provides operation and maintenance services always post lower costs than this, usually around 20 to 30% less, at most. So, we are obviously an operator that is capable of generating value if we receive one of these operations.

With regards to the Rede Group, the final structure of the operation has yet to be defined, but I feel I should mention two things: first, we are less than one week away from the presentation of the plan for judicial recovery, which should occur within the next few days, and we have an operation that has – that brings together – the best of two groups, with regards to regional operations.

The experience of Equatorial in operating assets in Northern Brazil is clear and recognized, and it is clear that CPFL has an advantage and experience in the operation of assets in the Southeast, particularly in the state of São Paulo. We have yet to come to a decision about what will occur after this is accepted or after the transaction, but this is something we will look at in the future, in an attempt to incorporate synergies, both in the operation of assets in the North by Equatorial and the operation of assets in the Southeast by CPFL.

Mrs. Maria Fernanda: Very good, thank you.

Operator: If you would like to ask a question, dial asterisk one. Our next question is from Mr. Marcelo Sá, from Brasil Plural.

Mr. Marcelo Sá: Good afternoon. I would like to see if you would comment on Aneel's suspension of the settlement of energy contracts in January and the public hearing to discuss another potential round of seasonality. I would like to ask what you think will happen in the end.

I would also like to ask you to comment on CPFL's seasonality strategy for the year, if the Company allocated more energy to the first months of the year and less to the rest of the year. Thank you.

Mr. Wilson: Well, there is not a lot to mention regarding the suspension. I believe that the suspension has a given motive, which is honestly the companies that make up the Eletrobrás group and it should – independent of the amount – there was a prior authorization of atypical seasonality, meaning it was retroactive, after prices were already known.

So what does this mean (in an attempt to justify the request made by Eletrobrás)? There are companies like ours – and I will get to the second part here in a moment – that are sold, generation companies that are sold to meet energy volume demand over the year.

How is this seasonality determined? It is practically flat? Unless we are talking about very specific regional capacity characteristics, I would say that we work – if PU is around 100 – with variations that are no greater than 5% above or below the total for seasonality. This is a practice based on the characteristics of the operations of these assets.

So my answer would be: we are not, theoretically, one of the companies with atypical seasonality; we have typical seasonality because if there was an “opportunity,” as we'll call it, for “atypical seasonality” to benefit from a higher price on the spot market in January, we also see atypical exposure, and putting the Company in a long position on January, would automatically place the Company or

the asset in a short position for the rest of the year with a clearer outlook, also, for higher prices on the spot market. These prices are even higher now that we have strengthened the methods we applied over the year.

So we do not operate the group's generation assets in what I would call a speculative manner. We work with typical seasonality to meet the demand we have contracted without any price arbitration. We are absolutely satisfied by the PPAs that we have established.

But it is important that you know that certain generation assets do not even do this, they are forced into nearly flat seasonality. In this case, when there is atypical seasonality, with very significant values, there is no outlook for the asset being reimbursed for the atypical seasonality. It is only atypical because it can be retroactively implemented with a known spot market price.

And who can benefit from this atypical seasonality? Generators that do not have – quite different from us – contracts to be met throughout the year. This seasonality may lead to a greater gain for these agents without risk of exposure to a short during the year. This is just one of their characteristics.

Regulators probably saw this and given the impacts thereof, a new batch of seasonality may incorporate a series of problems for operations that have already been conducted. I believe they will hear all parties to see, to define the best alternative for the procedure conducted in January.

Given the fact that we did not use this atypical seasonality, we are neutral. The position of CPFL is neutral with regards to this event.

Mr. Marcelo: Ok, thank you.

Operator: The next question is from Mr. Henrique Peretti, UBS.

Mr. Henrique Peretti: Good afternoon, Wilson. I have two questions on Capex: a new projection that you disclosed in the CPFL Energia press release shows a Capex of 1.072 billion for generation in 2013, including 100% of CPFL Renováveis, while the balance sheet of the latter indicates a Capex of 1.6 billion. I would like to ask about this difference.

With regards to distribution, I saw that there was a nearly 470 million increase in distribution in 2013, and 360 million in 2016. I would like to ask about the motive behind this and if this greater Capex for distribution will be repeated in the following years? Thank you.

Mr. Wilson: Henrique, I think I may have to ask for a little help here. With regards to 2013, this amount for generation (1.072 billion) corresponds to CPFL's 63% interest in CPFL Renováveis. It is correct as the amount declared by CPFL Renováveis as the Company's single value for the Company with 100% interest, and the 1.072 billion is exactly equal to the pro rata amount of our interest.

You asked a second question regarding... you asked about commercialization and I didn't quite understand, 2015 and 2016?

Mr. Henrique: Distribution Capex, in the guidance, increased by 470 million in 2015 and 370 million in 2016, and I would like to know what is the difference or what increased in this period, and do you expect a greater distribution Capex over the following years?

Mr. Wilson: What I understood is that you are asking me why 2015 and 2016 will see an increase in Capex at our distributors. The main forecasted explanation here is because we will be incorporating electronic measurement systems, distance measurement, in an effort to comply with the smart grid theme. We imagine this discussion to be solidified over the course of 2013 concerning Aneel and this theme, with the definition of standards, etc., may have a greater impact on the Company beginning in 2015 and 2016, mainly given the closing of revision cycles and particularly because Paulista and RGE will face a new tariff cycle in 2017.

So, here we are... they are the two largest concessionaires from the point of view of the number of residential and commercial consumers that will be affected by this measure. So this elevation also corresponds to the incorporation of the distance measurement of these consumers.

Mr. Henrique: Excellent, thank you.

Operator: We will now close the question and answer session. I would like to pass the floor to Mr. Wilson Ferreira Jr. for his final considerations. Mr. Wilson, you may begin.

Mr. Wilson: Thank you. I would once again like to thank you all for your attendance, for participating in this conference call. Once again, I feel I should reaffirm our positive outlook for the next six months. I feel that more than a perception of insecurity in the sector, we suffered from important interferences to ensure greater regulatory stability, more robust regulations.

I would also like to highlight that the impact on concessionaires varies to a great extent. I was just talking with my colleagues, for example, about the theme of CPFL's generation concessions and the first maturing in 2032, while the majority will only mature after 2035.

This will clearly guarantee cash flow from these operations sufficient enough to allow us to continue growing with great strength in this segment. We have seen relevant interest in the growth of CPFL Renováveis and we will work to continue doing so. We participated in the last – without winning – in the large generation area.

Brazil is currently undergoing an important moment, which may impact energy operations. As you all know, we are looking at an outlook for economic growth, followed by an outlook for energy sales growth. We are very well positioned to serve – whether in our concession area or areas we may reach – which is the result of the Company's fairly active M&A process. We feel that we have very relevant potential for growth.

Our ambitions in distribution and generation are well known, with the potential to double the size of the Company in the next five years, as well as the Company's training in the commercialization and, most recently, service areas.

Given all of this, and considering not only our level of efficiency, but the results we have seen today, that as I said were atypically affected in the fourth quarter of last year, but we feel that all of these regulatory actions and laws will only serve to strengthen companies, decreasing the activation of CVA accounts. We feel that the Company's future results will mirror this excellent outlook, whether in the recovery of past results booked under CVA or through the decrease of future charges and the sharing of a more efficient platform to serve energy generation, distribution and commercialization. We will see this in coming quarters, without a doubt.

Thank you all very much.

Operator: The CPFL Energia conference call has ended. We thank everybody and have a nice afternoon. Thank you.